

CUSTOMER SATISFACTION:
AN ANALYSIS OF ETHNICITY'S
IMPACT ON AMERICAN BUSINESS

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CUSTOMER SATISFACTION:
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IMPACT ON AMERICAN BUSINESS

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ABSTRACT

The United States is known as the melting pot of the world. Ethnicity has become a growing concern in terms of business. How do customer perceptions change when the ethnicity of the person serving them is different from their own? The purpose of this thesis is to analyze the customer service experience, and determine what role ethnicity plays in the function of customer service and customer retention. Furthermore, the presence of large enclaves of immigrant communities plays a role in what services are offered, and specifically, the training necessary to provide positive customer service experiences to this growing diverse consumer base. In order to gain the in-depth knowledge required for the thesis, a case study methodology will be utilized. Interviews with hiring managers in the retail and service industries will be conducted. A series of surveys will also be collected from the student population of Texas State University in San Marcos, Texas in order to predict what the future consumer base will expect. These results will be used to examine what companies must do to meet their customers' needs, wants, and economic demands. The results of this survey will be used to understand any discrepancies that may exist between customers and employees of differing backgrounds. This case study is meant to gain an understanding of what the implications are of enhancing customer service training and better prepare companies for future demographic changes.

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Prologue

The purpose of this thesis project is to explore the role ethnicity plays in the world of big business in the United States. Both primary and secondary research have been utilized for the writing of this paper. A research question has been identified meant to guide the quality of research and the direction of the hypothesis.

This paper will explore whether customer's perceptions of an employee's ethnicity affects the customer service experience. There should exist correlation between the presence of workers of different ethnicities in the workforce and either positive or negative customer service experiences. These experiences will be used to judge whether or not ethnic employees are able to function well in the American economy.

To start off, the researcher does have a personal connection to the thesis project. The researcher is the son of a South African-born immigrant and an American mother. The researcher has spent nearly a decade exploring the world via travels to Mexico and Europe. The researcher has talked with customer service professionals about American business and had friends of different backgrounds than his own. Often times the researcher has observed others being ridiculed for their accents, their culture and more often than not, their religion.

With most Americans living in the goods and services industry, it is important to take into account not only what is being served, but who is doing the serving. Employees in a vast array of industries make up the service sector of the American economy, and their treatment of the customer affects whether the company is successful or not.

Nearly every person living in the United States at this moment is an ultimate consumer. An ultimate consumer is defined as "the person who buys and uses a product

after all of the stages of production” (Snow, K., Bartel, H., & Cullen, T., P. 4). The ultimate consumption occurs in places like restaurants, public malls, banks and supermarkets. The common theme amongst these places is that at least one person is serving the ultimate consumer. Employees are what keep the company running and serve as the conduit between management and customers. This relationship is one of the most common relationships in American society. Often times this relationship is not spoken about unless it is a negative one.

The researcher will analyze this common relationship and find a reason for its importance. The United States holds the third largest population on the planet and also has a growing number of immigrants every year. The researcher analyzed the incoming and existing populations to find a correlation between a positive or negative customer service experience and the customer’s perception of the employee’s ethnicity.

To analyze the customer-employee relationship is to analyze one of the most commonly seen relationships in the American business world. The researcher feels this project will reveal results that will prove this relationship important and prove the worth of service industry employees.

Introduction

There is no agreed upon or uniform idea of the customer-employee relationship in the goods and services industry. Generally, employees are considered the servers to customers and expected to do what it takes to make the customer happy. Customers expect to be treated politely and with respect because they are spending their hard-earned money on a product/service. For companies to succeed, these employees must be trained in effective customer service techniques and reflect the values of the company both in dress and in demeanor.

In 2013, the United States total population was estimated around 316.5 million people. Of this, nearly 160 million people comprised the total labor force of the country (Montoya, D. Y., & Briggs, E., 2013). Of the 160 million people in the labor force, it is estimated that over one-hundred and seventy countries are represented in the current labor force. These workers comprise a significant portion of the good and services industry in the United States. The United States' largest spending sector is the goods and services industry (Bureau of Labor Statistics, 2013). Because the goods and services industry is vital to the survival of the United States economy, it is imperative that workers of all backgrounds and ethnicities be given the proper training to satisfy customers. Furthermore, it is important to note that no one race or ethnicity should be considered more important to the success of the United State economy than another.

Customers are witnessing more ethnic goods available and realizing the impact that diversity is having on what is available in the marketplace. For this project, ethnic will be defined as "being of an ethnic group, especially of a group that is the minority within a larger society" (Snow, K., Bartel, H., & Cullen, T. P. 2). Goods vary from herbs

and spices used in ethnic foods, to unique fashion trends and innovations in personal technologies like cell phones and computers. Due to increasing ethnic goods in the marketplace, workers are opening shops, working for established businesses and inundating the market with new skills. In all cases, it appears that it is cultural understanding that is the primary contribution. “Immigrant employees assume a leading role in the development and maintenance of customer relationships within respondent firms. All respondents pointed out the importance of personal relationships, particularly within Asian societies. The ability to provide a trusted and effective personal link is invaluable in building trust, providing customized services and resolving conflict” (Henry F.L. Chung, Enderwick, P., & Naruemitmongkonsuk, J., P. 5). Trust is the key aspect to the customer-employee relationship, and statistically employees with diverse backgrounds and training show great strides in nurturing this relationship. As quoted above, immigrants and workers of various backgrounds have a set of knowledge and experience that some employees may lack. Because of this, it is likely that these employees will thrive in the future and provide the United States economy with the next generation of successful businesses and entrepreneurs.

However, it is important to note that as immigration grows in the United States, controversy surrounding immigrants and immigrant employees multiplies exponentially. High unemployment is generally the result of high stress market factors, but is argued to have been prolonged by the inundation of immigrant workers to the economic labor force. According to the Department of Labor’s 2010 June report, there were over 17 million Americans considered unemployed or “marginally attached.” In relationship to this growth in unemployment, in 2012, immigrant employment had increased to over 25

million men, women and children currently working in the United States (Paulson A. & Singer, A. 2006). These numbers were due to double in less than twenty years-time in the United States. This relationship of employed immigrants to unemployed Americans has led some to believe that there is correlation between unemployment in the United States and increased immigration. Currently, the American economy is having to adjust for this fact and many banks and large corporations are changing policies on hiring non-native employees in order to grow and prosper.

According to the Bureau of Labor Statistics, population growth is influenced by three factors: mortality rates, fertility rates and net immigration. Of this incoming population, about fifty-percent were considered legal or “documented” citizens. Of these citizens, nearly forty-percent were of labor force age and either seeking employment or were considered employed by the United States government. With the overall trend of the growing importance of immigration in the United States economy, these new employees in the American labor force must be trained and able to readily adapt to changes both in the economy and availability of labor. As the labor force of the United States increases in diversity, both native and non-native workers must work with customers of both similar and different backgrounds.

Literature Review

According to Gerri Knilans (2008), there isn’t a chance for a company to make a second impression to its customers. This theory proves more than ever before that companies must take into account what customers perceive and what customers want. The customer-employee relationship is increasing as face-to-face interaction that involves building and maintaining a relationship with the customer becomes vital to success.

Employees go through intensive training in order to know how to react to customer needs and wants. According to an interview conducted in October, 2014 with AT&T executive Christopher Roy, “employee training is grueling and increasing in its requirements. Now more than ever employees have to be ready to adapt with the customer.” Using this model, ethnic employees must adapt as well. With ever-changing technology and customer needs and wants, it is imperative to the success of a business that its employees be adaptable and constantly learning. A study conducted by the American Society for Quality Control predicted a drop in customer satisfaction from the year 1994 to 1995. The main deterrent for customers was cited as a lack of understanding on the part of the service employees and a decrease in the quality of products (Hennig-Thurau, T. 2004). It is for this reason that businesses must invest more funds in training their employees and adapting the available products to the demand of the available customer pool. With the new atmosphere of the American economy, no worker is immune to the necessities of intense customer service training. Businesses want to grow as the marketplace changes, therefore, their employees must in turn be willing to grow with this change. The customer service relationship begins with the customers’ choice of which companies/firms to take their business. After initial contact is made, the service provider must begin harboring a comfortable environment for the customer.

With the increasing need for customer service, several factors have been determined as important for the customer-employee relationship. Three types of customer service levels exist: those with tangential experience, primary customer service experience, and those who are considered specialists (Zemke 1981). Each level has its own aspect of training and can be considered more or less useful depending on the

industry in which it is being utilized. Specialists are generally considered most useful in the service and retail industry. This is due to increasing necessity of customer-employee interaction. Customers in the service and retail sector generally require aid in purchasing the correct product or evaluating the appropriate service. Tangential customer-service employees are those who spend the least amount of time face-to-face with customers. These employees work particularly in the business-to-business sales world and do not generally deal with the retail or restaurant industry (Zemke 1981).

According to Christopher Roy of AT&T, “retail and corporate training are two different worlds. Corporate employees are not as readily trained to deal with customers as are the retail employees. It is best to define which business unit is being addressed in order to have the most effective strategy” (2014). In this case, a business unit is defined as an autonomous division of a company that deals with an independent range of products and services than other business units. For this reason, businesses must now strategize which business unit has the most need for customer service training. In the case of the retail and restaurant sector, customer service is based directly upon the training of the employee making direct contact with the customer. David Neurmark and Francesca Mazzolari proved in 2011 that “...retail is below average in ethnic intensiveness, although still fairly intensive in the use of immigrants, accommodation and food services is among the most ethnic-intensive industries.” The restaurant sector has shown an increase in the number of ethnic workers and proven that immigrants do play an important role in the customer service experience. It has been cited that service quality is directly influenced by perception of quality in the service sector. “Perceptions of inconvenience, core service failures, service encounter failure and response to service

response failure comprise the service quality by consumers” (Bansal, P. 15). Therefore, it is the failures of a company to serve, rather than its successes that customers most remember. The failures resonate with the consumers and the negative press spreads by word of mouth to other potential customers for the company. For this reason, customer service and an effective customer-employee relationship is vital.

A good example of a company adapting to consumer needs is Acer technologies. Acer is a producer of desktops, laptops and software meant for both personal and professional uses. In 1996, author Laura Struebing wrote that Acer technology is to be considered a threat by other technology companies due to its growing customer-service. Acer has set up a program where employees will visit customers’ homes and set up all power strips, unbox the computer and give the customer(s) a thirty-minute presentation of the technology. Now Acer only gives customers this option upon request due to decreasing amounts of requests for help with initial setup. However, this example has two important purposes. Acer shows that customer satisfaction is what’s most important. In addition to home visits, Acer has an around-the-clock problem-shooting website and an 800 number effective six days a week from 8AM-5PM. Acer has paved the way for other companies in terms of serving customers. Now, due to Acer’s originally innovative plans, many companies have followed suit. Apple, Microsoft, Nintendo, Asus and many other technology companies have set up customer service hotlines and home services. Now due to the power of the Internet, customers have the ability to solve most problems with their technology from the comfort of their homes. As a result, customers have shown less frustration with personal technological devices and purchases have increased since Acer’s revolutionary idea in 1996 (Struebing 1996).

Back in the 1990's Jennifer Potter-Brotman and her team published the article *The New Role of Service in Customer Retention*. The article begins by assessing the customer service quality of companies at the time. Companies viewed service as a secondary qualification of their product. Many companies-especially the fortune 100 and 500 companies-considered the product and profit to be most important to the company. However, these large companies found that customer retention was lower than expected. This was due to a lack of employee training and emphasis on certain "people skills" needed to make a customer want to use that company again. The results of Potter-Brotman's 1994 results are based largely off of a test in 1988 from Texas A&M University where it was found that there are five basic dimensions to customer satisfaction: reliability (the ability to provide what was promised dependably and accurately), assurance (knowledge and courtesy of employees and the ability to convey these qualities), tangibles (the physical facilities and appearance of employees), empathy (degree of caring and personal attention) and responsiveness (the ability to provide prompt service). These five basic dimensions have not changed, but have widened due to an increased customer base and customer needs. According to Potter-Brotman, "This is a result of the increasing breadth of the relationship between customers and a supplier organization. Whereas the elements which customers' values have not necessarily changed, the dynamics and depth of the relationship present new challenges for delivering on each factor" (Potter-Brotman 1994, P.3).

These studies show companies are not training their employees effectively. Without training accommodating for a myriad of situations, these employees will have no way to succeed or help the business succeed. According to a studies from as far back as

1977, researchers found that in London, England, the products that English citizens are willing to purchase differs based on the service sector (Aldrich, H., Cater, J. Jones, T. McEvoy, D. & Velleman, P. 1985). The general trend shows the less face-to-face interaction needed between the consumer and the sales associate, the less the product matters. In contrast, the study shows the restaurant and clothing industries suffer more ethnocentrism due to the increased need for customer-employee interaction.

These studies from 1977, though potentially dated, provide an alarming discovery-there exist consumers who prefer to do business with those that are ethnically similar to themselves. Companies must adjust to this discovery and understand that these consumers are just as important as more progressive consumers. For the sake of this project, progressive will be defined as “a group or person favoring or implementing social reform, or new, liberal ideas” (Aldrich, H., Cater, J. Jones, T. McEvoy, D. & Velleman, P., P.5). Workers of different+ ethnicities than the majority of consumers that they serve must account for this trend. Though there do exist many enclaves where the consumers are traditionally of similar background to the shops in the area, the increasing movement of immigrants and migrant workers is changing this. Now more than ever in American society, workers are more likely to come face-to-face with a consumer of a different background than their own.

Former president William “Bill” J. Clinton pushed for the “Conversations with America” initiative. This initiative argued that a well-served and satisfied customer base is what makes for an effective American economy. Clinton’s initiative had six required actions. One, companies will engage customers in a conversation about their opinions on service. Two, companies will designate at least one person in the company as a liaison or

specialist for customer service. Three, these companies will engage the largest possible number of customers in the conversation. Four, complaints from customers will be handled and a portion of the company will be designated for these complaints. Five, all companies involved will track the results of this study to learn how to better operate the company and serve customers. Finally, all companies will report an annual customer service evaluation report in order to analyze current results of customer satisfaction.

This initiative by former President Clinton proves that customer service and satisfaction are an integral and informative part of the American economy. Now more than ever companies and the American government must be concerned with the quality of customer service due to the effects of customer retention on the status of the American economy. In the American economy, ethnic workers will need to adapt and change their service styles to fit consumer expectations. The rest of this paper will focus specifically on the relationship that ethnic employees will play in the ever-changing customer-service marketplace.

Customers in the United States are not from one specific background or culture. Though the White or Anglo-Saxon ethnic group is considered the majority population in the United States, other ethnic groups are quickly approaching numbers equivalent to the White/Anglo-Saxon Americans. The United States Census Bureau in 2013 stated that sixty-three percent of all Americans were White, 17 percent were Hispanic/Latino, thirteen percent African American/Black, six percent Asian/Pacific Islander and one percent Native American or Native Hawaiian. Though Whites are the current majority, immigration statistics suggest that nearly thirty-two percent of the American population will be of Hispanic/Latino origin by 2060 and only forty-three percent of the population

will still be White. This change in demographics poses a large potential problem to companies in the future if these companies do not begin adapting to these changes. The three other major ethnic groups-African American/Black, Asian and Indigenous-are also expected to grow by 2060. Though their numbers are less significant than the growth of Hispanic/Latinos, this growth still poses not only potential problems, but also growth opportunities for American businesses.

The Bureau of Labor Statistic's 2013 report *Labor Force Characteristics by Race and Ethnicity*, assessed the number of total workers in the United States' labor force. Findings showed that Whites comprised the largest percentage of workers in the labor force at seventy-four percent, with Latino/Hispanics in second place at sixteen percent (Bureau of Labor Statistics, 2013). These numbers are significant because they prove Whites to still be the current majority. However, because the Hispanic/Latino and other minority ethnicities are growing rapidly in the United States, changes can be expected to take place in the United States workforce.

In 2013 there were 25.3 million foreign-born workers in the United States, comprising sixteen percent of the total population of the American workforce (Bureau of Labor Statistics, 2013). These workers comprise a large percentage of the total American labor force and pose a potentially positive impact on the American economy as a whole. Though immigrant employees work in a myriad of industries, they share one trait in common-customer service. Out of nearly 320 million people currently residing in the United States, ninety-percent can be considered ultimate consumers (*Hispanic Market to Grow, Pose Challenges*, 2008). These figures are significant because an estimated 20 percent of immigrants coming to the United States as of 2013 could be considered of

Anglo/White descent. The next largest group at over a quarter is the Hispanic/Latino community with the Asian population at another twenty-two to twenty-five percent (Economic Policy Institute, 2013). These numbers pose potential benefits to the United States as these immigrants bring new skills, knowledge and customer service experience. However, these immigrants and the companies that employ them must understand the impact that ethnicity has on a customer base that is consistently growing in diversity. Unless service is provided in a small community of residents of similar ethnicity and background, both immigrants and current workers must accommodate for the potential impact of ethnicity on the customer service experience.

Kim Snow, Henry Bartel and Tony Cullen collaborated in 1996 on a study analyzing customer expectations-specifically, expectations in regards to ethnicity. According to the authors, "Some of the factors that might influence expectations outside the control of the service firm could include personal experiences, advertising of competitors or word-of-mouth communications. One external factor that may influence expectations is cultural. Therefore, proper identification of cultural influences on expectations could assist service firms in designing their service packages and enhancing service quality" (Snow, K., Bartel, H., & Cullen, T, P.7). The study was conducted in Montreal, Canada in 1995 and results compiled and published in 1996. Though the study was conducted in Canada, there is a distinct decision to focus on ethnicity as an important factor in the customer service industry. In the study, participants were divided into three categories: Canadian, Oriental (now thought of as synonymous with Asian) and a mix of people from different ethnic backgrounds. The first major finding was that service firms which can identify aspects of service that are important to all ethnic groups can ensure

services to all groups. Firms must find what it is that is important or common to all groups and make that service/good relevant to the diverse marketplace. The main example given in the study is the idea of retirement services. The authors state that Asian Canadians are the least likely to purchase retirement services. However, if businesses try to understand why these consumers do not purchase these services, they can better adapt and cater the service to that ethnic group.

Though this study was conducted in 1996 and used Canadian citizens, it bears significance to the United States-ethnicity can matter in the customer service industry. This 1996 study concludes that firms who can identify the changes in demographics and offer services that appeal to multiple ethnic groups will have a higher chance of success. This relates back to the United States' ever-changing demographics. With the Latino/Hispanic community and other ethnic minorities growing and the White population diminishing, firms can no longer afford to cater to one group over another. It is a necessity to growth that these firms establish larger marketing campaigns and train customer service representatives on how to deal with customers of all different backgrounds.

In relation to the 1996 Canadian study, it is important to identify who is buying the goods and services in the United States. As mentioned earlier, over ninety percent of consumers in the United States are considered ultimate consumers. To understand what consumers want and need, firms must also analyze who it is buying these services. Detra Montoya and Elten Briggs wrote in 2013 that now consumers do not only consider the price and quality of a good, but who it is they buy the good from. According to the team's hypothesis, consumers are more likely to feel a closeness to the employee(s) serving them

when there is a shared ethnic identity; customers expect to receive preferential treatment when their ethnicity or background is the same as the employee's, will also be more likely to spend more money and return to the establishment.

In a 2011 study conducted in Australia, it was concluded that native Australian consumers are highly dissatisfied when working with employees that have accents different than their own (Hill, S. R., & Tombs, A., 2011). Overall physical portrayal to the customer can have an astounding effect on the quality of customer service for a customer. Both studies prove that customers are easily affected by factors outside of their control-including, but not limited to the physical personality traits of the service employee. Because results of the survey showed that nearly fifty percent of all participants were negatively impacted by accents and fifty percent weren't negatively impacted by accents, this requires further study. Employers are going to have to work to understand what it is that customers specifically dislike about employees with accents, and how employing people with accents can affect the customers' perceptions of their establishment.

To relate accent back to ethnicity, one must focus on a key element: differences amongst the consumer and the service employee. Though many people in the United States who are considered of a minority background don't have accents, some do. With the increasing amount of immigrants to the United States each year-accounting for 80 percent of population growth in the past thirty years-employers must be more aware of customers' perceptions. Ethnicity is something that can't be changed, and, often-times, accents are difficult to modify or eliminate. However, employers must take this into account when deciding where to place particular employees.

Review

What potential problems does this pose to the American economy and the training of customer service representatives? Firms will have to learn more about the customer base they serve and spend more time and funds on researching their current potential customer base's ethnic composition. In addition, employees can no longer be given minimal training. Employees need to be just as responsible as corporate for the results of the quality of their customer service. According to the 2013 study mentioned above, traditionally collectivist cultures prefer to do business with those that are ethnically similar. The more collectivist cultures tend to be Hispanic/Latinos and Asians. In contrast, the Whites are seen as more individualistic and concerned more with the end good or service rather than the buying process. This discovery proves that ethnicity can play a significant role in the American goods/services industry. In addition, it can be concluded that with the growing Hispanic/Latino and Asian communities in the United States, these cultural differences will have a significant impact on the customer service industry.

It is important to note that the type of industry has significant impact as well on the satisfaction of the customer. Studies show that typically customers expect higher-quality service when the need for face-to-face interaction increases. This in turn raises questions about the significance of the task being performed. What is the difference between having a suit tailored by a person of a different background and having a doctor prescribe medication? As mentioned earlier, the demographics of the United States are changing rapidly in favor of minorities. Unless these minorities do business solely in areas of ethnic homogeneity, it is imperative to study what areas are considered important

to each consumer and which are not. Studies have been conducted countless times to explain what discrepancies exist in different industries. A study conducted in 2011 reports on how likely patients of different ethnicities are to complain of medical services. This study finds that there are trends that exist between the presence of physicians and staff of differing backgrounds and the quality of service. According to the study, “Whites reported the best quality of interpersonal processes for lack of clarity, decided together, and discriminated due to race/ethnicity,... [African Americans] reported compassionate/respectful, scoring significantly higher than English- and Spanish-speaking Latinos on all three measures. [Spanish-speaking Latinos] reported significantly less disrespectful office staff than the other groups” (Napoles, A. M., Gregorich, S.E., Santovo-Olsson, J., O’Brien, H. & Stewart, A.L., P. 6). These findings are significant when considering that medicine is one of the major industries that directly affects the health of the consumer. The major industries that affect the health of the consumer are medicine (comprising mental and physical health), law/legal, finance, and consumables (food, beverages, medicines, etc.).

According to the findings of this 2011 study, consumers are more likely to be ethnocentric and conscious of ethnicity when a service directly affects their health or well-being. Ethnocentrism is defined as “judging an individual solely on the values and standards of one’s own culture” (Napoles, A. M., Gregorich, S.E., Santovo-Olsson, J., O’Brien, H. & Stewart, A.L. P. 9). This practice of ethnocentrism is difficult to pinpoint directly on a consumer; however, firms and employees must prepare for the potential presence of ethnocentrism in every client. It must be noted that consumers have options in where they choose to take their business. What makes the American economy a free

and capitalist economy is the presence of choice for both consumer and provider.

Consumers have the freedom to choose where to buy the desired good or service, while providers/producers have the freedom to produce what they believe to be desired by the consumer and profitable. In what industries do consumers decide to use their freedoms based on ethnicity? This question is invaluable to the success of firms and providers across the United States. What makes a person more likely to consider the ethnicity of a doctor or physician but not of the person who serves them their food or mows their lawn?

The answers may lie in the value of pluralistic versus universalistic resources. Pluralistic resources are those resources that can be associated with a particular group, action or ethnicity. Whereas universalistic resources are those that extend to all groups and maintain a high level of importance in American society. Pluralistic resources are intangible and can include love, status and service. Detra Montoya wrote in 2013 that pluralistic resources are tied directly to interpersonal relationships. The stronger the perceived relationship with the other individual(s), the more value these resources hold. Pluralistic resources play a significant role in the development of customer service relationships. These resources may explain why people do maintain a certain level of comfort working with those of a similar background and ethnicity.

In contrast with pluralistic resources is the presence of universalistic resources. Universalistic resources are broken into three categories: tangible goods, money and information. “The value of universalistic resources generally does not depend on the interpersonal relationship between exchange participants. For example, a customer would be similarly pleased with a monetary discount regardless of whether or not he or she is psychologically close to the provider of the discount” (Montoya, D. Y., & Briggs, E., P.

315). This discovery has the potential to expose the ethnocentric ideas of some customers and provide firms with the information necessary to counteract this ethnocentrism while still providing quality customer service.

Based on the ideas of pluralistic versus universalistic resources, it is clear there exists a type of prejudice in the customer base of the United States. From this 2013 study, it can be inferred that in cultural enclaves, people of similar ethnicities expect higher qualities of customer service. For these businesses in these enclaves it is vital that strategies be put in place that can account for this degree of prejudice and ethnocentrism. In an interview with AT&T executive Christopher Roy, it is explained that large companies like AT&T understand that customers do expect an employee to adjust to their needs. Roy continues to explain that “any way that [AT&T] can account for the growing diversity in this country, we are going to” (Roy, C.T., 2014, October 10). Though this interview with Roy only explains the strategies of one company, it is possible to infer that adaptability is key to success. AT&T is the world’s largest telecommunications company, producing nearly \$130 billion in revenue in 2013. AT&T currently supports customer services in over 200 countries and territories (AT&T, 2015, AT&T Company Information). If other companies follow similar strategies, it can be concluded that change is a necessary component of any company. Much like Roy mentioned, companies must change as their customer base changes.

One problem that large companies like AT&T may run into is the existence of ethnic enclaves. An ethnic enclave is defined as “a physical space with high ethnic concentration; a space that is culturally distinct from society as a whole” (Frumkin, P, P. 2). Paul Frumkin is a writer from Philadelphia, Pennsylvania who explores the role of

ethnicity and cultural enclaves in Philadelphia. Cities like Philadelphia often support numerous types of ethnic groups, and have what are referred to as “little towns” within the city. These towns are generally an example of cultural enclaves that have high concentrations of people with similar ethnic backgrounds. Little Italy and Chinatown are two strong examples. In Philadelphia, Little Italy and Chinatown serve as large tourist attractions and bring in millions of dollars of revenue to the city each year. However, it must be noted that the customer service of these areas is often rated quite high by locals, but only moderate or decent by tourists and non-locals. The reason for this discrepancy goes back to pluralistic resources. As defined by the 1977 study, ethnic enclaves sport the greatest customer service quality. These areas are supported by the loyal community and the people who frequent the local shops generally are quite familiar with the workers and owners. This familiarity breeds a sense of obligation to the customer to provide great service, and often times leads these people to frequent these locations. Due to above-average customer service and rapport with their customers, these local shops in these ethnic enclaves often sport higher profits and customer retention than non-ethnic competition (Frumkin, P, 2006).

What potential side effects could this trend have on American business, and how should other non-ethnic businesses respond? Some businesses choose to be abrasive in relation to their customer service of non-Americans and ethnic citizens. Geno’s Cheesesteaks in Philadelphia, Pennsylvania has adopted a business strategy that can be seen as offensive by some potential customers. Geno’s has reacted negatively to the ethnic and cultural diversity of its surrounding areas by demanding that all patrons speak English when ordering. The owner of Geno’s, Joe Vento, placed a sign in the window of

his establishment that reads “This is America: When ordering, please speak English” (Frumkin, P, P. 3). The sign caused controversies across the city, with much of the protest coming from the surrounding Latino/Hispanic population of Philadelphia. Joe Vento argues that the sign is not meant to deter customers from ordering, but to maintain order in his restaurant. Vento believes that customers must adapt to his establishment’s rules if they wish to be served.

However, Vento’s strategy has several flaws. First, Philadelphia is one of the most culturally-diverse cities in the country-sporting over 5 million citizens representing over 100 countries (Frumkin, P. 2006). With these statistics in mind, Geno’s-and firms adopting similar strategies-could be isolating themselves not only from the native population, but also from tourists of non-White ethnicity. Second, Geno’s harsh strategy does not count as customer service. Customer service, as defined by customer service expert Efraim Turban, “is a series of activities designed to enhance the level of customer satisfaction– that is, the feeling that a product or service has met the customer expectation.” If other companies respond like Geno’s, the goods and services industry could be neglecting potential customers. Ethnicity has been shown to have an effect now not only on customer’s perceptions of the business, but now the business’s perceptions on the customer.

This realization can have potentially negative impacts on the goods and services industry. If companies are willing to refuse service to potential customers based on ethnicity, what does this mean for the customers? This means that customers could be more selective on which companies or firms they bring their business to, and this could stagnate the goods and services industry. If more companies follow suit of establishments

like Geno's, the American economy could see less money being spent on luxury goods and some businesses could face potential disclosures. The Federal Civil Rights Act guarantees all people the right to "full and equal enjoyment of the goods, services, facilities, privileges, advantages, and accommodations of any place of public accommodation, without discrimination or segregation on the ground of race, color, religion, or national origin" (Phillips, Leanne, P 3). Customers are protected by law to not be discriminated against based on ethnicity, background or sexual orientation in the public sector. However, establishments like Geno's are privately-owned and operated. As mentioned earlier, capitalism is a free market economy where businesses are allowed to provide what services or goods they see as profitable and are free from government interference under most circumstances. American laws protect businesses by guaranteeing the right to refuse service to any patron. These protections are not universal and do not give businesses full reign over who may be served. There are special conditions that must be met in order to refuse service to an individual. An American establishment may refuse service to a customer when: individuals or groups cause trouble or pose a threat to other patrons, when the restaurant or business is at legal capacity, the individual does not have on proper attire (shirt and shoes in the restaurant sector), and all other circumstances are left to the discretion of the owner(s) (Business 2 Community, 2010). The most important aspect of the refusal of business to a customer is that the decision is not arbitrary and can't be based on an individual's specific characteristics. Declining service to a customer or patron must be reasonable and justifiable. Businesses are protected by law to serve those that they see fit of their services, but customers are also protected by law to be free to take their business to any firm or company. If

customers perceive a business is being unfair or overtly discriminatory, then customers may choose to take their business elsewhere.

It must be noted that though it is illegal to discriminate against serving customers based on race, ethnicity or sexual orientation, providing discounts for specific groups is legal. Providing discounts for specific groups-based on age, population, political affiliation or military service is allowed. Discounts for students, the elderly, law enforcers and veterans are often used to encourage business (Business 2 Community, 2010). This poses a gray area that must be acknowledged. How does the American economy adjust for this gray area, and what can be defined as a violation of customers' rights against discrimination?

In a speech given on March 15, 1962, former President John F. Kennedy presented his "consumer bill of rights." The four basic rights of customers were the right to safety, the right to be informed, the right to choose and the right to be heard. Violations of customers' rights are defined as "anything that discriminates against a customer based on background, sexuality or religion. Customers are only to be refused service on rational terms to guarantee safety and effective business. All other cases are considered unlawful and a hindrance to economic freedom" (Finance and economics: Sizzling away; America's consumer-protection bill, P. 3). John F. Kennedy's and the United Nation's attempts at protecting consumers proves that there is concern for the health and well-being of consumers.

These laws of protection do protect consumers, but do not necessarily define how to handle potential violations of customers' rights. Establishments similar to Geno's are not necessarily breaking the law when refusing service to a customer, because it is

difficult to define what the motives are in the refusal of this service. In the case of Geno's in Philadelphia, the sign, though offensive to some customers, does not violate customer rights. The sign doesn't specifically deny service to those who do not speak English, but rather discourages it. The most effective way to counteract potential discrimination and unlawful acts of business is for consumers to remain informed and have readily available legal representation. John F. Kennedy's "Consumer Bill of Rights" is a template for customer rights, but is ineffective if customers do not use it.

This gray area that has been established is easily dealt with by a combination of informed and active customers and companies that are conscious of their legal rights and willing to provide effective customer service. If companies are not willing to adjust to a growing customer base that is becoming more diverse, then competition will step in. American business culture is one that attempts to maximize profits and minimize costs. Providing effective service to consumers is what fuels this production of profit from the goods and services industry. Therefore, companies and firms can't afford to take customer service lightly. Because ethnicity has been shown to have an effect on the goods and services industry on both the part of the consumer and the business owner, it is imperative that more studies be done. The American economy can continue to grow if effective policies like John F. Kennedy's and the United Nation's persist and if consumers remain informed.

Theory

An eighteen question survey was distributed to 1,000 Texas State University students during the month of February, 2015. In the survey, students were asked a series of Likert-scale, numerical value and hypothetical situation questions. Of the 1,000

students that the survey was distributed to, 120 students responded. The purpose of this survey was to analyze the attitudes of Texas State University students towards customer service and evaluate the role that ethnicity plays in these students' customer service experience. The first portion of questions are demographic-identifying the gender, ethnicity, age and classification of the students. The purpose of the demographic questions is to allow for groupings and aid in the conclusions of the study.

The hypothesis of this research is that men will test more ethnically biased than women, and age will play a significant role in the results as well. The older the student, the more it can be expected that that particular student is racially and ethnically biased. These hypotheses are based off of previous research in the 1977 and 2011 studies. Men tested as more biased towards employees of different backgrounds and also are expected to be more critical of a company's performance than females. The 1977 study shows as well that men are more conscious of face-to-face interactions in the customer service industry. Men often times are considered more difficult to work with than women, and show more signs of bias. Women tend to be more concerned with the product or service as hand and prefer a calmer approach to the situation. Women do have thoughts about ethnicity in the customer service industry, but have tested significantly less biased and less concerned than men. The results from the eighteen-question survey will aid in concluding what the attitudes are of Texas State University students towards the relationship of ethnicity and customer service. It is important to find if men truly are more biased than women and why. These results will prove vital in strategizing new ways to deal with customers' biases towards employees. Companies and their employees must

be aware of biases in order to provide effective customer service for each customer based on his/her perceptions and preferences.

Large companies like AT&T are well aware of the prejudices that may exist in the consumer marketplace. Companies must make calculative decisions on where to place their retail locations and who they are placing in those retail locations. Roy states that “[AT&T is] well aware that customers have certain expectations. Whatever we can do to meet those expectations we plan to do” (Roy, C.T., 2014, October 10). Roy goes on to explain that in order to relate to the customers, frequent surveys must be taken on who is the customer base and where these customers reside. For this reason, Roy explains that employees that are of different ethnicities, backgrounds or nationalities are an invaluable resource for companies like AT&T.

What Roy is explaining goes back to pluralistic versus universalistic resources. Though college students at Texas State University were tested to be relatively disinterested with pluralistic resources, this doesn't mean that the average consumer is not concerned with pluralistic resources. In addition, cultural and ethnic enclaves are of considerable importance to companies. When deciding where to place employees, certain characteristics of the average consumer of the area must be taken into account; this includes language, appearance, knowledge and skills and ethnicity/background. As more immigrants come to the United States, this idea of strategically placing employees in certain areas become more prevalent. Employers must learn what their customer base expects and who their average customer is or target market.

If men truly are more ethnically or racially-biased than women, companies like AT&T will have to adjust. The survey from 2015 at Texas State University will give an

example of what the future consumers expect. Men and women are expected to have biases of some sort, but it is important to measure what these biases are and where they apply. To prove or disprove these hypotheses is to help define the future of American business. Different ethnicities will always exist, and American businesses will always want to succeed, so it is imperative that the relationship between professional success and ethnicity be defined and studied properly.

Methodology

After demographic questions are answered, participants are asked about their experiences specifically in the restaurant and retail sector. Participants are asked to rank on a Likert scale their previous experiences in restaurants and retail locations when working with employees of different ethnicities than their own. The first two questions in this series have identical structures, but are meant to measure two different variables. The first question will measure the rate of success of other employees in the restaurant sector and the other focuses specifically on retail. The purpose of these two questions is to analyze whether students at Texas State University focus the quality of their customer service experiences on ethnicity specifically or the skill and professionalism of the employee serving them. Question number six asks: "Consider your most recent visit to a retail store. How would you rate your customer service experience when the person helping you was of a different ethnicity than your own?" The next question is worded similarly, but asks specifically about the restaurant industry. These two questions are necessary for the purpose of the rest of the survey in order to compare and contrast attitudes of customers towards unskilled labor versus skilled labor. An example may be: Is there a difference in attitude of the customer towards those of different ethnicity in the

unskilled labor sector versus the skilled labor sector? The latter half of the survey used hypothetical situation and true/false questions to contrast the earlier half of the survey in order to analyze the idea of unskilled labor versus skilled labor. This helps to define whether there exist discrepancies by the customer in who they are willing to do business with in various areas of the goods and services sector.

The next portion was created to continue analyzing whether professionalism and skill are more important to the customer than ethnicity. Question eight asks the participant specifically if he/she prefers to do business with companies that employ persons of their own ethnicity and background. Question nine then expands on question eight and asks specifically whether the participants expect a lower-quality customer service experience from service employees of a different ethnicity than their own. These two questions act as a foundation for the remainder of the survey to continue the compare/contrast function. The first half of the survey can be considered an analysis more on the professionalism and skills aspect, whereas the second half tries to find bias in the participants based on ethnicity of the service employee(s).

Questions twelve through fourteen are hypothetical situation questions meant to analyze whether students are comfortable working with employees of different ethnicities when the service being performed affects the individual's health (financial, physical and emotional). These questions define whether the type of service being performed affects who the customer will do business with. These questions were designed specifically to assess any discrepancies that may exist between the ideas of the customers and their perceptions of the employees' ethnicities in different fields or areas of expertise. These questions, along with questions fifteen, seventeen and eighteen will aid in deciding

whether there exists any bias in each respondent. This bias will be crucial in identifying a final conclusion based on the results of the survey and help to compare/contrast with previous research.

After results are compiled, questions fifteen, seventeen and eighteen are going to be further analyzed. Question fifteen addresses the effect of accents on the customer service experience. The question asks: “Suppose that the customer service representative on the phone speaks with a foreign accent. Did this affect the quality of your customer service experience?” For the sake of this project, this question is provided to the participants with the stipulation that the call center must reside in the United States. Question fifteen is on a yes/no scale; to analyze the results of this question, an answer of “yes” is given a value of 1, and an answer of “no” is given a value of 0. In this case, 1 is represented as being biased or potentially ethnocentric, while an answer of 0 shows no bias or ethnocentrism.

Question seventeen has been evaluated by a similar method; however, question seventeen is on a true/false scale. Question seventeen asks about how comfortable participants are working with individuals of different background than themselves. Question seventeen states: “I feel comfortable working with people of different ethnicities than my own.” For this question, a true/false scale was utilized in order to more easily assess the bias of the participant. From doing so, it is easier to conclude what each participant believes about working with others and aid in making conclusions about each individual’s expected customer service experiences with those of different ethnicities. Similar methodology to question fifteen has been assigned. For question

seventeen, an answer of “true” gives the respondent a value of 0, and an answer of “false” gives the respondent a value of 1.

Question eighteen deals with customer complaints and their expectations of quality. Question eighteen is also true/false, and was made so for similar reasons as question seventeen. Question eighteen specifically states: "I am more likely to complain about an employee who is not of my ethnicity rather than an employee of my own ethnicity." In contrast with question seventeen's values, an answer of “true” elicits the respondent a value of 1, and an answer of “false” elicits a value of 0. This final question helps to assess any types of ethnocentric ideas that may exist in the participants, and help to identify certain trends that may need to be further analyzed.

Participants have been assigned a value of 1 or 0, the values are added. The average of these three values will assess the biasness of each participant based on a 3-point scale. If the participant receives a value of 0, then it can be concluded that this individual is completely unbiased and ethnicity plays little-to-no role in their customer service experience, or their decisions about where to take their business. In contrast with this, a value of 3 denotes that the individual is highly biased/ethnocentric, and ethnicity will play a significant role in their quality of customer service and where they choose to take their business.

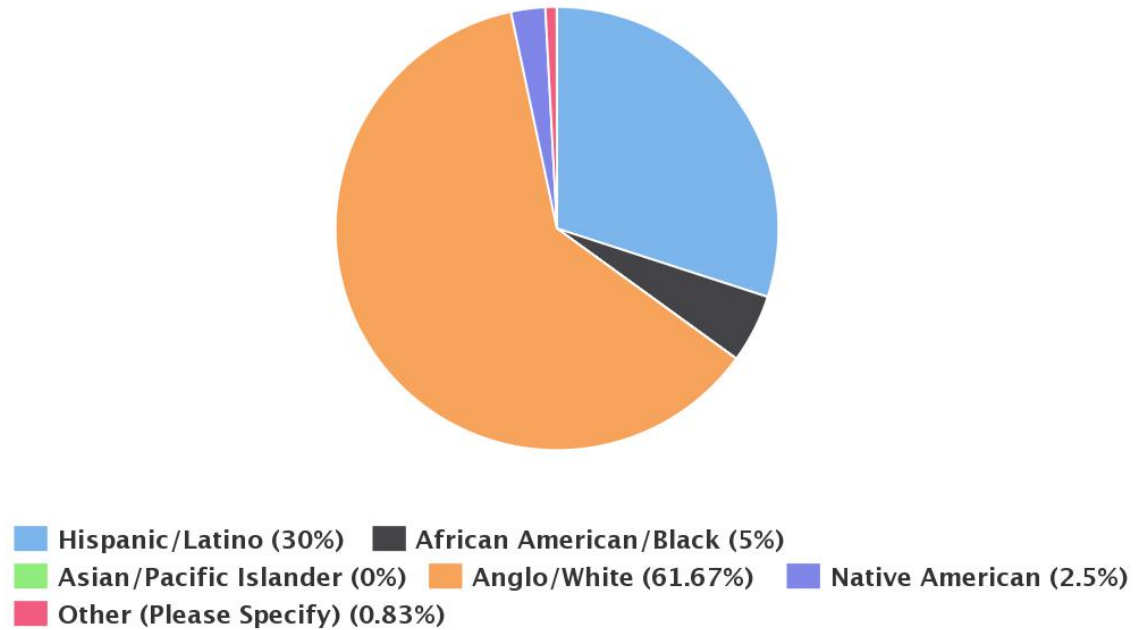
Results

From the survey responses, seventy-four (61.7 percent) participants were women, and forty-six (38.8 percent) were men. Of the total participants, the average age was 23.26 years, and the median age was precisely 21 years. These results are not surprising, as the average age of a Texas State University student is around 21, and the average

freshman to senior ranges from the ages of seventeen-to-twenty-four (Forbes.com, 2015). With only several participants within the range of forty-five-to-sixty, the acquired results were obtained as expected. The results of the survey showed a strong participation rate amongst the social sciences (psychology, sociology, etc.), and applied areas of business management.

Approximately 61.7 percent of participants identified with an ethnicity of White/Anglo, thirty percent as Hispanic/Latino, five percent as African American, two-and-a-half percent Native American, and 0.8 percent as “other” (see chart for Question 5). Within these numbers, over fifty percent of Hispanic/Latino participants were women and nearly forty percent of White/Anglo participants were women as well. Nearly ninety-five percent of all African American participants were males, and only thirty-three percent Native American participants were male. With these demographics identified, further analysis can be provided for each participants’ responses.

Question 5. Please indicate the ethnicity that you most associate yourself with:

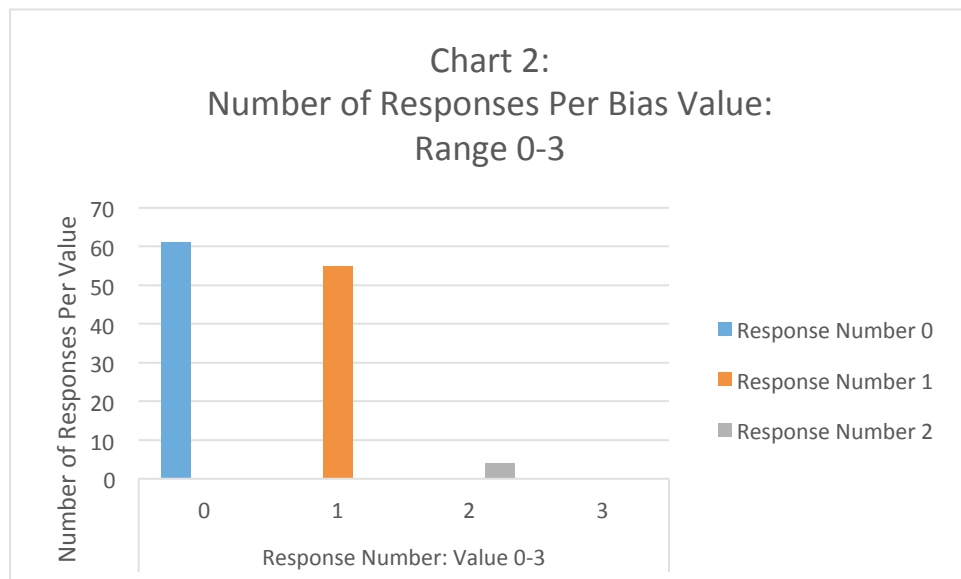


Questions 8, 9, 11, 12, 13, 14, 15, 16, 17 and 18 specifically addressed the degree of bias that each participant may or may not have. In contrast, questions 6, 7, and 10 deal specifically with the degree of professionalism and level of skill of the employee serving the customer. Finally, questions 8 and 9 deal with both biasness and demographics. Questions 8 and 9 respectively ask the participant whether he/she prefers to do business with establishments that employ persons of similar background, and whether he/she is more likely to complain of an employee's actions when the employee is of a different ethnicity/background than his/her own.

A scale of 0-3 has been established for the sum of the responses for questions 15, 17 and 18. As discussed earlier, a participant received either a 0 or a 1 depending on his/her answer to each question (in each case 0 or 1 can denote a positive or negative response depending on the question). After each participant has received a score of 0 or

1, the sum of the fourth column is meant to identify how biased or unbiased each participant appears to be.

Both women and men tested less biased than expected, with over 97 percent of all male and female participants receiving a total score of 0 or 1. Only four responses totaled up to 2, and exactly half of these responses women and the other half men. There were no totals of 3, and more scores of 0 than 1 (see chart 2). With these results, it can be concluded that the participants of this particular survey are less biased than the participants of the 1977 study. The participants of this 1977 survey responded with more ethnocentric ideas when dealing with employees in a more intimate setting-i.e. restaurants and retail stores- than working in a more socially disconnected setting-i.e. newspaper stand or convenience store.



It is probable
that students
at Texas
State
University
hold less
prejudices

than the average citizen due to exposure to various backgrounds and ethnicities on campus. If this is true, it could be as a result of pluralistic versus universalistic resources. As mentioned in Detra Montoya and Elten Briggs' 2013 study, pluralistic resources are more prevalent in cultural/ethnic enclaves-generally heavily populated by immigrants. In

contrast, universalistic resources span the entire country and are not distinguishable between any one group/ethnicity. Therefore, the student participants theoretically are more concerned with universalistic resources versus pluralistic resources.

According to Forbes.com, in 2014, Texas State University was the 4th largest university in Texas, and includes students of each identifiable ethnic group. In addition, Texas State University has a growing section of immigrant and international students, and ranks as the 174th best institution in the Southern United States. Texas State University is a growing school with larger numbers of students each semester. With a majority of Anglo students (57 percent), and a large portion of Hispanic/Latinos (30 percent), it can be concluded that Texas State University is a relatively diverse campus (refer to above comment). It is expected that the Anglo/White majority may fall and the Hispanic/Latino group may rise in the next ten-to-twenty years.

Though Texas State University is only one school out of thousands of institutions in the United States, the results from this survey showed potential conclusions for similar campuses. First: women and men are growing less-and-less biased with each generation. It is probable that the young men and women of the 1977 study would not have responded similarly to the students of Texas State University. This goes back to the pluralistic versus universalistic resources. Emphasis is now shifting from the pluralistic to universalistic resources, and students are placing more emphasis on items and ideas that are universal to most groups in the United States-i.e. money, freedom and equality. Second: no one group tested as more prejudice than another. The original hypothesis was that the men's results would gravitate towards prejudice and ethnocentrism rather than the women. However, according to this particular study, women and men both tested

relatively low on the ethnic-bias scale. Third: professionalism and skill are being placed in higher regard than ethnicity in most situations. Minus the results of six participants, participants placed more emphasis on the professionalism and skill of the employee. Both men and women (primarily those that scored a 0) stated that ethnicity has no impact on who they do business with or who they are likely to complain about.

Analysis

These potential conclusions lead to another important avenue: social and political change. According to Marian E. Musgrave in her 1977 article, *Failing Minority Students: Class, Caste and Racial Bias in American Colleges*, American college students are still susceptible to racial and class prejudice. African American and Hispanic/Latino students are considered the most racially-ridiculed of other ethnicities. In addition, many students have reported not wanting to attain higher education due to worries of racial backlash and violence. However, results from 2015 study could show changing values amongst young adults. Though Musgrave's study could be considered slightly dated, along with the 1977 United Kingdom study, the results can't be taken lightly. The student participants show a potential trend of acceptance. Because neither men nor women tested higher than the other in ethnic bias, it is also probable that these men and women don't tolerate ethnic, racial or class-based prejudice. This trend-if established by other Texas State University students-could significantly impact the presence of ethnic bias and prejudice on campus. If other students on other campuses were to follow suit of these Texas State University students, it could be expected that ethnicity will play a lesser role in the decisions of students financially, physically and emotionally.

The results of the survey didn't support the original hypothesis that men are more ethnically or racially-biased than women. The men and women surveyed showed a need for more professionalism and skill in the labor force that serves them. Ethnicity seems to play less of a role now than it did for participants of the 1977 survey of similar age. What can be concluded from these results is that these men and women at Texas State University won't consider ethnicity when choosing a skilled versus unskilled service. In contrast with previous studies, these men and women tested as having no bias towards doctors, lawyers or bankers in regards to ethnicity. A shift from particularistic goods to universalistic goods has occurred. These participants can be expected to work with men or women in any field-both skilled and unskilled labor force-that are qualified for the job and best suit their needs and desires as customers.

However, just because students have become more accepting of ethnicity, and have put more emphasis on universalistic goods, doesn't mean that prejudices don't still exist amongst students and young adults. Prejudice is defined by authors Sally Hill and Alastair Tombs (2011) as "an unfavorable opinion formed beforehand without knowledge, thought, or reason." Prejudices aren't all necessarily related to race or ethnicity specifically. It is possible to discriminate based on prejudices against a person's nationality, physical appearance, speech, mannerisms and much more. Question 15 directly asks the customer if his/her customer service experience is affected by accents of employees that are different than his/her own. This question in particular garnered results that can prove beneficial to the firms in the United States. 48.3 percent answered that accents did negatively affect the quality of their customer service experience, while the

other 51.7 percent stated that an accent did not negatively affect the quality of their customer service experience.

The Equal Opportunity Employment Commission was established by the Civil Rights Act of 1964 (U.S. Equal Employment Commission, 2014). The U.S. Equal Employment Opportunity Commission is responsible for enforcing federal laws that protect workers and job applicants from discrimination. This discrimination can include race, color, religion, sex, national origin, age disability or genetic information. Further, it is illegal to discriminate against those that have complained, filed a charge of discrimination, or participated in an employment discrimination investigation or lawsuit (U.S. Equal Employment Commission, 2014).

Employers must be aware of the laws established by the federal government to protect workers and job applicants. Companies of all sizes must be weary of violating the laws established by the federal government and enforced by the Equal Employment Opportunity Commission. To be found in violation of any law established by the Civil Rights Act of 1964 could be costly both to a company's finances and reputation or credibility. Employers must guarantee that their strategies to better serve customers of different ethnicities/backgrounds doesn't encroach upon the rights of current workers and job applicants. Because customers' preferences are ever-changing, and some customers are more concerned with pluralistic versus universalistic goods, companies must adapt. It is important to serve customers of different backgrounds and not isolate customers who may speak different languages or prefer working with those that are of a similar background as themselves.

This poses potential problems for employers in the goods and services industry in the United States. How does a company/firm establish effective strategies to serve customers of different backgrounds without hiring employees solely based on their ethnicity or background? The answer is a bit convoluted, but within reach of any company or firm.

First: companies must regularly survey their customer base. With ever-changing customers must come adapting companies. Frequently surveying customers about their preferences and previous experiences helps a company to grow. Knowing what customers' needs and wants are will aid in knowing what types of employees to provide to customers of that kind. Second: employers and employees must retain a close relationship. By remaining in contact and communicating both instances of success and failure, companies will improve the quality of service they provide. Perhaps an employee realizes that his/her skills and knowledge are not applicable to a particular area. It is that employee's job to effectively communicate to his/her superior what his/her strengths are, and where these strengths may be best applicable. In contrast, companies must be able to communicate to workers what it is they expect. If a company expects to succeed, it must first instruct its employees on how it plans to do so. Opening an effective line of communication from the highest level to the lowest level is what can prevent violations of the Civil Rights Act of 1964 and allow for employees to feel appreciated and fulfilled. Finally: there must be strong emphasis on employee training. Roy explained that employee training in AT&T and companies similar to AT&T must be extensive and considered a continuing education. With this training, employees will better know how to detect problems before they occur and help the company to incur a better reputation.

Employees must know their rights, and in their training it is required that employees be briefed on how to detect violations of their rights as workers and be aware of discrimination.

Conclusion

Customer service is a difficult relationship to define. Often times the quality of customer service varies between the type of good/service and the knowledge, skills and personality of the sales person or employee. What is easily distinguished is the importance of the customer service relationship between the customer and the employee. As identified by Former President Bill Clinton, “customer service is integral to the American economy. Companies must keep customers satisfied in order to keep the economy healthy...[the United States] thrives on the work of men and women in the goods and services, government and medical sectors” (Clinton, W. J., P. 3). Local companies must put just as much emphasis on customer service as large companies like AT&T and Acer Technologies. An effective customer service relationship with clients is what makes for better efficiency and a conduit for building better professional reputation. Because over 90 percent of all Americans are considered ultimate consumers, all industries can be considered part of the customer service industry. For this reason, customer service can affect the quality of the American economy.

Ethnicity has been proven to have substantial effects on the customer service industry. Both customers and business owners have shown signs of bias and ethnocentrism based on ethnicity or background. Businesses like Geno’s in Philadelphia, Pennsylvania show abrasive approaches to customer service and pose potential threats to the goods and services industry in the United States. However, the next generation of

consumers are showing trends of acceptance and apathy towards ethnicity in the goods and services industry. Now more than ever, emphasis is being placed on the professionalism and skills of the employees and servers. With further study it is possible to identify the attitudes of future consumers-namely college students and adults between the ages of twenty and thirty. In order to further study ethnicity's effect on the goods and services sector, it is recommended that companies frequently survey their customer base and effectively communicate the results to researchers and government agencies.

Ethnicity will continue to have effects on the goods and services industry, both positively and negatively. Consumers and companies still can show prejudices against an employee's ethnicity. Consumers are effectively protected against unnecessary prejudices by the Civil Rights Act of 1964 (specifically the Consumer Bill of Rights). Companies and firms are legally permitted to refuse service to any customer based on necessary and lawful terms. This establishes a gray area that must be addressed by available legal representation to consumers and companies and an informed customer base.

Because prejudices and ethnocentrism will continue to exist, both consumers and companies will need to adapt and change over time. For customer service to truly exist, companies must adjust to the types of people coming into their service areas and help the customer to attain the good/service desired in a professional manner. Ethnicity will continue to be a barrier to effective customer service, but both companies and consumers can continue to thrive in the American economy if they remain informed of their rights and maintain effective communication.

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