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# SERVICE QUALITY AND VALUE: AN EXAMINATION OF INTERNATIONAL SUMMER STUDENTS' PERCEPTION OF TOURISM SERVICES IN SHANGHAI

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#### **Abstract**

The purpose of this work is to examine international summer language students' perceptions of tourism services in Shanghai. To achieve this purpose, the study tests the direct and indirect influence of Chinese employees' expertise, language, and nonverbal cues on international students' perception of service quality and service value, respectively. Besides, the direct link between service quality and service value. The indicators used to measure the constructs were identified through the literature review. Collected data were analyzed by partial least square. The findings showed that employees' language does not always affect customers' perception of tourism services. On the contrary, employees' expertise and nonverbal cues displayed exert a significant impact on service quality and service value. Additionally, the inseparable link between quality and value was confirmed. Nevertheless, the study did not assess the direct effect of employees' expertise, nonverbal cues, and language on service value, which authors recommend for further research. Tourism service managers should design intercultural training programs to increase employees' cultural awareness and service quality-related knowledge. Reinforcing customer-facing sales' intercultural competencies and interpersonal skills may increase tourists' perceptions of the service provider. The present research is an effort to widen the scope of the existent research on international students in China, which has mostly focused on intercultural aspects within educational institutions.

**Keywords:** Service Quality; Service Value; International Students; Service Encounter; Tourism Services.

# 1. Introduction

Over the years, China has attracted international students interested in discovering the culture and language of the country. However, in the past years, the population of foreign students traveling to this Asian giant has skyrocketed, increasing at a steady rate for two consecutive years, and making China the most popular destination in Asia (MoE, 2018). The 2017 CCG¹ annual report attributes this growth to quality improvement of the educational institutions, cooperative partnerships as well as a breakthrough in policies that allow international students to stay on after finishing their studies. Consequently, the Ministry of Education (MoE) reports a total of 489200 foreign students enrolled in educational institutions in 2017, from which more than 60% belonged to the One Belt, One Road initiative. Cities like Beijing and Shanghai remained as the first two choices as study destinations registering the highest rate of inbound international students respectively. Although the report does not specify the number of international students traveling to China for long- or short-term language courses, other research (Ding, 2016) has shown that the primary determinant influencing students' decisions in coming to Shanghai is learning the Chinese language along with the image of the city as a cosmopolitan metropolis and its economic development.

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Nevertheless, despite the increasing number of international students in China and the growing number of studies in this field, there is a need for more scholarly research. To date, most of the investigation related to international students in China has been done within the "intercultural education framework" (Yang, 2018). Some of the existent literature examine second language acquisition (Baohua Yu, 2010), identity construction and sense of belonging (X. Li, 2015), level of experience and satisfaction with the higher education and other supportive services (Ding, 2010, 2016; Wen, Hu, & Hao, 2016; Wen, Chen, Bai, & Cao, 2013), sociocultural adaptation (Wen, Luo, & Hu, 2014), or acculturative stress (Bin Yu et al., 2014). Consequently, the backwardness in this field leaves the door open for new research opportunities.

During the last two decades, existing literature in tourism (Abdullateef & Biodun, 2014; Babin & Kim, 2001; Donaldson & Gatsinzi, 2005; Eusébio & Carneiro, 2012; Kim, Hallab, & Kim, 2012; Kondakci, 2011; Michael, Armstrong, & King, 2004; Min-En, 2006; Phau, Shanka, & Dhayan, 2010; Richards & Wilson, 2003; Shi et al., 2010; Xu, Morgan, & Song, 2009) has acknowledged international students as an essential segment of the tourism market. However, to the best of our knowledge, none of the studies related to international students in China has considered them in inbound tourism research neither employed students coming for language summer courses as principal respondents of their research. Although the primary reason for these summer students is to learn Chinese, they are also traveling to satisfy their thirst for relaxation and adventure, looking for new and exciting experiences. Daily touristic activities may include going on sightseeing tours, visiting attractions, museums, partying at a nightclub or bar and interacting with local people. Hence, they represent an appealing audience for travel-related consumptions (Babin & Kim, 2001).

As tourists, international students consume a wide array of tourism services that in conjunction allow them to create an overall value impression of the tourism services of the host country. On this wise, the negative or positive perception of the tourism services is mainly based on frontline employees' performance as they are the face of the company. The literature assures that customers' judgments of the quality of service are practically driven by employees' behaviors (Lloyd & Luk, 2011). Aspects such as expertise, language and nonverbal cues displayed during the service encounter are constantly under observation. Therefore, a positive perception of the employees' behavior will increase not only the perceived service quality but also the perceived value of the customers.

Henceforward, the present study attempts to widen the research scope on international students in China by investigating the perception of overseas summer language students towards tourism services in Shanghai. First, the research empirically analyzes to what extent Chinese employees' expertise, language, and nonverbal cues, directly and indirectly, influence summer language students' perceptions of the service quality and service value, respectively. Consequently, it assesses the relationship between service quality and service value.

#### 2. Literature Review and Hypothesis Development

#### 2.1 The Service Encounter and Service Quality

The service encounter is probably the essential part of a service. The interaction customers have with employees play as a determinant of customers' perception of quality as well as the value of the service. In the literature, various authors (Brady & Cronin Jr, 2001; Crosby, Evans, & Cowles, 1990; Ekinci, Dawes, & Massey, 2008; Ekinci & Riley, 2001) have highlighted the importance of interactive elements of the service encounter with service quality. For example, Cronin (2000) measures quality performance through a series of indicators all related to how the employee behaves with the customer. Diefendorff & Richard (2003) affirm that employee's friendliness increases the quality of service during a customer-employee interaction. Parasuraman, Zeithaml, & Berry (1991) highlight not only the tangibility of the service when talking about the elements defining quality but also aspects such providers' responsibility, credibility, politeness, customer's needs understanding and personalization of relationships (Butnaru & Miller, 2012). Crosby, Evans, & Cowles (1990) include expertise, relational selling behavior and similarity as crucial dimensions of relationship quality. The authors find that future sales opportunities depend on the quality of the employee-customer relationship. Brady & Cronin (2001) demonstrate the importance of some interactional aspects of the service encounter such as expertise, attitude, and behavior when determining the quality of service. In tourism, Butnaru & Miller (2012) assert that service quality is not only about the diversity of propositions the service provider offers but also the direct relationship between the customer and the employee which includes oral communication, nonverbal behavior, and expertise of the personnel. Others such as Andrzejewski & Mooney (2016) assert that female service employees often receive higher perceived service quality ratings than male every time they females display non-Duchenne smiles or even between the type of smile and gender on perceived competence ratings by the customers. Hussain, Nasser, & Hussain (2015) assure the essential role of customeremployee communication as an antecedent of service quality. Hence, it is logical to think that an employee's expertise, language, and nonverbal cues may influence customers' perception of the service.

#### 2.2.1. Expertise

Expertise or employee's competence has been one of the main ingredients of the quality of any service encounter. In fact, several authors have confirmed its influence on service quality (Bitner, Booms, & Tetreault, 1990; Black, Childers, & Vincent, 2014; Brady & Cronin Jr, 2001; Crosby et al., 1990; Czepiel, Solomon, Surprenant, & Gutman, 1985; Dagger & Sweeney, 2007; De Jong, De Ruyter, & Wetzels, 2006; Grönroos, 1990; Snipes, Thomson, & Oswald, 2006; Vella, Gountas, & Walker, 2009). Crosby, Evans, & Cowles (1990) link employee's expertise to quality. The authors assert that the expertise is the attribute of an employee that allows him or her to display specific competencies related to the service or product offering and it is typically given in the form of information. Additionally, the findings of the research show a moderated strong effect of expertise on relationship quality besides directly influencing the effectiveness of the sales. Brady & Cronin (2001) finds that the expertise of the service personnel influences the quality of the customer-employee interaction. Black, Childers, & Vincent (2014) confirm the link in the literature of expertise as an antecedent of service quality through the analysis of 108 empirical studies. The authors assure that customers feel more comfortable when interacting with highly competent employees guaranteeing a higher quality service perception, and although employee expertise had the smallest significant effect on service quality compared with other predictor variables tested, the study finds employee's knowledge as a crucial asset in customized and sophisticated services. As such, it can be hypothesized that:

# $H_1$ : Employee's expertise will directly and positively affect service quality ( $H_{1-1}$ ) and indirectly affect service value.

#### 2.2.2. Language

Language plays a vital role during service encounters. It is through language that consumers communicate with employees. However, although language accommodation has been one of the critical drivers to enhance intercultural service experiences and increase the perceived service quality by the customer, it has been only in recent years that authors have started to make in-depth investigations about the role of language in service encounters (Callahan, 2014; Cayla & Bhatnagar, 2017; Holmqvist, 2011; Holmqvist & Van Vaerenbergh, 2013; Kraak & Holmqvist, 2016; Vaerenbergh & Holmqvist, 2013; Wang, Miao, & Mattila, 2015; Zolfagharian, Hasan, & Iyer, 2017, 2018) and how this influences consumers' perception of different aspects of the service such as experience, value, trust, authenticity, quality, and satisfaction. Authors such as Wang, Miao, & Mattila (2015) empirically show that language accommodation positively impact perceived symbolic value. Kraak & Holmqvist (2016) review how employees' language used during the service encounter affects customers' perception of service quality. Zolfagharian, Hasan, & Iyer (2017) explore how employees' language used affects second-generation immigrant customers in fast food and post office services, and the findings show that when employees use the language expected by the customer, his or her perception of service quality is higher. Moreover, based on the past studies findings, it is hypothesized that:

# $H_2$ : Employee's language during the service encounter will directly and positively influence service quality $(H_{2-1})$ and indirectly affect service value.

#### 2.2.3. Nonverbal Cues

During years nonverbal communication has been recognized in the literature to communicate more than verbal communication. Indeed, the literature defines nonverbal communication as "the sending and receiving of thoughts and feelings via nonverbal behavior" (Ambady & Weisbuch, 2010) and nonverbal behavior or cues convey meaning (Bonaccio, O'Reilly, O'Sullivan, & Chiocchio, 2016) to others. Therefore, it is logical to think that employees' nonverbal cues may affect positive or negative the consumer outcomes of service. Thus, the literature shows the direct link between nonverbal cues, service quality, value and other aspects of the service encounter (Andrzejewski & Mooney, 2016; M Gabbott & Hogg, 2000; Mark Gabbott & Hogg, 2001; J. Li, Canziani, & Barbieri, 2016; Puccinelli, Andrzejewski, Markos, Noga, & Motyka, 2013; Webster & Sundaram, 2009). For example, Webster & Sundaram (2009) suggest that behavioral cues displayed by the employee play a crucial role in forming customers' perception of the service provider. Li, Canziani, & Barbieri (2016) link emotional labor, displayed in the form of facial expressions like smiling and direct eye-gaze, with service quality. The study affirms that smiling evokes positive emotional responses from customers and therefore affect the consumer perception of the service quality. In the same vein, Andrzejewski & Mooney (2016) demonstrate that the type of smile affects customers perceived service quality as well as the perceived level of competence. Therefore, based on past literature, it can be hypothesized that:

 $H_3$ : Employee's nonverbal cues during the service encounter will directly and positively influence service quality  $(H_{3,1})$  and indirectly affect service value.

#### 2.2 Service Quality and Service Value

A significant number of authors have considered service quality as a predictor or a component of service value (Black et al., 2014; Brodie, Whittome, & Brush, 2009; Chua, Lee, Goh, & Han, 2015; Cronin, Brady, Brand, Hightower, & Shemwell, 1997; Cronin, Brady, & Hult, 2000; Eid & El-Gohary, 2015; Gallarza & Saura, 2006; He & Song, 2009; Holbrook, 1999; Hume, 2008; Hussain, Al Nasser, & Hussain, 2015; Kuo, Wu, & Deng, 2009; Parasuraman & Grewal, 2000; Petrick, 2002; Prebensen, Vittersø, & Dahl, 2013; Ruiz, Gremler, Washburn, & Carrión, 2008; Sweeney & Soutar, 2001; Wu & Hsing, 2006; H. Yu & Fang, 2009; Zeithaml, 1988). Indeed, the relationship between quality and value in the literate goes back to Zeithaml (1988) who talks about the intrinsic relationship between quality and value, stating that consumers see quality as the benefit obtained by buying the service. Therefore, perceived value is the result of what the customer gets for what s/he gives (Zeithaml, 1988). Thereby, customers perceived high-value depends on their perception of the quality offered by the service provider (Ruiz et al., 2008) mainly during the service encounter. Authors such as Grönroos (1995), Cronin, Brady, & Hult (2000) and Bradley & Sparks (2012) have demonstrated that the quality of a service influence customers' perceived value of a service in the timeshare and holiday ownership industry. In a similar line, Ruiz et al. (2008) find quality as the primary driver of value in three different industries. Additionally, He & Song (2009) investigate the relationship between service quality, value, satisfaction, and intentions to repurchase tour services from travel agents. Using data from 1998 to 2006, He & Song empirically show the direct and significant relationship between quality and value. Other authors such as Chua et al. (2015) examine the effect of attributes of service quality on the perceived value of cruise vacationer with cruise lines in North America, finding a positive and significant impact of interactional and outcome quality on value. Thus, service quality seems to be proportional to value, as the former increases, the perceived value of the service will also increase. Hence, since much evidence exists indicating the relationship between service quality and value. As such, it can be hypothesized that:

#### H<sub>4</sub>: Service quality directly and positively affects customers' perception about the service.

#### 3. Research design and method

Figure 1 presents the proposed research model of the current work for which measures used in past research were adopted, using a purposive sampling technique. The figure below presents three of the main aspects to have into consideration when analyzing a service encounter as exogenous constructs: employee's expertise, language and nonverbal cues, and these directly or indirectly may influence service quality and service value. Data analysis for this research has been statistically analyzed through SPSS 24 to analyzed the demographic data and SmartPLS 3.2 (Ringle, Wende, & Becker, 2015). The present work is part of more prominent research examining international tourists' perception of Shanghai tourism services.

Language

H<sub>2-1</sub>

Service
Quality

Nonverbal
cues

Fig 1: Research Model

# 3.2 Research Setting

The target population of this research consists of overseas students visiting Shanghai during the summer of 2017 with the purpose of doing a Chinese summer course. Although a total of 200 questionnaires were distributed around some universities, only 177 were received back, of which six were rejected for being incomplete. Moreover, only 171 questionnaires were utilized for the empirical analysis yielding an overall response rate of 85.5%. Data were collected in-person by a doctoral candidate and an undergraduate student. Before filling out the survey questionnaire, all the students were informed of the purpose of the research.

#### 3.3 Questionnaire Design and Data Collection

The process of data gathering was carried out using a survey questionnaire. The instrument consisted of three main parts: (1) general information, (2) demographics of the participants, and (3) the questions related to the latent constructs outlined in the research model. For the third section, respondents were asked to answer on a 5-point Likert scale, from 1 (completely disagree) to 5 (completely agree). Table 1 shows the questions used for each construct utilized. To validate the research model, partial least square method which is the analysis method based on the structural equation model was utilized.

Table 1. Summary of the Measurement Items						
Construct		Item	Adapted from			
	NVC1	The employee's voice is not boisterous.	Jung & Yoon (2011)			
	NVC2	The employee converses at a proper speed.				
Nonverbal cues	NVC3	The employee listens carefully to what I have to say.	Chandon, Leo, & Philippe (1997)			
	NVC4	In general, the employee displays a proper nonverbal behavior.				
Language	LA1	The employee accommodates my language preference.	Kraak & Holmqvist (2016) interviews			
Language	LA2	The employee has good language skills.				
	LA3	The employee communicates with me in English.	Balaji, Kumar, & Lassar (2016)			
	LA4	The employee communicates with me in Chinese.				
	XP1	S/he knows the job very well.	Brady & Cronin (2001) Lloyd &			
	XP2	S/he is able to answer my questions quickly.	Luk (2011)			
Expertise	XP3	S/he understands that I rely on his/her knowledge to meet my needs.				
	XP4	S/he possesses the expertise to analyze customers' problems.				
SQ1 Service		Generally, the employees are trustworthy, believable, and honest	Cronin (2000)			
Quality SQ2		Generally, this company's service is reliable and consistent.	Ruiz et al. (2008)			
	SQ3	These services are superior compared to others I've bought.				
	SQ4	Overall, I think the service offered was good.				
	SV1	The value I received from this service is worth the effort, time, and money spent.	Ruiz et al. (2008)			
Service Value	SV2	The value of this service compares favorably to other service providers.				
	SV3	I am happy with the price of the service.				
	SV4	Overall, the value of this services to me is	Cronin (2000), Gallarza et al.			
	SV5	Compared to what I had to give up, the overall ability of this service to satisfy my needs and wants is	(2016)			

# 4. Data analysis and results

## 4.1 Demographic Information

The sample of this study was composed of overseas students in between 18 and 35 years old enrolled in Chinese summer course. As table 2 shows, from 171 respondents, 55.8% of them were women while the other 44.2% were men. Concerning the level of education, 31.4% of the respondents were masters' degree holders, 15.2% were still in college, 6.7% in high school and 46.7% were bachelors' degree holders. Despite the majority of these students stayed on campus (71.1%), other 15.1% and 13.8% were staying with friends and hostel, respectively. Besides, more than 50% of the international students spoke more than two languages. Additionally, the majority of the respondents (n = 146) regarded themselves as tourists. Like other visitors, international students engage in touristic activities such as eating out, visiting cultural and historical attractions, enjoying the nightlife by going to a bar or nightclubs, taking sightseeing tours, some of them organized by the university where they are enrolled, buying souvenirs, and visiting the fake market before leaving the city.

Table 2. Demographic of Respondents					
Demographic Profile	Groups	Frequency	Percentage		
Gender	Female	93	55.8		
	Male	78	44.2		
Age	18-25	98	58.7		
	26-35	55	30.3		
	Below 17	18	11.0		
Educational Level	Bachelor degree	85	49.5		
	Master degree	52	29.6		
	College	23	15.2		
	High school	11	5.7		
Accommodation	On Campus	120	71.1		
	Hostel	23	13.8		
	Friend's place	28	15.1		
Spoken Language	1	24	14.4		
	2	58	33.2		
	More than 2	89	52.4		

#### 4.2 Demographic of the Respondents

#### 4.2.1 Measurement Model

Internal consistency, convergent validity, and discriminant validity were computed to assess the measurement model. Thus, to measure the internal consistency of the constructs, Cronbach's alpha (CA) and composite reliability (CR) were employed and values higher than .70 were used as the cutoff criteria advised by Hair et al. (2016). In contrast, convergent validity is calculated using the indicator reliability and the average variance extracted (AVE) for which values greater than .50 are taking into consideration. In the current study, Cronbach's alpha values comply with the threshold value above mentioned; its values range between .761 and .899. The composite reliability of the constructs goes from .848 to .930, and the AVE values are all greater than .582. Table 3 summarizes these results.

Table 3. Constructs Reliability and Validity					
	CA	CR	AVE		
Expertise	0.832	0.888	0.664		
Language	0.761	0.848	0.582		
Nonverbal Cues	0.848	0.898	0.688		
Service Quality	0.899	0.930	0.768		
Service Value	0.830	0.881	0.598		

Additionally, the Heterotrait-Monotrait ratio of correlations (HTMT) criterion was used to assess the discriminant validity of the model. According to Henseler, Ringle, & Sarstedt (2015), when measuring the HTMT, values lower than .90 are considered as acceptable. Table 4 shows all the values under the .841. Hence, the measurement model complies with the rules of the thumb and has both reliability and validity.

Table 4. Heterotrait-Monotrait Ratio (HTMT)						
	Expertise	Language	Nonverbal Cues	Service Quality		
Expertise						
Language	0.813					
Nonverbal Cues	0.797	0.831				
Service Quality	0.836	0.765	0.841			
Service Value	0.796	0.791	0.734	0.773		

#### 4.2.2 The Structural Model

The bootstrapping method was used to test the structural model and therefore the hypotheses proposed by using 5000 bootstrap samples, two-tailed testing, bias-corrected and accelerated bootstrap and a significance level of 0.05. Table 5 shows three of the paths with t values at 1% significant level. It can be observed that employee's expertise (t = 5.899; p = 0.000) and nonverbal cues (t = 5.374; p = 0.000) positively and directly influence the quality of the service. Additionally, expertise will also affect service quality indirectly (t = 5.014; p = 0.000) as well as nonverbal cues (t = 5.119; p = 0.000). However, the study demonstrates that language (t = 1.307; t = 0.192) does not affect service quality neither service value indirectly (t = 5.014; t = 0.000). The results of the computation support t = 0.000 and t = 0.000 are the paths of the computation support t = 0.000 and t = 0.000 are the paths of the computation support t = 0.000 and t = 0.000 are the paths of the computation support t = 0.000 and t = 0.000 are the paths of the computation support t = 0.000 and t = 0.000 are the paths of the computation support t = 0.000 and t = 0.000 are the paths of the computation support t = 0.000 and t = 0.000 are the paths of the computation support t = 0.000 and t = 0.000 are the paths of the

Table 5. Hypothesis Testing Using Bootstrapping Method						
Path	Origina l Sample (O)	Sampl e Mean (M)	Standard Deviation (STDEV)	t-Statistics ( O/STDE V )	<i>p</i> - Values	Hypotheses
Expertise → Service Quality	0.368	0.373	0.067	5.899	0.000	H <sub>1</sub> : Supported
Language → Service Quality	0.111	0.123	0.085	1.307	0.192	H <sub>2</sub> : Rejected
Nonverbal Cues → Service Quality	0.428	0.422	0.080	5.374	0.000	H <sub>3</sub> : Supported
Service Quality → Service Value	0.681	0.685	0.045	15.263	0.000	H <sub>4</sub> : Supported

INDIRECT EFFECT						
Expertise → Service Value	0.251	0.254	0.050	5.014	0.000	H <sub>1-1</sub> : Supported
Language → Service Value	0.075	0.085	0.059	1.279	0.201	H <sub>2-1</sub> : Rejected
Nonverbal Cues → Service Value	0.292	0.286	0.055	5.119	0.000	H <sub>3-1</sub> : Supported

Further, to evaluate the significance and relevance of the relationships, the level of determination coefficient of the endogenous latent variables was analyzed. Table 6 shows that expertise and nonverbal cues explain 66% of the amount of variance in service quality. However, service quality only explains 46% of the variation in service value. Additionally, the model presents standardized root mean square residual (SRMR) of 0.073 and root mean squared residual covariance matrix (RMS<sub>theta</sub>), of 0.12, values that comply with the rule of thumb of 0.08 and 0.12 recommended by Hu & Bentler (1999) to consider a model with a good fit.

Table 6. Coefficient of Determination $(\mathbb{R}^2)$						
$R^2$ $R^2$ Square Adjusted						
Service Quality	0.661	0.655				
Service Value	0.464	0.461				

#### 5. Discussion

This study examined the perception of overseas students taking a Chinese summer course towards tourism services in Shanghai. Contrary to past research, the findings revealed that the language used by Chinese employees during an interaction with international students does not affect their perception about the quality of the service (t = 1.307, p = 0.192) neither the value of the service (t = 1.279, p = 0.201). This result contradicts past studies showing language as an influencer of customers' perception of different aspects of the service such as quality and value. Perhaps overseas summer students take the service encounter as a place where they can practice the language and learn more about the local culture.

Nevertheless, the perception of international students about how knowledgeable is the employee with they are interacting will positively and directly influence their impression of the service quality (t = 5.899, p = 0.000), hence the perceived value of the service (t = 5.014, p = 0.000). Thus, as an essential attribute of the service personnel, expertise plays a vital role in the effectiveness of the buying process as well as both short- and long-term relationship with the service company (Crosby, Evans, & Cowles, 1990). This result supports prior literature referring to the importance of employee's expertise as a predictor of service quality (Black, Childers, & Vincent, 2014; Brady & Cronin Jr, 2001; Crosby, Evans, & Cowles, 1990; Lloyd & Luk, 2011). To be perceived as a knowledgeable employee, customers pay attention to what extent the employee can anticipate their needs or wants as well as analyze their problems and deliver the best solution to their problems.

Additionally, the findings also show the direct and indirect impact of employees' nonverbal cues on both quality (t = 5.374, p = 0.000) and value (t = 5.119, p = 0.000) respectively, supporting past research (Andrzejewski & Mooney, 2016; Li et al., 2016; Lloyd & Luk, 2011; Puccinelli et al., 2013). It is well-known in the literature that nonverbal behavior conveys specific employee qualities such as patience and helpfulness (Lloyd & Luk, 2011) therefore a positive display of nonverbal behavior by the employee during a service encounter may lead to higher levels of service quality ratings by the international students. Webster & Sundaram (2009) showed that when service personnel displays a more pleasant communication, consumers felt that the service delivered was more enjoyable, and hence the evaluation of the service was greater. Facial expressions such smiling may call forth positive emotional responses and therefore exert a certain effect on perceived service quality (Li, Canziani, & Barbieri, 2016) and value indirectly. Employees must take into consideration that in intracultural service encounters there is a higher possibility of understanding because the meaning of the symbols shared may be interpreted in the same way. However, this is may not be the case in intercultural services. For example, while eye contact may be perceived by western cultures as a symbol of engagement and interest in the conversation, in Chinese culture this is not essential, sometimes is even avoided and considered as rude or inappropriate. Same happens with the voice. In an intracultural encounter where both parties are Chinese, speaking with high volume can be contemplated as a sign of

confidence, honesty and perhaps a way of saving 面子[miàn zi]². On the contrary, if this Chinese employee is talking loudly to a foreign customer, the salesperson may be perceived by the customer as rude and sometimes aggressive. Hence, it is crucial that employees know how to read customers' emotions or desires displayed through different forms of nonverbal behavior. Forming this ability will help them to deliver a better service and increase customers' perceived service quality and therefore value.

In like manner, the study found a direct relationship between international students' service quality impression and their value perception of tourism services (t = 15.263, p = 0.000) in Shanghai, confirming past research exploring the inseparably link between quality and value (Chua et al., 2015; Gallarza & Saura, 2006; He & Song, 2009; Hussain et al., 2015; Kuo et al., 2009; Oliver, 1999). To stimulate stimulates positive consumers' evaluations, sales personnel should make customers feel comfortable and experience satisfying emotions. Besides building a harmonious relationship with them by fitting in the service offering with their culture (Wang et al., 2015), desires or demands. A pleasant service encounter will help not only to attract more customers but to retain them (He & Song, 2009) raise their willingness to pay a higher price for the service (Hussain et al., 2015) and increase company profitability. It is not only about maintaining an excellent level of quality service, but also making it noticeable by customers (He & Song, 2009). In conclusion, when customers get an excellent quality service, their value perception of the service will be high.

# 6. Conclusion and Implications

# 6.1 Theoretical Implication

The current research makes some theoretical contributions. First, it demonstrates that Chinese employees' expertise and nonverbal cues play a significant and direct role on international students' perceived service quality as well as a significant and indirect effect on their perceived value of Shanghai tourism services. Secondly, it extends the existent literature investigating international students in China by exploring the perception of overseas students enrolled in summer language courses towards Shanghai tourism services. Consequently, it supports previous tourism literature considering international students as inbound tourists. More than half of the surveyed see themselves as tourists. Despite traveling mainly with the purpose of studying, foreign students express their desires of partaking in touristic activities with the aim to enjoy more their stay. In a detailed reviewed of the literature which included academic works and tourism industry reports, Abdullateef & Biodun (2014) conclude that foreign students can be considered as international tourists since they constitute an important "source of revenue through foreign exchange earnings" and therefore researchers can take them into account when conducting inbound tourist studies.

Thirdly, the current work demonstrates that whether direct or indirect, the influence of language on quality and value is not always present. Despite prior literature state that accommodating to customers' language may increase consumer's feeling of excitement, comfort, enjoyment and consequently, consumers' perception of the service, in certain groups of people such as summer students, language accommodation not always elicits lower or higher perceived service quality or value levels. Indeed, when examining how cultural congruence and language congruence in intercultural service encounters, Wang, Miao, & Mattila (2015) showed that customers' perception of the communication accommodation during an interaction with a service employee is more symbolic than relational. If well is true that language plays a vital role during the service encounter, it does not necessarily enhance a better customer-employee relationship neither increase the perception of the service. Instead, language accommodation may boost consumers' need to impress other people of their same social group or outside of it, magnify their status, and give others the idea of them having a good life.

Lastly, the research reaffirms past studies validating the direct link between service quality and value, using internal summer students as the target of the study. The paper wider the understanding of how Chinese employees' behavior during an intercultural service encounter affects international students' perception of service quality and value in China. Demographically, the article shows that the number of female students partaking in Chinese summer courses is higher than males. In addition, although the majority of international students traveling to Shanghai to enroll in Chinese language summer courses, choose on-campus accommodation, others consider hostels or the of a friend for their stay.

#### 6.2 Managerial Implications

We all know that managing service quality and value is a complex task, especially in a competitive environment like the tourism and hospitality industry. Therefore, establishing smart strategies to be perceived by costumers as providers offering excellent quality service becomes crucial. Thus, the findings of the present study shed light on the uttermost importance of knowing how to handle an intercultural service encounter to increase overseas

<sup>&</sup>lt;sup>2</sup> face or reputation, considered as important in Chinese culture

customers perception of quality and value, more specifically foreign students enrolled in summer courses. In this way, the current research offers several attainable managerial implications.

First, when tracing any communication and marketing strategy, managers must bear in mind that frontline employees probably represent the most important asset of a company. All that they say or do during a service encounter will negatively or positively influence customers' perception of the company. Furthermore, managers should not overlook frontline workers' view but instead take the time to listen to them and get their feedback (Tjan, 2012) on what customers like or dislike from the service offered to develop and implement effective services and meet customers' demands. Consequently, service providers can make use of technology and design an integrated feedback system where both customers and employees freely express their impression of the service and help the company to spot contrasting views about the service encounter (Benjamin, 2016). Accordingly, the implementation of regular performance review meetings aim to understand better the causes affecting positively or negatively the sales personnel performance, may help tourism business to create more effective strategies to improve the quality service, value offering and attract more customers.

Secondly, instead of spending money on traditional training programs, invest more heavily in designing cross-cultural and interactive training programs to improve quality management. The tourism industry is a complex and continuously changing atmosphere. Therefore, arming customer-facing sales with the right tools will help the company to alleviate the risk of failing in an international environment. Bear in mind that overseas tourists may be more demanding than conventional tourists since they depend heavily on services. Thereby, increasing cultural awareness and service quality-related knowledge through intercultural education programs will not only boost frontline employees' intercultural competencies and interpersonal skills but also customers' perceptions of high-value offering and brand differentiation. Show them how to interpret nonverbal cues and react appropriately (Lin & Lin, 2017) to develop a higher level of agreement during the service encounter.

Lastly, use different marketing tactics to create value-added services and provide unique and memorable customer experiences that motive positive worth-of-mouth and attract more international consumers.

#### **Limitations and Future Research**

Despite the theoretical and managerial implications, the current study is not exempt from limitations and provides potential directions for further research. First, the present study did not test the direct effect of expertise, nonverbal cues, and language on service value. Moreover, further works could focus interest on conducting in-depth research and assess the direct effect of expertise, nonverbal cues, and language on customers' perceived service value. Second, data were collected in-person, using only international students enrolled in Chinese summer language courses in Shanghai. Future researchers may want to replicate the current investigation including international students in different cities in China, besides employing both paper-pencil and web-based questionnaires. Third, the research examines the international students' perception of tourism services in general. Thus, it would be interesting to analyze the degree in which employees' expertise, nonverbal cues and language influences perceived service quality and value in specific services such as restaurants, tour guides, and other tourism-related service providers. Lastly, further works may explore to what extent verbal and nonverbal communication affect international students in China.

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