Department of Marketing

Customers' behavioural contribution to the service encounter

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Parts of this thesis have been presented and published in various academic events during the development of the research (2011 – 2017).

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DEDICATION

TO ALL THOSE PEOPLE WHO ARE KIND TO OTHERS,

WITHOUT THE EXPECTATION OF A FUTURE REWARD.

TO MY MUM.

AND TO AUSTIN.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

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In essence, this thesis has focused on examining how people are affected by another person's voluntary, beneficial behaviour. I have been fortunate enough to be able to receive such benefits during this exciting PhD journey. This has made me realize that a truly gratifying outcome has been achieved through the resourceful and generous contribution of several individuals.

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ABSTRACT

The dyadic nature of the service encounter suggests that the service output essentially arises from the coordinated efforts of customers and service employees. In this view, the services marketing literature has recently trended towards incorporating customer positive behaviours into the study of the interpersonal dynamics of the service encounter, thereby hinting that customers' behavioural contributions are conducive to achieving a positive service outcome. However, the manner in which such positive service encounters can develop at the customer's initiative lacks empirical evidence. This research adopts a behavioural perspective and draws on the fact that service encounters are reciprocal in nature; this means that service employee behaviour can often come as a response to the customer's prior behaviour, and can therefore be more reactive in nature. A mixed-methods sequential exploratory research design, implemented through two studies, aimed at advancing the current understanding on the ways that customers can contribute to the service encounter through the impact of their behaviour on service employees' subsequent behavioural response.

Study 1 was exploratory and employed in-depth interviews conducted among service employees, in order to investigate the effect of customer positive behaviours from the recipients' standpoint. The results revealed that service employees engage in favourable reciprocal behaviours towards customers who benefited them during the service encounter. Moreover, these customer benefits are translated into resources that enhance service employees' overall performance, as well as the enjoyment derived from delivering the service to all customers.

Study 2 used an online scenario-based experimental survey distributed among service employees, so as to test a theoretical model linking customer behaviour to service employee behaviour, mediated by the service employee's experience. The results confirmed the initial hypothesis according to which customer discretionary behaviours can initiate a cyclical process of exchange of positive behaviours among the parties involved in the service encounter, through their beneficial impact on service employees' experience.

Overall, this research advances our limited theoretical knowledge on the interpersonal dynamics of the service encounter, by offering empirical evidence on the role of customer behaviour as an antecedent to subsequent service employee behaviour. Therefore, the thesis reinforces the argument according to which customers are partially responsible for the service outcome they receive, as they have the ability to enhance the development of a mutually beneficial service encounter through their behaviour towards service employees.

CHAPTER 1

INTRODUCTION TO THE RESEARCH

1.1. Introduction

Research in the field of services has been flourishing over the past years, and scholars have come to broaden their focus from examining the physical aspects of a service environment (e.g., atmospherics) to investigating the interpersonal factors of the service encounter (e.g., service employee-customer interaction, customer-to-customer interaction). These dynamics are likely to define or at least influence the outcome of the exchange. Such an interest is largely fueled by the fact that face-to-face interactions involve human behaviour; therefore, in a service setting, these interactions can be highly unpredictable and to a certain degree outside of any managerial control.

With regards to the service employee-customer interface, the dyadic nature of the service encounter implies that the behaviours exhibited by both parties are equally important in contributing to the creation of a mutually gratifying exchange. However, much is yet to be discovered on the ways that these parties interact during the service encounter. Also, additional clarification is needed on the mechanisms through which the behaviours lead to specific mutually favourable or unfavourable outcomes. Specifically, despite the strong scholarly acknowledgment of the dyadic nature of the service encounter, the majority of studies in the services marketing area have been investigating the impact of service employee behaviour in terms of customer-related outcomes. Furthermore, much has been learned from customer negative behaviour towards service employees. However, little is still known about the ways that customers can contribute to the service encounter. The present research, therefore, addresses an identified gap by examining the service encounter from the opposite direction, thereby looking at the impact of customers' positive behaviour towards service employees in terms of their experience and subsequent behaviours. This first chapter of the thesis will outline the background of the research, the research problem, along with the rationale and objectives of the methodological approach.

1.2. Background of the Research

The service industry constitutes a very significant factor of employment in the majority of Western economies (e.g., Grandey *et al.*, 2012; Jorgenson and Timmer, 2011; Liao and Searcy, 2012). As such, it should come as no surprise that research within the field of services has been attracting scholarly attention during the past decades. In particular, a significant body of research has acknowledged the importance of the service encounter in general, and the centrality of personal interactions occurring at the customer-service employee interface in particular. These exchanges are considered to be vital elements of the service encounter (e.g., Bettencourt and Gwinner, 1996; Bitner *et al.*, 1994; Giardini and Frese, 2007; Lewis and Entwistle, 1990; Lee *et al.*, 2006; Solomon *et al.*, 1985; Price *et al.*, 1995; Puccinelli *et al.*, 2010; van Dolen *et al.*, 2002; Zablah *et al.*, 2017) that contribute to the performance of a service firm (Hartline and Ferrell, 1996; Kelley *et al.*, 1990; Yi and Gong, 2006). In particular, the process of the service encounter as viewed by customers and service employees along with their experience, i.e., their internal evaluation of the 'moment of truth' (e.g., Meyer and Schwager, 2007; Parish *et al.*, 2008), constitutes a prime area of scholarly interest. This focus is justified by the fact that during this moment, specific affective, cognitive, and behavioural responses can occur, which are likely to ultimately influence the outcome of the service encounter (Edvardsson, 2005).

Hence, a wealth of research from several disciplines has been focusing on understanding the interpersonal subtleties involved in the service encounter so as to render this exchange a positive one (Groth and Goodwin, 2011). Despite this scholarly effort, "research that investigates the dynamics of service encounters is still rare" (Giardini and Frese, 2007, p.75), and "therefore, a better understanding of the exchange relationship between employees and customers in service interactions is warranted" (Liao and Searcy, 2012, p.235). In sum, compared to other dyadic exchanges (e.g., leader-subordinates), and notwithstanding its contribution to building enduring relationships, customer-service employee interactions have received limited scholarly attention (Liao and Searcy, 2012).

Two prevailing streams of research examine the interpersonal aspects of the service encounter: the first one originates from the services marketing literature which, by acknowledging the dominance of customer supremacy (Daunt and Harris, 2013), adopts the customer perspective and seeks to determine practices for achieving customer gratification. The second one evolves around the area of organizational behaviour and takes a 'pro-employee' stance while looking into the ways of establishing employee well-being in the workplace (Ivarsson and Larsson, 2010). However, "in the nature of service lies inequality" (Ivarsson and Larsson, 2010, p.94) expressed through an imbalanced relationship. One person strives to create a positive experience by serving, while the other person expects a positive experience while being served. Echoing this standpoint, Rafaeli *et al.* (2012, p.931) argue that "undeniably, in a consumer-centered economy it is impossible to ignore the effects of customer satisfaction on organizational success. However, inherent in these formulas is the notion of a power imbalance between customers and employees". This asymmetry contradicts the general tenet according to which positive encounters can solely occur when both parties involved in an interaction can gain some type of benefit (Beatty *et al.*, 1996), thereby sharing a mutually satisfactory experience (Beatty *et al.*, 1996; Chandon *et al.*, 1997; De Wulf *et al.*, 2000).

1.3. Research Problem and Rationale

In general, it is maintained that "the service encounter calls for pleasant interaction" (Medler-Liraz and Yagil, 2013, p.263). The interaction between two or more people constitutes an occasion during which these people can influence each other through ongoing reciprocal actions (Lengnick-Hall *et al.*, 2000; Côté, 2005; Grönroos and Strandvik, 2008). In other words, the service employee's and the customer's behaviours are interdependent during the service encounter, in that one party's actions affect, and are affected by the other party's actions. Adding to this, service encounters constitute a dyadic interaction (Solomon *et al.*, 1985). This implies that customer contributions are equally important to service employee contributions in order for a balanced encounter to occur. However, an examination of the ‘bigger picture’ of the extant marketing research on employee-customer interactions in a service setting highlights a disproportion in the amount of studies investigating the relative contributions of each party to the service encounter.

On the one hand, a key area of interest in the service sector lies with the study of service employees. Scholars stress the importance of their role, which among others is to serve as an organization’s representatives vis-à-vis its customers (Ashforth and Humphrey, 1993; Kelley and Hoffman, 1997; Parasuraman *et al.*, 1985; Tumbat, 2011). In this respect, it is argued that for the majority of scholars “the research point of departure is usually the customer’s point of view of exemplary employee behaviour” (Ivarsson and Larsson, 2010, p.50). Therefore, the role of service employees in creating a positive service encounter for their customers is well documented in service-related marketing research.

On the other hand, while the impact of service employee behaviour to the service encounter has enjoyed a rich history of empirical investigation, existing knowledge on the effects of customer behaviour remains obscure. An overview of calls for research into customer behaviour as well as into the perspective of the service encounter as captured by service employees is presented in Table 1.1 on the next page.

Table 1.1. Calls for research on customer behaviour and employee perspective.

Source	Citation
Barnes *et al.* (1998), p.18	*"A* ***need clearly exists*** *for researchers to more rigorously* ***examine the role played by customers****, through their words and actions, in determining satisfaction with the service encounter".*
Rodie and Kleine (2000), p.111	*"Although the importance and consequences of contact employees' attitudes and behaviours have received a great deal of attention****, the effects of customers' attitudes and behaviours have been overlooked****".*
Arnold *et al.* (2005), p.1143	*"...[****M]uch would be gained*** *if future efforts focused on identifying delightful and terrible factors* ***from the employee's viewpoint****".*
Groth (2005), p.8	*"...[****R]esearch on citizenship behaviours has almost exclusively focused on employees*** *rather than on customers".*
Bowers and Martin (2007), p.88	*"It is intuitively obvious that if contact employees perform their jobs better, the quality of the interaction with customers will likely be enhanced. Similarly, it follows that* ***if the customer somehow becomes a better customer… the quality of the interaction will likewise improve****".*
Bove *et al.* (2009), p.703	*"...[****T]he antecedents of customer OCBs should receive more research attention****, as these may contribute greatly to the effective functioning of a service organization and the welfare of its service employees".*
Ivarsson and Larsson (2010), p.24	*"It is remarkable that some managers, as well as some researchers,* ***seem to ignore the obvious impact of customer attitude on employees' willingness to provide service****...customer attitude will most certainly influence service in some way or another whether you like it or not".*
van Jaarsveld *et al.* (2010), p.1501	*"As service work expands,* ***understanding the influence of the customer on employee attitudes and behaviours increases in importance****".*
Helkkula (2011), p.381	*"...[****T]he service experience of*** *other actors, such as* ***the service providers****, has been largely ignored and thus* ***represents a gap in the literature****".*
Ma and Dubé (2011), p.83	*"...[T]he extant literature has not been informative on exactly* ***how provider and client behaviours are interdependent****".*

Table 1.1. (*continued*).

Source	Citation
Bradley *et al.* (2013), p.513	*"**Employee behaviours have been studied more often** than have customer behaviours…".*
Balaji (2014), p.2	*"Although there have been recurrent calls for research into customer behaviours, **majority of earlier research have focused on the organizational citizenship behaviour (OCB) performed by employees**".*
Fliess *et al.* (2014), p.434	*"…[D]espite the fact that customer contribution has been one of the main topics in service research for about five decades…**relatively few studies have been devoted to understanding the customer's role and activities in service provision**…".*
Madupalli and Poddar (2014), p.244	*"...[**R**]**esearch** focusing on the **role of customer behaviours on employee behaviours is limited**".*
Stock and Bednarek (2014), p.400	*"…[U]nderstanding how customer behaviours affect customer satisfaction requires **a preliminary understanding of how customers' behaviours affect frontline employees**".*
Jung *et al.* (2017), p.39	*"As of yet, however, **no research has examined how customer behaviours toward FLEs...influence customer-oriented behaviours**. This is an important omission because…customer behaviours impact the amount of effort required to satisfy customer needs".*

The table is in chronological order, listing the calls of key articles for exploring customer behaviours and the impact this has on employees. It has been over twenty-five years since Czepiel (1990, p.17) identified the customer as a causal variable affecting the service encounter and pointed to an existing gap in the literature by stating that "little has been done to examine the effects of customer role performance, functional performance, or simple social performance on objective quality or satisfaction with either the service or the encounter". Nevertheless, past service research has excluded the customer's role in the dual social process of the service encounter (Guiry, 1992). Consequently, the majority of studies have opted for a more traditional view by investigating the effects of employee behaviour on customer-related subsequent outcomes (Kelley *et al.*, 1990), rather than into the ways that customer behaviours affect employee-related outcomes (Kiffin-Petersen *et al.*, 2012;

Yi *et al.*, 2011). Indeed, Bradley *et al*. (2010, p.228) argue that despite the fact that customers are by no means passive in the service encounter as "their behaviour influences the dynamics of, and the outcomes from, all service interactions", only a limited amount of research has focused on the impact of customer actions on employee behaviours. Table 1.2 provides an outline of such studies, ordered chronologically.

Table 1.2. Examples of studies evidencing the customer's role in influencing the service outcome through their impact on service employees.

Author (and Year)	**Research Focus**	**Method**	**Key Findings**
Bitner *et al.* (1994)	Service employees	CIT	Customers influence their own satisfaction of the service encounter through their behaviour (e.g., unreasonable demands).
Barnes *et al.* (1998)	Customers	CIT	Customers consider the role of their own words and actions towards service employees in influencing the delivery of a satisfying or dissatisfying service encounter.
Yoon *et al.* (2004)	Service employees and customers	Questionnaire design	Service employee perceived customer participation has a direct positive impact on service employee job satisfaction and service effort, which in turn influence customers' perceptions of employee service quality.
Skarlicki *et al.* (2008)	Service employees	Questionnaire design	Customer interpersonal injustice relates to customer-directed service sabotage, which is negatively related to job performance ratings.
Huang and Dai (2010)	Service employees	Questionnaire design	Customer mood is related to service employees' mood and to their perceptions of emotional labour. There is a positive relationship between service employee positive mood and service performance, and a negative relationship between service employee perceptions of emotional labour and service performance.
van Jaarsveld *et al.* (2010)	Service employees	Questionnaire design	Customer incivility towards service employees is related to service employee incivility, mediated by job demands first, and then emotional exhaustion.

Table 1.2. (*continued*).

Author (and Year)	**Research Focus**	**Method**	**Key Findings**
Garma and Bove (2011)	Service employees	CIT	Customer citizenship behaviours directed towards service employees benefit service employees themselves, but also customers and the organization overall.
Yi *et al.* (2011)	Service employees, customers, and managers	Questionnaire design and experimental design	Customer participation behaviour and customer citizenship behaviour have direct, positive effects on service employee performance and commitment. Customer participation is additionally associated with employee satisfaction.
Zimmermann *et al.* (2011)	Service employees and customers	Questionnaire design	Customer-initiated support increases service employees' positive affect, which in turn enhances customers' positive affect.
Madupalli and Poddar (2014)	Service employees	Questionnaire design	Problematic customer behaviours are associated with service employees experiencing emotional dissonance and emotional exhaustion. Higher levels of emotional dissonance and emotional exhaustion impact on service employees' negative emotional reactions and subsequently lead to higher retaliation.
Stock and Bednarek (2014)	Service employees and customers	Questionnaire design	Customer demands hinder service employees' customer-oriented attitudes, behaviours, and customer satisfaction through service employees' emotional exhaustion. Customer resources positively influence service employees' customer-oriented attitudes and behaviours and buffer the negative effect of customer demands on service employee emotional exhaustion and customer-oriented attitudes.
Barnes *et al.* (2015)	Service employees	Questionnaire design	Service employee perceived customer delight results in service employees' positive affect, which in turn positively influences job satisfaction, and ultimately service delivery behaviours.
Jung *et al.* (2017)	Service employees	Questionnaire design	Customer interpersonal and informational justice positively influences service employees' customer-oriented behaviours through employee-customer fit and self-efficacy.

As can be seen in Table 1.2, former and recent research has offered evidence on the customers' role in influencing the service encounter. Specifically, although not intended to be exhaustive, the list of studies referred to in the table offers an overview of the ways that various types of customer behaviour impact on service employees' service behaviours either directly or indirectly. By consequence, conclusions about customers' subsequent evaluations of the service are drawn either explicitly or implicitly. More importantly, the key findings of these studies underscore how customer behaviour has the ability to influence the service encounter by directing it towards a positively (e.g., Jung *et al*., 2017), or a negatively (e.g., Madupalli and Poddar, 2014) valenced outcome. Hence, customers are viewed as being, at least partially, responsible for the service outcome they (or other customers) receive. Despite such an acknowledgement, there is yet a lack of research investigating employee-customer interactions through the theoretical framework of social exchange (Liao and Searcy, 2012; Yi and Gong, 2009). Moreover, even though customer behaviour has the ability to fuel service employees' effort (Yoon *et al.*, 2004), and to increase their effectiveness (Yi *et al.*, 2011), "extant research does not go beyond job resources provided by coworkers, supervisors, and/or the organization" (Verleye *et al.*, 2016, p.364). Given the above discussion, the present thesis argues that further insights are required that will offer a more comprehensive understanding of the service encounter dynamics by incorporating additional explanatory mechanisms for service employee and customer behaviour interdependency.

Furthermore, it can be argued that customer behaviour has been extensively investigated in the context of negative service encounters (e.g., Browning, 2008; Harris and Ogbonna, 2002; Keaveney, 1995; Smith *et al.*, 1999). Here, customers exhibit some form of dysfunctional behaviour. Notwithstanding this scholarly contribution, this fact leaves valid questions about why only a few studies (e.g., Garma and Bove, 2011; Maneotis, 2014; Yoon *et al.*, 2004; Zimmermann *et al.*, 2011) have demonstrated an interest in examining the role of customers as contributors to the creation of a positive service encounter through their engagement in specific types of behaviours towards service employees.

That being said, service firms are currently acknowledging that 'the customer is not always right' (Grandey *et al.*, 2004), and scholars have come to question customers' sovereignty at the customer-service employee interface by starting to examine alternative ways for creating and maintaining a balanced and equally rewarding encounter for both parties. Therefore, an argument can be made for a distinction between 'right' and 'wrong' customers (Bitner *et al.*, 1994; Reichheld, 1992; Woo and Fock, 2004), suggesting that some customers may be more beneficial to an organization over others. In fact, Gutek *et al.* (2002) maintain that in some instances losing an unreasonable customer in exchange to keeping a good service employee is a desirable choice. As a result, "the effects of customers on employee attitudes and behaviours are a relatively new line of inquiry" (van Jaarsveld *et al.*, 2010, p.1488); this is the focus of this research. In particular, the thesis adopts a centralized perspective of the service encounter in order to identify (a) the ways that customers can contribute to the service encounter through their behaviour during their interaction with the firm's key representatives, and (b) the outcomes of such behaviours for the service encounter.

Consequently, the principal aim of this research is to fulfill an identified need with regards to adopting a differentiated angle when investigating the service encounter. Since customer behaviour emerges as a determining factor of employee behaviour, it is proposed that customers themselves are partial contributors to the service encounter. In particular, the opening theorization of this research suggests that customers can contribute to the service encounter by engaging in behaviours that are intended to benefit the service employees. These are perceived as positive and favourable by the recipients, and are likely to affect service employees' behavioural responses, i.e. their reactive, interaction-induced behaviours.

In simple terms, the aim of the present research is summarized as follows:

Research aim**:** *To investigate how customer behaviours contribute positively to the service encounter through their impact on service employee behavioural responses.*

In particular, three research objectives are to be explored through two consecutive studies:

Objective 1: To determine the customer behaviours that are perceived as beneficial by service employees during the service encounter. The *first research objective* is explored through the qualitative phase of the research. The behaviours identified through the exploratory study also serve as the basis for the scenario development undertaken for the experimental survey design of the quantitative phase of the research.

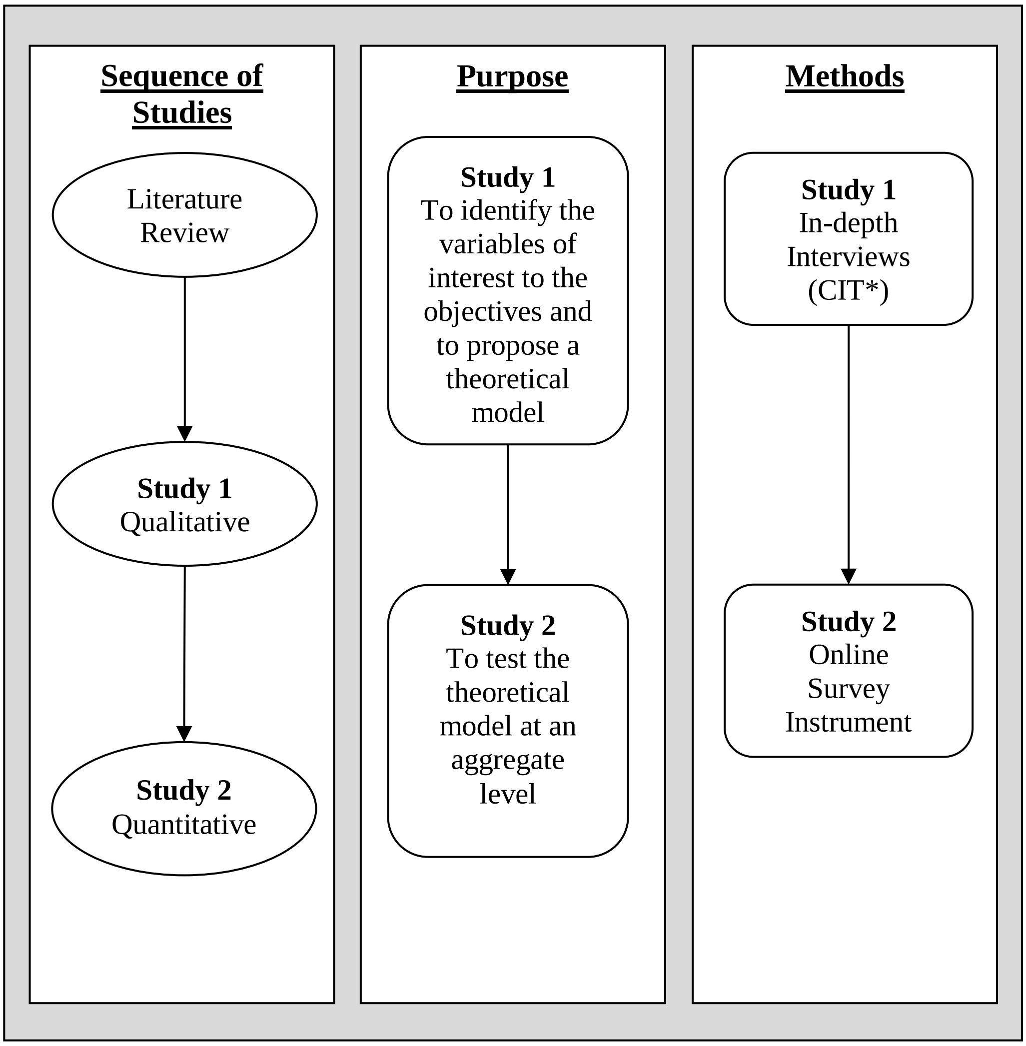
Objective 2: To examine the influence of a customer's beneficial behaviour on service employees' reciprocal behavioural responses towards the customer. The *second research objective* is explored through both studies.

Objective 3: To assess the extent to which customer beneficial behaviours influence service employees' behavioural responses towards other customers in the service setting. The *third research objective* of this thesis is investigated through both studies.

1.4. Research Approach

The present research was in line with the researcher's pragmatical philosophical standpoint. As such, the deployment of both qualitative and quantitative methods sequentially (**Study 1** and **Study 2** respectively) was employed, and therefore the researcher sought both interpretive and quantifiable insights. In contrast, this could not be achieved with pure positivist or interpretivist philosophical approaches. The need for a mixed-methods research design was therefore directly linked to both the researcher's view of the world, along with the research problem stated in the previous sections. Specifically, despite the fact that a growing scholarly interest has been centred on the behavioural interplay between customers and service employees during the service encounter, research into customer behavioural input is scant. Furthermore, most studies have been focusing on either the behaviour exhibited by service employees or on customer negative behaviour. This research aimed at exploring the outcomes of customer beneficial behaviour directed towards service employees, an area that has received limited attention. Therefore, an initial qualitative methodological approach helped to identify the variables that explain this particular phenomenon and to develop and propose a relevant theoretical framework. Next, a quantitative study was employed in order to test the previously developed theoretical framework with the aims of producing a refined model of the impact of customers' behavioural contribution, and to further clarify and validate the research findings. Consequently, to answer the research objectives, a research agenda was developed based on two progressive studies comprising of both qualitative and quantitative methods. The sequence of the two studies is outlined in Figure 1.1.

Figure 1.1. The research approach.



*CIT: Critical Incident Technique.

1.5. Structure of the Thesis

Service employees are the focus of this thesis. However, the other participants in the service encounter, i.e., the customers, are also discussed primarily in reference to the service employees. This section provides a brief outline of the structure of the thesis, which consists of eleven chapters. An overview of the overall structure is illustrated through a schematic representation at the end of the chapter (Figure 1.2).

Chapter 1 provided a synopsis of the research problem and substantiated the need for this particular study. The overall aim and the objectives of the research were introduced along with a description of the research approach.

Chapter 2 reviews the existing literature on the service encounter at the service employee-customer interface, by identifying the cognitive and affective processes involved during the interaction. Such an overview provides a theoretical understanding of the mutuality of the service encounter and of the ways that the parties in the exchange are interdependent. To this end, a review of two distinct literature streams is provided and therefore definitions and characteristics of Social Exchange Theory and Role Theory are developed. Furthermore, the chapter draws from complementary disciplines of social psychology and services marketing to shed light on the underlying affective processes that drive service employee and customer behaviour during their interaction.

Chapter 3 communicates an overview of the role of the service employees during the service encounter vis-à-vis their customers. As such, the chapter documents the nature of service work by focusing on the theory of emotional labour, in order to identify the demands and effort associated with face-to-face interactions with customers. Furthermore, the expectations placed upon service employees in terms of their behaviour towards their customers are described and hence, two types of behaviour are further elaborated: expected, organizationally prescribed, *in-role* behaviour and voluntary, prosocial, *extra-role* service employee behaviour. Finally, two additional service employee behaviours (behaviours related to relationship building and service sabotage) are overviewed at the end of the chapter.

Chapter 4 reports a comprehensive outline of the role of customers during the service encounter. To this end, an overview of the ways that customers may act as *obstructors* to the service encounter is reported along with the associated outcomes in terms of the service employees' subsequent response. The chapter concludes by describing the types of customer behaviour that contribute to the creation of a positive service encounter. In other words, a report on the ways that customers may act as *facilitators* is provided.

Chapter 5 discusses the emergent knowledge gaps from the previously outlined literature review, and distinguishes the research areas pertinent to the study's qualitative research. The process through which customer beneficial behaviour may influence service employees' behavioural response is outlined in order to establish the rationale leading to the development of a conceptual model to be explored through the qualitative study.

Chapter 6 comprises of part one of the methodological approach. A discussion on the philosophical standpoint of the research is offered, including an outline of the ontological and epistemological assumptions that underpin the methodological approach in this thesis. This is followed by an overview of the research methodology undertaken for **Study 1**, an exploratory study. The chapter provides a justification on the use of a qualitative methodology employing in-depth interviews and outlines the research procedures and the participants' characteristics. Issues relating to the sampling procedure, data collection and analysis are also discussed in the chapter, prior to concluding with the ethical considerations pertaining to the conduct of in-depth interviews.

Chapter 7 reports the qualitative results of **Study 1** revealed through both deductive and inductive analysis. Types of customer behaviour that are beneficial to service employees are presented and preliminary support is provided indicating that service employees reciprocate the benefit received to their benefactor, while enhanced service is offered to the other customers. This qualitative phase categorizes the theoretical constructs that relate to the types of benefits provided to both the benefactors as well as the other customers, while identifying the variables that explain service employee behaviour following the reception of benefits. The chapter builds on these qualitative findings and proposes a series of hypotheses along with a conceptual framework to be tested in the subsequent quantitative study.

Chapter 8 outlines part two of the methodological approach and introduces the quantitative study of the research. The use of a scenario-based experimental survey design is justified and a description of the steps involved in the development of the questionnaire and the related stimuli is provided. The chapter proceeds with an overview of the distribution of the online questionnaire to the population of interest, while ethical considerations associated with **Study 2** are briefly reported, prior to concluding with an analysis of the validity of the experimental procedures for the study.

Chapter 9 presents the data analysis and the empirical findings of **Study 2**. A series of statistical analyses is reported including descriptive analysis, reliability analysis and confirmatory factor analysis. In order to test the conceptual model developed in Chapter 7, and to identify the variables that explain the relationships between the types of customer behaviour (independent variable) and service employee subsequent behaviours (outcome variables), mediation analysis was undertaken and the overall procedure along with the statistical results are described in detail.

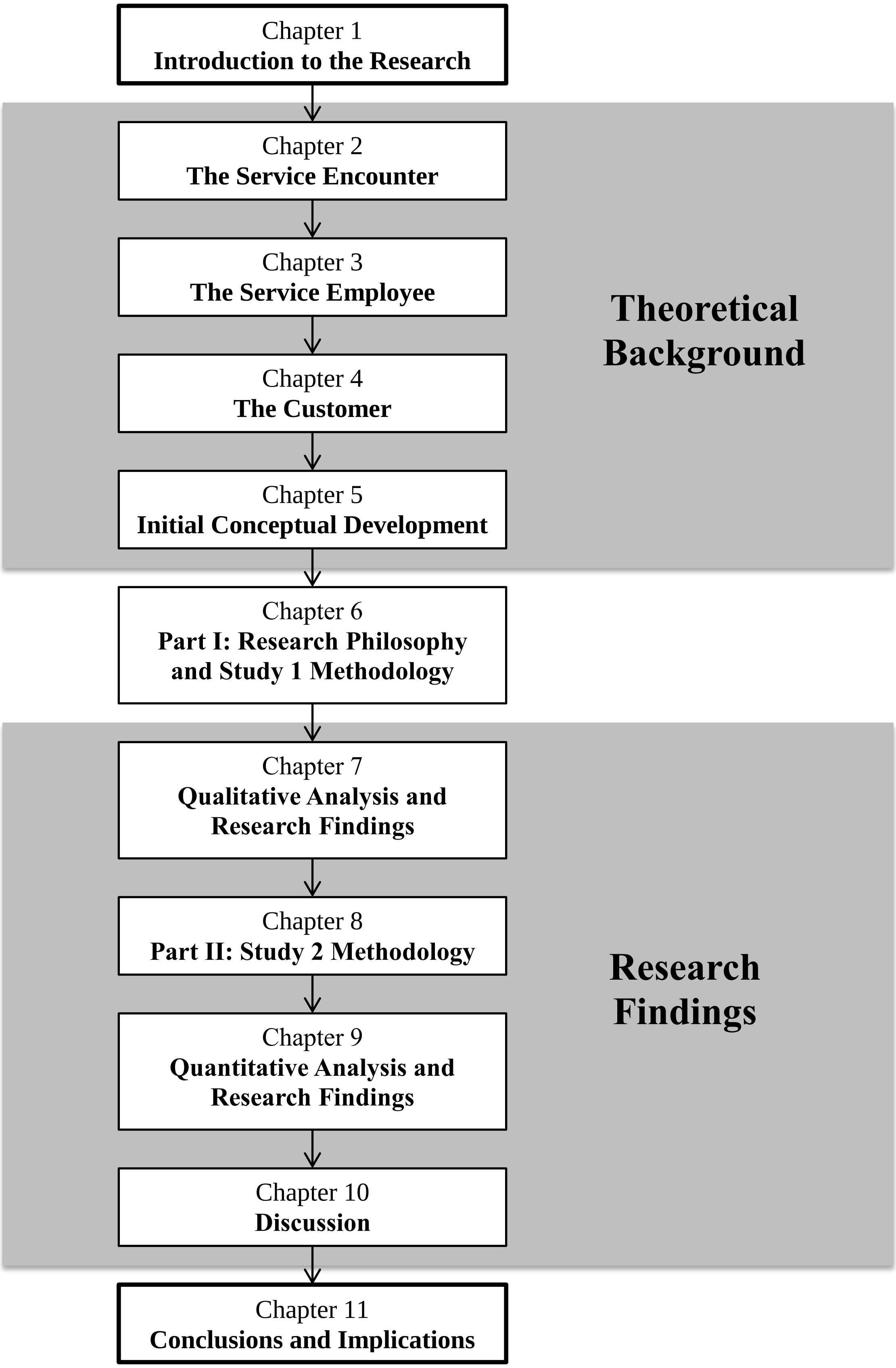
Chapter 10 provides a discussion on the findings from **Study 2**, while relevant linkages and support offered by the qualitative findings are highlighted. Furthermore, the results of the study are contrasted with prior research documented in the previous chapters. Supported hypotheses are thoroughly discussed and explanations are provided for the non-supported ones. Finally, the results of both studies in relation to the research objectives are outlined.

Chapter 11 offers an overview of the overall conclusions and implications of the research completed through a qualitative and a quantitative study. The theoretical contributions derived from the research are highlighted and managerial implications are emphasized. The thesis concludes with the limitations associated with both studies and points to directions for future research in the area of service employee-customer interactions.

1.6. Summary

The purpose of this first chapter was to introduce the research. As such, a discussion on the background of the research was provided, which outlined the significance of the interaction among service employees and customers during the service encounter. Specifically, the rationale for the overall research highlighted the imperative need for advancing the so far limited understanding of the interpersonal processes that drive service employee behaviour. To this end, shedding light on those variables that help to explain the impact of customer behaviour on employee responses appears warranted. Furthermore, the philosophical grounding and the methodological approach were outlined, consisting of a mixed-methods design through the use of in-depth interviews followed by a scenario-based experimental survey. The chapter concluded by presenting the structure of the thesis in order to provide a holistic overview of the research procedure. The following chapter leads with the outset of the review of the literature, progressively developed through the next chapters, which overall set the stage for the theoretical grounding of the thesis. Therefore, the starting point documents the literature pertinent to the background against which employee-customer interactions unfold: the service encounter.

Figure 1.2. Structure of the thesis.



CHAPTER 2

THE SERVICE ENCOUNTER

2.1. Introduction

Services are characterized by their complex nature (Ostrom *et al.*, 2010). This fact holds true for service encounters in particular, which initially may be viewed as simple interactions occurring between two individuals: the service employee and the customer (Bradley *et al.*, 2010). But, as subsets of human behaviour (John, 1996), and due to their dynamic nature (Arnould and Price, 1993; McCallum and Harrison, 1985; Solomon *et al.*, 1985), service encounters also “involve complex interactions with experiential and emotional components” (Tumbat, 2011, p.191). As such, research into service interactions dates back several decades with scholars seeking enthusiastically to identify these critical components that affect service encounter behaviours (Bradley *et al.*, 2013).

This thesis contributes to this stream of research by advocating that the close interaction between service employees and customers and by consequence, the exchange of behaviours involved has the ability to shape the process of the service encounter. The purpose of **Chapter 2** is to discuss this process. In so doing, the aim is to draw attention to the interpersonal facet of the interaction and to provide a theoretical grounding of the context of this research. The chapter is structured as follows: different definitions of the service encounter are provided stemming from various perspectives, and the role and value of the interpersonal dynamics are presented. The chapter proceeds by documenting the theoretical foundations of the process of the service encounter, while highlighting the application of these foundations and their contribution to the creation of a balanced and symmetrical service encounter. To this end, Role Theory, Social Exchange Theory, and the Affective Process of the service encounter are outlined.

2.2. Defining the Service Encounter

The distinct characteristics of services (e.g., intangible and heterogeneous nature of service provision, see Zeithaml *et al.*, 1985) entail several implications regarding the success of the marketing effort in general. In particular, one of these key issues attracting scholarly attention relates to the person-to-person encounter between service employees and customers (Solomon *et al.*, 1985). This has led to an ever-growing recognition of the importance of these personal interactions as critical components of the overall service experience (Groth and Grandey, 2012). As the service encounter constitutes the primary manifestation of service for customers (Bitner *et al.*, 1994), scholars studying the services industry have been largely interested in unraveling the secrets lying behind this brief period of time that constitutes a decisive moment for any organization (Bettencourt and Gwinner, 1996; Dobni *et al.*, 1997). Overall, the service encounter involves the sum of interactions between three key actors: a) the service organization, b) the customers, and c) the service employees (Bateson, 1985; Gutek *et al.*, 2002; Wu, 2008). It is the interplay between these elements that eventually produces both the material and the immaterial outcome of the service encounter (Eichentopf *et al.*, 2011; Fliess *et al.*, 2014; Sidney and Jeffery, 2016; Yoon *et al.*, 2004).

In this view, a straightforward definition suggests that the service encounter represents "a period of time during which a consumer interacts with a *service*" (Shostack, 1985, p.243). This conceptualization emphasizes the sum of aspects of a service organization with which a customer interacts, such as the physical surroundings, the service personnel, even the other customers in the setting, as well as other more or less tangible or abstract elements (Bitner *et al.*, 1990; Kivelä and Chu, 2001; Wu, 2008; Yoo *et al.*, 2011). This definition also highlights the fact that it is possible for a service encounter to occur without the presence of any human interaction and to this end, several studies have been investigating the impact of non-human aspects of the service encounter for both the customers and the service employees (e.g., Bitner, 1992; Parish *et al.*, 2008). From another viewpoint, Shostack's (1985) conceptualization also underlines the timeframe during which the interaction occurs between a customer and the service (Surprenant and Solomon, 1987). In this vein, it is possible to distinguish between encounters that follow short communication patterns, from others that follow longer and more complicated service scripts (Bitner, 1990). Nonetheless, regardless of the focus or the duration of the exchange, Solomon *et al*. (1985, p.100) argue that "to the extent that interaction with the salesperson is an element in the total offering, the encounter is important and, in fact, constitutes a *service* encounter".

That being said, one of the reasons why the employee-customer interface is of special interest is due to the fact that its gradually unfolding nature, combined with the human heterogenic and unpredictable element render it fruitful for research (Ivarsson and Larsson, 2010; Lengnick-Hall *et al.*, 2000). Consequently, numerous definitions provided in the literature have been focusing on this interpersonal facet of the service encounter which occurs between the customer and the service employee (Slåtten, 2011). According to the interpersonal viewpoint of the exchange, "service encounters are first and foremost social encounters" (McCallum and Harrison, 1985, p.35) that describe "face-to-face interactions between a buyer and a seller in a service setting" (Solomon *et al.*, 1985, p.100). Implied in these statements is that service encounters are first of all characterized by their social content to the point that "it often seems to overshadow the economic" (Czepiel, 1990, p.14).

This thesis espouses this standpoint and adopts a centralized view of the service encounter by investigating the interpersonal aspects of this period of time during which the customer and the service employee interact, i.e. the service process. Specifically, researchers have made a distinction between service *process* and service *outcome* (Mohr and Bitner, 1995; Parasuraman *et al.*, 1985). The service process on the one hand focuses on the way in which the service exchange is accomplished (Mohr and Bitner, 1995). This conceptualization is meant to encompass the operational procedures but also the joint sets of activities of the service employee and the customer that eventually lead to a tangible or an intangible outcome (Ma and Dubé, 2011). Consequently, the service process includes the interpersonal facet of the encounter as well (Mohr and Bitner, 1995). The service outcome on the other hand broadly consists of all resulting consequences of the service encounter for both parties, whether functional or experiential (Ma and Dubé, 2011).

The following sections discuss this interpersonal aspect and document the theoretical foundations of the process of the service encounter, in an effort to clarify the mechanisms underlying the behaviours of the parties to an exchange. At this point, it is noted that the notion of 'behaviour' has been viewed as consisting of "the relatively transitory, overt activities of human beings, such as bodily motions, speech and content manner" (Biddle, 1979, p.24). Furthermore, behaviours can be directed towards others, and they can facilitate or hinder other behaviours (Biddle, 1979). Therefore, as a core concept of the present thesis and for the sake of clarity, the term 'behaviour' (i.e. service employee behaviour and customer behaviour) will be employed to denote any observable activity that includes verbal (e.g., words) and nonverbal (e.g., gestures, actions) elements, and that is manifested and externally visible by either party in the interaction.

2.3. Interpersonal Dynamics and the Concept of Interaction

As previously highlighted, a significant body of research has acknowledged the importance of personal interactions between customers and service employees by viewing them as vital elements of the service encounter (e.g., Bettencourt and Gwinner, 1996; Bitner *et al.*, 1994; Giardini and Frese, 2007; Henkel *et al.*, 2017; Lee *et al.*, 2006; Lewis and Entwistle, 1990; Price *et al.*, 1995; Puccinelli *et al.*, 2010; Solomon *et al.*, 1985; van Dolen *et al.*, 2002; Wieseke *et al.*, 2012). According to Solomon *et al*., (1985, p.100), these interactions are especially important in those instances where the service aspect of the total offering is a key element of that offering, as "customer satisfaction and repeat patronage *may* be determined solely by the quality of the personal encounter" (italics in original).

The concept of interaction suggests that when two or more people are in contact with each other they have the opportunity to influence each other through ongoing reciprocal actions (Lengnick-Hall *et al.*, 2000; Côté, 2005; Grönroos and Strandvik, 2008), which are expressed via verbal and nonverbal behaviour (Walter *et al.*, 2010). Moreover, they have the potential to establish future relationships (John, 1996). This means that it is the exchange of these behaviours that ultimately influences both the process and eventually the outcome of the service encounter (Ma and Dubé, 2011). In other words, "both parties are involved in service provision, and, thus, the outcome of the service delivery process may depend as much upon the actions of the customer as on the actions of the provider" (Ennew and Binks, 1999, p.121). Consequently, the service encounter can be viewed as a psychological phenomenon where the service outcome essentially arises from the coordinated efforts of customers and service employees together (Mills and Morris, 1986; Solomon *et al.*, 1985).

Another noteworthy definition reflecting this interactional approach and capturing the mutuality of behaviour during the service encounter is provided by Barnes *et al.* (1998, p.2) according to who a service encounter is "an interaction comprised of contributions from both the customer and service provider sides of the dyad". Therefore, central to the definition of the service encounter is the concept of the *dyadic interaction* between a customer and a service employee that typically occurs in a service context (Bradley *et al.*, 2010; Chandon *et al.*, 1997; Guiry, 1992; John, 1996; Solomon *et al.*, 1985; Surprenant and Solomon, 1987). In sum, the dyadic and interactive nature of the service encounter (Surprenant and Solomon, 1987) suggests that the service employee's and the customer's behaviours are interdependent, in that one party's activity affects, and is affected by, the other party's activity (Giardini and Frese, 2007; Ma and Dubé, 2011; Madupalli and Poddar, 2014) – a concept otherwise known as 'process interdependency' (Ma and Dubé, 2011).

In this respect, it has been over thirty years since Solomon *et al*. (1985) argued that the notion of interdependency constitutes a basic element of service interactions. McCallum and Harrison (1985, p.35) maintain that "interdependence is the effect interacting persons have on each others' outcomes in a social relationship". According to the authors, interdependence theory is applicable to the service encounter and therefore, service employees and customers are viewed as being interdependent as the behaviours exhibited by one party are likely to have an effect upon the outcomes received by the other. Hence, interdependence constitutes a central property of exchange (Lawler and Thye, 1999), and therefore, both parties are required to behave in a mutually beneficial and complementary way for their individual outcomes to be achieved (Cropanzano and Mitchell, 2005).

In their effort to explain this complementary process underpinning the service encounter, scholars have identified two leading theories: Social Exchange Theory and Role Theory, both of which are separately elaborated in the following sections. Moreover, the literature has repeatedly advocated for the underlying affective processes that shape the interacting parties' behaviour which ultimately contribute to, or restrain from reaching an agreeable outcome. Therefore, the purpose of the sections that follow is to review and elaborate on the theoretical processes involved in the interaction dynamics between customers and service employees.

2.4. Social Exchange Theory

By definition, exchange involves interpersonal interaction and therefore, the service encounter provides fertile ground for the investigation of exchange behaviour. Social Exchange Theory (Emerson, 1976) constitutes one of the most influential theoretical frameworks for understanding interactions and organizational behaviours (Cropanzano and Mitchell, 2005). The theory postulates that a series of interactions create reciprocal obligations between the interacting parties (Blau, 1964; Emerson, 1976; Homans, 1958; Thibaut and Kelley, 1959) that can ultimately result in the establishment of a relationship between these two parties (Cropanzano and Mitchell, 2005). Due to the central role of the theory in understanding the service encounter process, a further elaboration on its fundamental premises is presented in the following sections.

2.4.1. Social Exchange

The service encounter is primarily located in the broader theoretical framework of Social Exchange. Specifically, Bagozzi (1975b, p.39) maintained that marketing "is the discipline of exchange behaviour, and it deals with problems related to this behaviour", suggesting that ever since its inception, exchange has been a key concept of the marketing discipline. Moreover, Bagozzi (1975a) proposed that exchange is a universal concept that transcends human behaviour and which is divided into two categories: economic exchange and social exchange. While the former is conceptualized from a transactional point of view commensurate with the transfer of goods between two parties, the latter embraces the social aspect of the transaction and considers the exchange of tangible or intangible, actual or symbolic entities between two parties. Clearly, all exchanges between customers and service providers are inherently economic; however, practically all interactions between these two parties include some degree of social exchange (Liao and Searcy, 2012). As such, marketing aims at understanding "how economic exchange is played out against a background of social exchange" (Czepiel, 1990, p.13). Consequently, services involve much more than a passive monetary transaction (Razzaque *et al.*, 2003), and scholars to date affirm that the service encounter constitutes "a form of social exchange" (Solomon *et al.*, 1985, p.101). The basic premises of Social Exchange Theory are briefly outlined next.

2.4.2. The Theory of Social Exchange

Social Exchange Theory has been developed over the years by diverse disciplines of the social sciences such as anthropology, social psychology, sociology and organizational behaviour (Cropanzano and Mitchell, 2005). Such popularity underscores the wide scholarly recognition of the fundamental premises of the theory. As maintained by Emerson (1976), Social Exchange Theory does not constitute a theory per se, but rather a frame of reference within which several other theories apply, and the conceptual foundations of which can be attributed to four theorists: Homans, Thibaut, Kelley and Blau (Emerson, 1976). Even though these theorists have adopted different approaches in understanding the phenomenon, their viewpoints converge with regards to the basic premise of exchange. According to the fundamental proposition of exchange, the voluntary provision of a benefit from one social actor to another one creates an internal obligation to the beneficiary to reciprocate the benefit received to the benefactor (Blau, 1964). In purely economic terms of exchange, these experienced obligations and exchanged benefits refer to explicit entities clearly specified and enforced by contractual commitments. In the case of social exchanges, these obligations and benefits remain implicit and undetermined (Blau, 1964). As such, outcomes of successful social exchanges are likely to lead to trust and commitment, or otherwise to a relationship between the exchange parties (Cropanzano and Mitchell, 2005).

Social Exchange Theory has been previously employed as a key framework through which scholars have investigated the service encounter (e.g., Bettencourt *et al.*, 2005; Broderick, 1998; Buunk *et al.*, 1993; Czepiel, 1990; Deckop *et al.*, 2003; Ma and Qu, 2011; Razzaque *et al.*, 2003; Schaufeli, 2006; Schaufeli *et al.*, 1996; Sierra and McQuitty, 2005; Solomon *et al.*, 1985; Yi and Gong, 2009). This indicates that Social Exchange Theory constitutes a suitable framework for understanding service employee and customer exchange of behaviour during service encounters.

On this note, it could be argued that within service exchanges, customers and service employees are unequally dependent on each other in order to achieve their desired outcomes, as the latter are organizationally constrained to serve customer needs (Liao and Searcy, 2012). As such, the more dependent person (i.e. the service employee), is disadvantaged and the relationship is considered unbalanced (Emerson, 1962). Consequently, this situation is likely to lead to a disproportional exchange of resources, whereby the service employee is giving more than he or she receives in return. Nevertheless, notwithstanding the inequality of resource exchange, service employee-customer relationships fall under the realm of social exchange (Liao and Searcy, 2012). The following section focuses on one of the primary norms of the theory: the Norm of Reciprocity.

2.4.3. The Norm of Reciprocity

Norms dictate models of appropriate behaviour for a given social situation and serve as ‘guidelines’ for the exchange process (Cropanzano and Mitchell, 2005). In a sense, norms constitute tacit agreements that provide central tenets for the transactions between two people interacting (Rafaeli and Sutton, 1990). The concept of *reciprocity* is one of the key norms based at the heart of Social Exchange Theory (Emerson, 1976; Gouldner, 1960). In particular, reciprocity constitutes a universal social norm that is motivated by feelings of obligation created as a result of an exchange (Gouldner, 1960). Houston and Gassenheimer (1987, p.11) define reciprocity as “a social interaction in which the movement of one party evokes a compensating movement in some other party”, and maintain that balanced reciprocity occurs when equivalent products are exchanged in an immediate transaction. In other words, reciprocity exists when one party's investments and outcomes in an exchange are proportional to the investments and outcomes of the other party in the interaction. Therefore, by virtue of its reciprocal nature, a favourable and balanced outcome to the exchange is largely contingent on the parties' perceptions of justice (Adams, 1963; Homans, 1958).

Equity Theory (Adams, 1963) undoubtedly constitutes the most influential Social Exchange theory (Schaufeli, 2006) that offers explanations for an individual's quest for fairness in social exchanges. The theory proposes that social actors determine the fairness of their exchanges by consciously or unconsciously evaluating the balance of their inputs (i.e. what they bring into the exchange) and their outputs (i.e. what they receive from the exchange) (Adams, 1963; Pritchard, 1969). Hence, equity is thought to exist when the ratio of inputs and outputs is more or less equal (Homans, 1958). As such, reciprocal interpersonal relations lead to balanced exchanges, whereas nonreciprocal situations are usually experienced as unfair (Dormann and Zapf, 2004). For instance, in an equitable exchange, the more effort individuals expend, the more output they expect to receive in return (Mohr and Bitner, 1995). In this vein, it could be argued that employee effort may be viewed as a positive input into the exchange; the more effort service employees put into serving customers, the more rewards they expect to receive in return. Typical examples of these rewarding outcomes can be both tangible (e.g., monetary benefits) and intangible (e.g., job status) according to Adams (1963). Consequently, in case the actors perceive an unfair exchange to their detriment, they are likely to experience a form of distress (Walster *et al.*, 1973), urging them to restore equity by engaging in behaviours such as reducing their inputs, or other withdrawal behaviours (Adams, 1963). Conversely, when social actors perceive to have been advantaged compared to another actor's inputs, they attempt to restore equity by increasing their inputs (e.g., effort) to the exchange (Adams, 1963). These inputs essentially take the form of benefits, as perceived by the recipients' standpoint. The nature of this exchange of benefits is developed next.

2.4.4. The Exchange of Benefits

According to Schaufeli (2006, p.109) "exchange processes are by definition complementary, meaning that one party's investments are the other party's benefits, and vice versa". In simple terms, an exchange implicitly or explicitly involves the give-and-take of benefits between individuals with the aims of satisfying each others' needs (Homans, 1958; Thibaut and Kelley, 1959). Specifically, service encounters encompass the exchange of both functional and psychological benefits between the buyer and the seller (Czepiel, 1990). As a result, each party involved in an interaction can be viewed as a 'benefit-seeker' who enters the transaction process with the aims of receiving benefits that are considered important and cannot be achieved individually (Bagozzi, 1975a).

Benefits refer to entities that, at least from the donor's (or benefactor's) standpoint are perceived as useful to or valued by a recipient and, as already indicated, cannot be achieved by one actor alone (Lawler and Thye, 1999; Lawler, 2001). Bagozzi (1975a) asserts that material and immaterial benefits are exchanged between the parties in an interaction while Clark and Mills (2011) share this standpoint and propose that benefits can take several forms including intangibles (e.g., compliments, support, information sharing, symbols of caring, etc.) and tangibles (e.g., goods, gifts, etc.). This means that human niceties, such as politeness or helpfulness constitute benefits that are likely to be exchanged between the interacting parties (Dobni *et al.*, 1997). However, it is noteworthy that there is a fine, albeit important distinction between what is regarded as a *benefit* and what is perceived as an actual *reward*. To explain this further, it is possible that the recipient, in spite of the benefactor's original intent, does not necessarily value a benefit. On the contrary, a reward comprises of resources that are actually gratifying or desired by the recipient (Clark and Mills, 2011) and can take the form of physical objects, psychological enjoyment or social achievement (Bagozzi, 1975a). Nonetheless, for the purposes of this thesis and for the sake of simplicity, the term 'benefit' will be employed as commensurate with the conceptualization of the term 'reward'.

With regards to the value of a benefit for the beneficiary, it is contingent on several factors and therefore varies from one instance to another. In general though, social exchange theorists support that individuals value benefits more when they are offered by others on discretionary choice, rather than in instances that are beyond the benefactor's control (Rhoades and Eisenberger, 2002). This kind of benevolent help is welcomed as an indication that the benefactor genuinely values and respects the beneficiary (e.g., Blau, 1964; Gouldner, 1960). Finally, the norm of reciprocity dictates that an individual's felt obligation to reciprocate favourable treatment increases with the benefit's value, as well as with the degree of relevance of the benefit to the beneficiary's specific needs (Gouldner, 1960). Overall, it can be inferred that benefits offered on a voluntary basis, and which are perceived as valuable by the beneficiary, are most likely to be reciprocated to the benefactor. On this note, several examples from the services marketing literature illustrate how Social Exchange Theory is applicable in the organizational context. These are briefly overviewed next.

2.4.5. Social Exchange Theory in Service Employee-Customer Interaction

For the most part, the use of Social Exchange Theory in the study of service employee-customer interaction is rather limited (Liao and Searcy, 2012). However, several scholarly efforts have been made to explain various phenomena and processes that occur in organizations through this particular theoretical lens. For instance, it is maintained that the fundamental conceptual framework for understanding prosocial organizational behaviours is based on Social Exchange Theory (Dierdorff *et al.*, 2012). As such, social exchange relationships have been found to influence service employee behavioural outcomes as they have been shown to lead to positive behaviours such as extra-role performance (LePine *et al.*, 2002). Another example relates to supervisory support, which has been found to enhance employee citizenship behaviour due to the development of a social exchange relationship between employees and their supervisor (Organ, 1988; Podsakoff *et al.*, 2000). Similar findings have revealed that social exchange constitutes the theoretical rationale explaining why organizational justice has a direct and significant effect on service employee prosocial behaviours (Bettencourt *et al.*, 2005).

In terms of the service encounter, a focus on the service employee-customer interface through the theoretical lens of Social Exchange suggests that when service employees strive to deliver a service, they implicitly expect reciprocal responses from the customers (Brotheridge and Lee, 2002). In other words, service employee behaviour conveys information about their customers' expected behavioural response (Ma and Dubé, 2011).

Despite this fact, several studies have investigated service providers' responses to perceived inequity in their exchanges with customers and the results have indicated that oftentimes, customers fail to behave as expected during the service encounter, which entails adverse consequences for both the service employee and the interaction. For instance, a longitudinal study conducted among general practitioners has found that higher patient demands lead to higher perceptions of lack of reciprocity on the physician's end (Bakker *et al.*, 2000). More importantly, in line with Equity Theory, the study has shown that perceived lack of reciprocity resulted in physicians' feelings of emotional exhaustion (i.e. disproportionate outcome), which in turn evoked negative attitudes towards patients (i.e. reduced effort/investment). Similarly, in a study simulating unfair customer treatment, Rupp and Spencer (2006) revealed that participants exposed to customers behaving impolitely and disrespectfully reported having more difficulty in complying with display rules. As a result, they engaged in more inauthentic displays of emotion, as opposed to participants exposed to fair treatment.

Overall, there exists some indication that instead of behaving in role-prescribed ways by expressing empathy and concern, service employees may choose to respond to customers in an indifferent manner as a means of reducing their investments to the exchange. However, such withdrawal behaviours from service employees can create a 'negative feedback loop' by adversely affecting the relationship with customers, since the latter are also likely to respond with similar behaviour in order to maintain their own balance in the exchange (Schaufeli, 2006). On the contrary, if service employees signal a personal care and commitment to the interests of the customer, they are likely to fuel a positive spiral: the customer will feel over-benefited, and the norm of reciprocity is likely to motivate him or her to reciprocate the perceived benevolence by engaging discretionary behaviours such as repeated interactions (Yagil, 2008a). Likewise, from the service employee's perspective, a perceived friendly, respectful, courteous, and attentive interaction with a customer is likely to increase the service employee's job satisfaction, and, based on the norm of reciprocity, will stimulate the amount of effort expended to serve the customer's needs (Yoon *et al.*, 2004).

Taken together, and in relation to this thesis, the overview of Social Exchange Theory points to the following: (a) during the service encounter, both parties to the interaction engage in the exchange of different forms of benefits; (b) reciprocal exchanges lead to balanced interactions; and (c) depending on the situation, nonreciprocal exchanges lead to either an increase or to a decrease of inputs in order to restore the balance in the relationship. On this note, and as highlighted so far in this thesis, research that has examined the scenario whereby employees have been benefited by customer behaviour remains scarce. Hence, the question remains as to how customer behaviour affects employee subsequent behaviour.

Having outlined the basic tenets of Social Exchange Theory, it is important to clarify how patterns of social exchange develop between service employees and customers in a service setting (Yoo *et al.*, 2011). To this end, Role Theory, developed next, helps explain how role expectations of the actors and actual roles adopted by each party determine, to a large extent, the social exchange that will occur between them (Broderick, 1998).

2.5. Role Theory

Service encounters normally require for the service employee and the customer to engage in a mutual coordination of appropriate behaviour towards the other person with the aims of reaching a task-oriented goal using a "ritualized behaviour pattern" (Solomon *et al.*, 1985, p.101). Role Theory constitutes the dramaturgical metaphor that explains these ritualized behaviour patterns, by positing that individuals 'act' dynamically but predictably depending on their social identities and situational cues (Biddle, 1986). This dramaturgical perspective on human behaviour is developed in the following section.

2.5.1. The Dramaturgical Metaphor

From the sociological perspective known as *dramaturgy*, service encounters are viewed as unfolding along the lines of a 'theatre' metaphor (Grove and Fisk, 1992). This drama metaphor is well-illustrated in Goffman's (1959) work who, in an effort to describe social behaviour compared it to a theatrical 'performance' during which 'actors' present themselves in a way to create desirable 'impressions' before an 'audience'. Therefore, when an actor takes on a social role, he is viewed as a 'social actor'. Pine and Gilmore (1999) use this theatre metaphor to explain customer experience. For the authors, all employees are performers, and their work is theatre. The dramaturgical perspective also presents several similarities with the service encounter (Grandey, 2003; Grove and Fisk, 1992), since all parties involved in the interaction employ specific strategies through the management of their behaviour in order to create the appropriate impressions to their audience. For instance, service employees follow a particular script which prescribes organizationally accepted expressions during their interactions with their customers (Grove and Fisk, 1989; Hochschild, 1983). Likewise, customers are expected to enact their role appropriately by engaging in specific behaviours towards service employees (Berry *et al.*, 1994; Bitner *et al.*, 1994). This dramaturgical metaphor constitutes the theoretical foundation of Role Theory (Solomon *et al.*, 1985), described next.

2.5.2. A Role Theoretical Perspective of the Service Encounter

Role Theory is primarily concerned with patterns of human behaviour (Biddle, 1979), and constitutes a well-established theory within the social sciences (Biddle, 1986). Currently, Role Theory occupies an important place in services marketing as it has been identified as a key theory pertaining to service behaviours (Broderick, 1998; Dobni *et al.*, 1997; Solomon *et al.*, 1985) that can contribute to the understanding of the dynamic process of marketing exchange (Broderick, 1998). In particular, the theory focuses on three main concepts (Biddle, 1986; Mohr and Bitner, 1991; Solomon *et al*.1985): firstly, central to the theory is the concept of *role* which, in line with the dramaturgical metaphor, refers to a set of characteristic behaviour patterns of a person occupying a specific position (Biddle, 1986). For instance, during the service encounter, frontline employees temporarily assume the role of the service provider and the recipients of the service temporarily assume the role of the customer (Solomon *et al.*, 1985). Secondly, the role theoretical perspective presumes that a person's role behaviour is shaped according to socially defined positions, rather than on the individual's personality characteristics (Katz and Kahn, 1978). Hence, Role Theory lends itself well to the study of the service encounter, as this period of time is characterized by a specific socially defined structure (Solomon *et al.*, 1985). Therefore, *social positions* refer to the identities that describe generally recognized groups of individuals that explain a person's role behaviour (Biddle, 1986). Finally, the theory maintains that as members of social positions, individuals hold *expectations*, i.e. privileges, duties and obligations for their own behaviours and those of other individuals (Biddle, 1996).

On this note, Katz and Kahn (1978, p.189) proposed that "role behaviour refers to the recurring actions of an individual, appropriately interrelated with the repetitive activities of others so as to yield a predictable outcome". In this view, the notion of complementarity is key in the role theoretical perspective, since "a role player's behaviour is interdependent with the behaviour of those in complementary roles" (Solomon *et al*., 1985, p.103). In simple terms, during the service encounter the customer and the service employee hold mutual expectations for the behaviour of the other party (Blancero and Johnson, 1997), and depend upon each other to achieve a smooth interaction (Broderick, 1998; Solomon *et al*., 1985).

In general, successful exchanges are "made up of well-established expectations about the behaviours of the parties involved" (Houston and Gassenheimer, 1987, p.10). For instance, customers expect to be treated with courtesy by service employees while receiving responsive, competent service and fair treatment, as a result of generic role expectations and obligations (Blancero and Johnson, 1997; Ma and Dubé, 2011). In the same vein, service employees expect customers to execute their role effectively and to therefore exhibit cooperation, compliance with the firm's policies, and refrainment from physically or verbally abusive behaviours (Berry *et al.*, 1994; Bitner *et al.*, 1994).

On the one hand, the optimum scenario for the most appropriate role to be enacted in a given situation is the one where there exists congruence between the role perceptions of the role-occupant and the expectations of the individuals who hold an interest in the occupant's behaviour (Dobni *et al.*, 1997; Guiry, 1992). Therefore, the concept known as *role congruence* or consensus (Biddle, 1986) exists when customers and service employees share a common perspective on a service encounter by agreeing on the appropriateness of a role in a given situation (Czepiel, 1990; Mohr and Bitner, 1991). Role congruence is most likely to occur in instances where individuals have role clarity, i.e. high level of certainty about how to perform a role (Katz and Kahn, 1978). On the other hand, clearly problems may arise in the event of *role discrepancies*, whereby the customer and the service employee differ in their perceptions regarding their own or the other party's role, thereby jeopardizing the balance of the interaction by increasing the risk of potential conflict (Solomon *et al.*, 1985).

Overall, balanced service encounters are more likely to be achieved through the use of a common and clear script, which provides accurate mutual comprehension of role expectations for both parties in the interaction (Solomon *et al.*, 1985). Hence Script Theory is compatible with Role Theory (Hubbert *et al.*, 1995), and is outlined next.

2.5.3. Script Theory

As role-occupants, the actors involved in an interaction, i.e. the customers and the service employees, perform on the basis of a more or less explicit or implicit organizationally pre-defined script (Solomon *et al.*, 1985). This script serves as a point of reference for the required actions to be enacted during a specific situation (Bateson, 2002). In particular, a script is a standardized cognitive structure (a) that describes the service process for each party in the interaction (Eichentopf *et al.*, 2011), and (b) that is assumed to define expectations offering behavioural guides, which are used as norms for assessing other individuals' performances (Abelson, 1981; Hubbert *et al.*, 1995; Mohr and Bitner, 1991). In other words, scripts constitute a description of the service process, latently embedded in the service encounter (Eichentopf *et al.*, 2011), that aim at standardizing a person's behaviour through a behavioural repertoire, which denotes the particular combination of desired behaviours that contribute to effective performance (Dobni *et al.*, 1997; Groth *et al.*, 2006). As such, conformity to the service script by both parties in the interaction is likely to lead to mutual satisfaction with the encounter (Hubbert *et al*., 1995).

For instance, when customers understand and perform their roles effectively and according to script, the service process is facilitated (Bitner, 1995). Implied in this is the idea that an individual is required to be able to retrieve past incidents similar to the one occurring at present (Hubbert *et al.*, 1995), in order to be able to perform according to the suitable behavioural repertoire. For example, in routine encounters (e.g., having a meal in a restaurant), customers have extensive experience with this particular service setting and consequently are more likely to have well-developed scripts (i.e. role clarity) that will guide their behaviour rather automatically (Abelson, 1981; Sutton and Rafaeli, 1988; Chung- Herrera *et al.*, 2004; Mohr and Bitner, 1991). It stands to reason that well-developed scripts will also exist when both actors in the interaction share similar backgrounds (e.g., a customer who has past experience as a waiter), or have frequently interacted in the past (Biddle, 1979; Ma and Dubé, 2011).

Overall, the value of Role Theory when studying the service encounter relates to the fact that it provides a strong theoretical basis for a better understanding and management of the interactive aspects of the service employee-customer interface (Broderick, 1998). As such, and in relation to the present research, Role Theory offers the opportunity to study how role behaviours can reinforce the development of positive service encounters (Broderick, 1998).

Following the overview of the role theoretical perspective of the service encounter, it is necessary to delve into the affective dynamics of the interaction between service employees and customers. In particular, "a close examination of many common exchange relations suggests that emotions both enter and pervade social exchange processes" (Lawler and Thye, 1999, p.218). Therefore, affect is a product of social interaction (Parkinson, 1996), which means that exchanges between customers and service employees are likely to be infused with affective experiences. In this respect, the affective process which is unquestionably salient in the services marketing literature in general (Bailey *et al.*, 2001), and in the service encounter in particular (e.g., Barger and Grandey, 2006; Pugh, 2001) is developed in the sections that follow.

2.6. The Affective Process

Service encounters involve human interaction and therefore, it is likely that the outcome of an exchange will be largely influenced by the affective state of each party during the interaction process (Johnson and Zinkhan, 1991). As previously noted, affect is produced through social interaction (Parkinson, 1996). Therefore, it can be inferred that the interactive nature of the service encounter offers fertile ground for the customer and the service employee to mutually influence each other's affective state.

Affective states have both an *interpersonal* and an *intrapersonal* quality (Côté, 2005): on the one hand, an individual's mood has an inherent ability to influence other individuals' moods, thoughts and behaviours (Hareli and Rafaeli, 2008). On the other hand, it is likely that "service providers' mood states may affect their own job performance, whereas consumers' moods may affect consumer behaviour during a service encounter" (Gardner, 1985, p.290). In other words, apart from the ability to influence others, affective states have also the ability to direct an individual's own behaviour during the service encounter (Bailey *et al.*, 2001; Parkinson, 1996). Taken together, these statements suggest that the affective states of two or more interacting parties have the potential to influence mainly the process, and most likely the outcome of the service encounter for the actors involved (McPhail and Mattson, 1996). The next section elaborates on the affective processes involved during the service encounter, with a particular focus on positive affective incidents as they pertain especially to the purpose of this thesis. However, prior to this overview, it is deemed necessary to outline the main characteristics of affect.

2.6.1. Defining Affect

Even though having produced a substantial amount of scholarly debate (Bagozzi *et al.*, 1999), the distinctive characteristics of moods and emotions have been sufficiently delineated in the literature: moods refer to enduring states with a weaker intensity than emotions, which on the contrary are more transient, personally relevant, and high in object-specificity than moods (Weiss and Cropanzano, 1996). Therefore, moods are distinguished from emotions on the basis of three factors: their duration, which is longer, their intensity, which is lower, and their antecedents, which are global (Bagozzi *et al.*, 1999; Frijda, 1993; Wagner and Ilies, 2008). Specifically, with regards to this last characteristic of mood, it is maintained that as opposed to emotions, which are triggered by specific events, moods are viewed as a consequence of a series of minor events or enduring contextual conditions (Beedie *et al.*, 2005). Despite these distinctions, a prevailing standpoint suggests that the use of the term 'affect' is more appropriate as an 'umbrella-concept' embracing both moods and emotions (Bagozzi *et al.*, 1999; Barsade and Gibson, 2007; Giardini and Frese, 2007; Wagner and Ilies, 2008; Zablah *et al.*, 2017). As such, this term will be employed throughout this thesis interchangeably with 'mood' and 'emotion', as it constitutes the most integrative term for the purposes of this research.

An individual's affect can be conceptualized both as a state and as a trait. Contrary to the dispositional temperament (also referred to as *affectivity*) that represents an individual's general outlook on life (Grandey *et al.*, 2002), the state-like conceptualization reflects a transient condition that "captures how one feels at a given point in time" (George and Brief, 1992, p.318), and therefore fluctuates over time and is vulnerable to external influences. As the focus of this research is on how service employees feel when exposed to different types of customer behaviour, affect is conceptualized as a feeling *state* and not as an individual disposition. Cropanzano *et al.* (2003) maintain that these feeling states share four distinguishing features: (1) they represent temporary psychological experiences; (2) they are characterized by a subjective component; (3) they seem to be followed by some physiological reaction; and (4) they possess an evaluative feature and therefore, some feeling states are preferred by individuals over others.

Two primary models compete regarding the structure of affect and both have enjoyed a generous amount of support (Seo *et al.*, 2008; Weiss and Cropanzano, 1996): the 'circumplex model of affect' (Russell, 1980) and the 'positive/negative affect model'

(Watson *et al.*, 1988). The first model proposes that all affective phenomena are associated with two dimensions: valence (pleasure or displeasure) and arousal (activation or deactivation). In this view, all affective states can be expressed as combinations of these two dimensions. The second model maintains that rather than as a unidimensional construct, affect is conceptualized as comprising of two independent dimensions, *positive affect* (PA) and *negative affect* (NA). On the one hand, NA constitutes "a general dimension of subjective distress and unpleasurable engagement that subsumes a variety of aversive mood states" (Watson *et al.*, 1988, p.1063). On the other hand, PA represents the "extent to which a person feels enthusiastic, active, and alert" (Watson *et al.*, 1988, p.1063). Due to this particular bidimensional structure of affect, low levels of PA do not suggest high NA. Rather, this low PA level indicates apathy. Likewise, low levels of NA simply signify absence of NA, and not high PA.

Two of the main qualities of affect are further developed in the sections that follow: a person's ability to influence other people's affective state through his or her own mood (i.e. interpersonal quality), but also an individual's ability to drive his or her own behaviour through the influence of his or her own affective state (i.e. intrapersonal quality).

2.6.2. Positive Affect in Interaction: The Interpersonal Aspect

Scholars argue that during an interaction, emotions expressed by one party are likely to impact on the affective experience of the other party (e.g., Hareli and Rafaeli, 2008). This concept of shared affect is not new. Former research has identified the process through which one person's affective state is likely to produce corresponding affective states to another person or group during interaction. Probably one of the most influential and widely accepted theories that describe this phenomenon, which has also received a considerable amount of empirical support, is *emotional contagion* (Hatfield *et al*., 1991; Hsee *et al.*, 1991).

Also referred to as 'affective contagion' (Giardini and Frese, 2007) or 'mood contagion' (Zimmermann *et al.*, 2011), this phenomenon maintains that people are inclined to unconsciously imitate another person's facial expressions, gestures or other emotionally driven behaviours, which results in experiencing the same emotions themselves. Specifically, as a person's feelings are manifested through overt behaviour, such as facial expressions (Frijda, 1988), emotional contagion refers to "the tendency to automatically mimic and synchronize expressions, vocalizations, postures, and movements with those of another person and, consequently, to converge emotionally" (Hatfield *et al.*, 1994, p.5). Therefore, expressive behaviours are imitated and affective states are transmitted from one person to another (Parkinson, 1996), even in situations where there is minimal contact between two individuals (Stock and Hoyer, 2005). Consequently, emotional contagion essentially refers to situations where "exposure to an individual expressing positive or negative emotions can produce a corresponding change in the emotional state of the observer" (Pugh, 2001, p.1020).

In light of the above and given the importance of the phenomenon, it is advised that attention should be brought to the occurrence of emotional contagion when studying interpersonal interactions in marketing research (Homburg and Stock, 2004). Hence, it comes as no surprise that a wealth of studies have demonstrated a special interest in the contagious affective processes involved in the interpersonal interactions between a customer and a service employee (e.g., Rafaeli, 1989b; Pugh, 2001; Mattila and Enz, 2002; Barger and Grandey, 2006; Giardini and Frese, 2007; Huang and Dai, 2010; Tsai, 2001; Zimmermann *et al.*, 2011).

Taking this interpersonal feature of affect a step further, Hareli and Rafaeli (2008) discuss about what they call '*emotion-cycles*'. In their view, affect operates in a cyclical, recursive fashion and as such, an individual's affective state has the potential to shape his or her counterpart's experience not only on an affective level, but also on a cognitive, and on a behavioural one. Specifically, drawing on the assumption that a person's affective state is manifested to others through facial, vocal, postural, or verbal behaviour, the authors theorize that an affective expression has three main effects: (a) it influences other peoples' reactions (e.g., a sad person may invoke empathy in another person); (b) it conveys information about a person (e.g., an angry person may be interpreted as powerful); and (c) it provokes a form of contagion (e.g., a happy person spreads a similar mood to others). In sum, Hareli and Rafaeli (2008) propose that the affective state of one person (person A) signals various information to another person (person B); such signaling is mutual and has the ability to fuel a response in person B, which will reciprocally influence person A, and so forth. Hence, the 'cyclical' viewpoint of affect. In sum, it becomes evident that during the service encounter, a person's affective expression can impact on the other person's affective state during an interaction.

However, as already mentioned, apart from directing *other* actors' mood state and behaviour, affect in general has also the ability to influence an actor's *own* behaviour. By maintaining a within-person view, it is possible to discern 'igniting forces' as antecedents to a person's affective state that drive one's behaviour and consequently, produce corresponding outcomes. This intrapersonal aspect of affect is overviewed next.

2.6.3. Service Employee Positive Affect: The Intrapersonal Aspect

Previous studies have highlighted the relationship between an individual's PA and favourable outcomes with regards to one's effective workplace functioning (Staw *et al.*, 1994). For example, supporting evidence has been found indicating that individuals induced to experience PA often exhibit helping tendencies (Isen, 1987). PA during the service encounter has also shown to impact on employees' overall well-being (Fredrickson and Joiner, 2002). In addition, service employees experiencing high PA are likely to exhibit higher levels of social engagement (Pelled and Xin, 1999), whereas positive affective states have shown to predict performance (Chu, 2014; Tsai *et al.*, 2007) beyond the influence of service employees' affective personality traits (Barsade and Gibson, 2007; George, 1991; Tsai *et al.*, 2007). Finally, positive moods have the ability to foster prosocial workplace behaviours (George, 1991). Therefore, service employee discretionary behaviours such as organizational citizenship behaviour (Chu, 2014; Williams and Shiaw, 1999), or customer-oriented behaviour (Barnes *et al.*, 2015; Kelley and Hoffman, 1997) have shown to be achieved through the mediating influence of PA. These studies merely provide support for the idea that positive affective states render employee prosocial behaviours more likely (Barsade and Gibson, 2007).

Several theoretical explanations have been proposed to account for why PA has been linked to increases in desirable service employee behaviours. A simple explanation suggests that an employee experiencing PA may be more prone to perceive others in a more positive light (George, 1991), thereby making it more likely for them to engage in prosocial behaviours. An alternative explanation suggests that being in a good mood is reinforcing, and therefore service employees experiencing positive mood are more helpful to others as a form of self-reward that enables them to maintain or prolong their pleasurable state (Staw *et al.*, 1994; Williams and Shiaw, 1999).

A leading contribution in the area of service employee behaviour has been provided by *Affective Events Theory* (AET) (Weiss and Cropanzano, 1996), which essentially constitutes an organizing framework for understanding the role of affect in the workplace (Weiss and Beal, 2005). In brief, the theory proposes that work-related events are the most frequent cause of affective reactions for employees (Weiss and Beal, 2005; Weiss and Cropanzano, 1996). Therefore, a work event is perceived as an *affective event*, i.e. "an incident that stimulates appraisal of and emotional reaction to a transitory or ongoing job-related agent" (Basch and Fisher, 2000, p.37). In other words, these incidents are commonly accompanied by affective reactions, i.e. direct responses that arise subsequently to a specific affective state (Madupalli and Poddar, 2014) and that involve the employee's episodic behaviour (Wagner and Ilies, 2008). Certainly, according to Weiss and Cropanzano (1996) not all people interpret events in the same way, and therefore they do not always produce the same outcomes; however, events are viewed as instigators of changes in affective states.

In their review of AET, Weiss and Beal (2005) support that the majority of studies grounded on AET have demonstrated that affective reactions mediated the relationship between work-related events and organizationally relevant outcomes, thereby evidencing the robustness of the framework. On this note, despite the fact that there appears to be a scholarly emphasis on negative work-related events (Weiss and Beal, 2005), positive affective events are also especially important in terms of service employees' subsequent affect-driven behaviours. For example, helping behaviour has been the most frequently investigated behavioural consequence of affect, suggesting that employee behaviours such as citizenship, cooperation, or customer service are relevant to the employees' positive affective state (Weiss and Cropanzano, 1996). In sum, the underlying logic of the theory is that affective states experienced by an individual and which are perceived as important while performing a task, shape the subsequent affect-driven behaviour of that individual.

However, as already noted, service encounters are interactive in nature. Therefore, employee affective reactions resulting from their interactions with customers are also likely to occur (Dudenhöffer and Dormann, 2012). The following review describes how employee-customer interaction might influence employees' affective state.

2.6.4. The Affective Process and Service Employee-Customer Interaction

Situational factors such as service encounters determine an individual's affective state (George and Brief, 1992), while the profound effect of such affective states on behaviours in organizational settings is indisputable (George and Brief, 1992). On this note, the present section aims at reviewing the impact that customers may have in contributing to the creation or to the enhancement of service employee PA.

Specifically, scholars have come to identify customer behaviour as an important factor influencing service employees' affective state and, consequently their ensuing behaviour. For instance, Rafaeli and Sutton (1987) make reference to 'emotional transactions', as one of the two sources that generate, affect, and maintain the affective expressions of service employees – the other source being the organizational context. As the authors argue, "the verbal and nonverbal cues sent by target persons (i.e. the customers) may also influence the feelings conveyed by an employee" (Rafaeli and Sutton, 1987, p.28), suggesting that service employees and customers mutually influence each others' affective state during the course of an interaction. This standpoint is also supported by Côté's (2005) *social interaction model*, which explains how the customer's response to the service employee's affective expression influences the service employee's affective state. As a result, positive treatment from customers induced by service employees' affective expression is likely to lead to an increase to service employees' PA (e.g., Zhan *et al.*, 2016). Therefore, overall the basic tenet of the social interaction model suggests that individuals are likely to respond positively (negatively) when they receive positive (negative) treatment from others.

In this vein, it could be argued that when customers treat service employees in a beneficial way, they have the ability to produce a positive change to the service employees' affective state. For instance, a recent diary study by Kiffin-Petersen *et al*. (2012) drew on AET and indicated that customer helping behaviour has the capacity of eliciting service employees' PA. Similarly, the reception of support expressed through compassion in the workplace has shown to trigger employees' positive moods (Chu, 2014; Lilius *et al.*, 2008). Another potential explanation for this phenomenon lies within Conservation of Resources Theory (Hobfoll, 1989), according to which an individual's psychological resources (e.g., mood) are increased through positive experiences and depleted through negative ones. In support to the theory, a study conducted by Zimmermann *et al*. (2011) empirically confirmed that customer-initiated support produces an increase to employees' PA. Hence, there exists evidence that positive behaviour from customers results in service employees' increased PA.

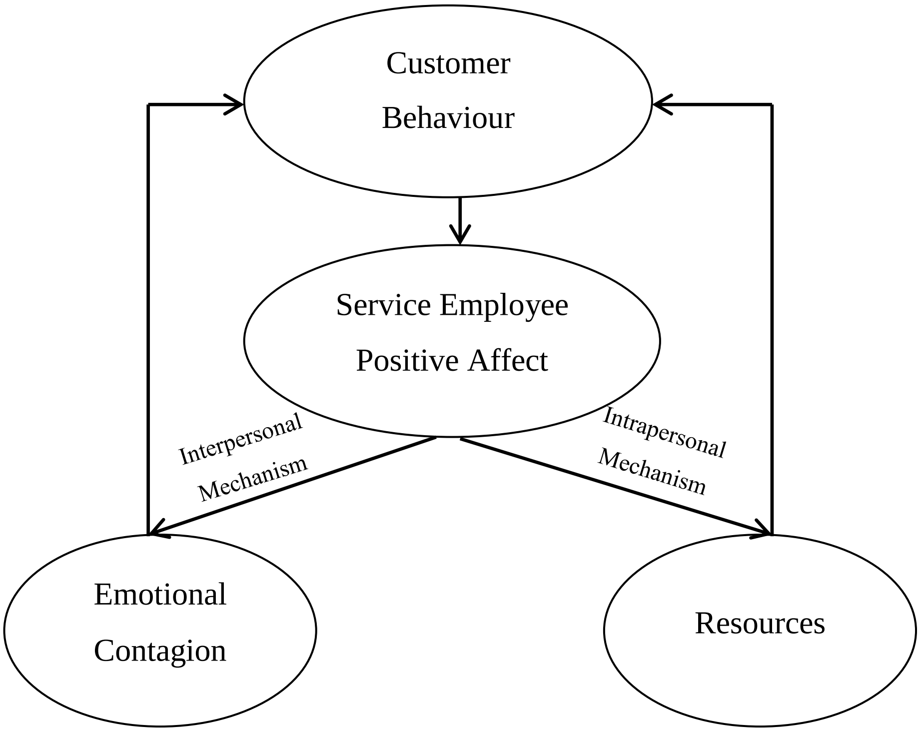
Moreover, service employee favourable behavioural responses resulting from positive mood previously induced by customers has also been highlighted in the existing literature. For example, an experimental study conducted by Swinyard (2003) in the retail context has shown that customer mood not only affects service employees' experience with shoppers, but most importantly the way that they treat customers. Specifically, the results indicated that employees in a positive mood are likely to provide better customer service than those in a bad mood. Therefore, it appears that service employees are able to draw on their positive affective states and to translate them into enhanced personal and work resources (Barnes *et al.*, 2013).

Following the foregoing overview of the processes of affect, the final section of this chapter offers an outline of the outcomes for the parties involved in the service encounter.

2.6.5. Outcomes of the Affective Process

Overall, the review of the affective processes of the service encounter reveal two scenarios. Firstly, customers have the ability to positively impact on service employees' affective state during the service encounter. Secondly, the subsequent affective state of the service employee has the ability to impact on: (a) the customers' affective state through interpersonal mechanisms (e.g., emotional contagion); as such, service employees who are exposed to cheerful customers mirror these positive expressions following an increase in their PA; and (b) the customers' experience through intrapersonal mechanisms (e.g., AET, COR). A positive affective state is therefore translated into resources (e.g., customer orientation) that the service employee can access. Taken together these observations suggest that as customers can impact on service employees' affective state, they partially share responsibility for the service they receive in return. Stated simply, existing research suggests that an agreeable customer is likely to receive agreeable service. Similarly, an appreciative customer is likely to receive better catering to his or her needs. This reciprocal mechanism conveyed through the service employee's affective state is illustrated in Figure 2.1.

Figure 2.1. Schematic representation of the affective process of the service encounter.



2.7. Summary

The nature of service interactions suggests "that a better understanding of the social nature of the exchange process will yield equally actionable insights" (Czepiel, 1990, p.17). This chapter has delved into this exchange process of the service encounter by reviewing the underlying mechanisms of the social facet of the interaction. Overall, existing literature repeatedly highlights the interdependent nature of the service encounter, while underlining two fundamental theories that guide its process: Social Exchange Theory and Role Theory. **Chapter 2** has documented how these theoretical foundations help explain the interacting parties' patterns of behaviour, and has provided supporting evidence from the existing literature. Furthermore, as the affective component is embedded in the service encounter, an overview of the principal theories that explain the interdependent affective process of the exchange was presented, along with relevant supporting research. Overall, the chapter has offered scholarly evidence suggesting that one party's behaviour during the service encounter (i.e. the customer's) will most likely direct the other person's behavioural response (i.e. the service employee's).

Having established the elemental processes of the service encounter, a deeper understanding of the roles performed by both the major interacting parties during the exchange, i.e. the service employee and the customer, is deemed necessary. Consequently, first off the next chapter develops the roles assumed and the behaviours exhibited by of one of the two individuals in the exchange: the service employee.

CHAPTER 3

THE SERVICE EMPLOYEE

3.1. Introduction

The success of a service firm significantly relies upon the performance of its service employees, or in other words “the effectiveness of individual behaviours that contribute to organizational objectives” (Grant, 2008, p.109). As such, customer contact employees hold a key role in service organizations (Ashforth and Humphrey, 1993; Chung- Herrera *et al.*, 2004; Grönroos, 2006; Kelley and Hoffman, 1997; Parasuraman *et al.*, 1985), since customers’ view of their interaction with service employees frequently constitutes the service itself, and the basis upon which they form, at least partially, their global evaluation of the entire firm (e.g., Bitner, 1990; Chung- Herrera *et al.*, 2004; Grove and Fisk, 1989; Sidney and Jeffery, 2016). Harris and Ogbonna (2002, p.325) summarize this idea by stating that “the attitudes and behaviours of frontline, customer-contact service providers are a significant factor in customers’ perceptions and interpretations of service encounters”.

In light of the above, the present chapter aims at reporting the service employees’ role in terms of their behaviour when interacting with customers during the service encounter. **Chapter 3** is structured as follows: an outline of the key position that service employees hold during the service encounter is presented, followed by a description of the nature of service work. Next, the fundamentals of the theory on emotional labour are elaborated, where the antecedents and consequences of service employee emotion management are highlighted. Following this, a resource-based theoretical approach of the nature of service work is overviewed with the aims of highlighting the significance of resources for service employee performance. The chapter ends by documenting the types of service employee behaviour towards customers through a role theoretical perspective, with a particular focus on in-role and extra-role behaviour, while overviewing two separate categories of employee behaviour: behaviours related to relationship building and service sabotage.

3.2. Importance of Service Personnel

Existing literature has repeatedly investigated and emphasized the importance of service employee behaviour during their interaction with customers as this element can significantly contribute to customer satisfaction and evaluation of a service (e.g., Andaleeb and Conway, 2006; Arnold *et al.*, 2005; Bettencourt and Brown, 2003; Bowers and Martin, 2007; Chung- Herrera *et al.*, 2004; Hennig-Thurau, 2004; Huang and Dai, 2010; Kivelä and Chu, 2001; Liao and Searcy, 2012; Slåtten, 2011). This fact holds true to a larger extent in services characterized by a high degree of interaction (Hennig-Thurau and Thurau, 2003), as the "interaction *is* the service from the customer's point of view" (Bitner *et al.*, 1990, p.71, italics in original). Therefore, service employee efficiency and effectiveness during the service delivery process contributes to the success of service encounters (Gutek *et al.*, 2002).

A primary element contributing to the central role accorded to service employees is the intangible nature, which constitutes the most significant criterion for identifying services (Zeithaml *et al.*, 1985). Intangibility suggests that services comprise of more abstract elements rather than objects per se. For instance, features that cannot be measured such as processes, personnel behaviour, or other aspects that consumers cannot see, touch or sense in general, are part of the intangible service offer (Parasuraman *et al.*, 1985; Zeithaml *et al.*, 1985). Moreover, as opposed to the production-consumption process of goods, services follow a different pattern and are therefore initially sold to customers to be subsequently and simultaneously produced and consumed (Zeithaml *et al.*, 1985). This synchronized production-consumption nature suggests that, depending on the service sector, customers are likely to be highly involved in both processes (Parasuraman *et al.*, 1985). Most importantly though, in situations where high contact and interaction are required between the employee and the customer, the service offered cannot be dissociated from the person providing it, thus making the service employee's behaviour more influential to customer evaluations (Yagil, 2008a).

In general, the role of service employees in creating a pleasant encounter for their customers is largely supported in the literature, whereas the emotional regulation and behavioural effort required from them to achieve this outcome is highlighted in numerous studies (e.g., Ashforth and Humphrey, 1993; Barger and Grandey, 2006; Chan and Wan, 2012; Grandey, 2003; Groth *et al.*, 2009; Hochschild, 1983; Mohr and Bitner, 1995). Specifically, it is well documented how 'service with a smile' and employee behaviour in general during the service transaction can lead to positive customer-related outcomes including enhanced mood, better service evaluation, positive word-of-mouth, repurchase intention, or perception of service quality (e.g., Barger and Grandey, 2006; Grandey, 2003; Groth *et al.*, 2009; Keh *et al.*, 2013; Lemmink and Mattsson, 2002; Lin and Lin, 2011; Pugh, 2001; Söderlund and Rosengren, 2008; Tsai, 2001; Tsai and Huang, 2002; Wall and Berry, 2007). Previous research has also illustrated that the "act of expressing socially desired emotions during service transactions" (Ashforth and Humphrey, 1993, p.88-89) via a combination of verbal and nonverbal elements including smiling, thanking, pleasant tone of voice, or positive facial expression (Tsai, 2001) has a strong impact on customers' emotional states (Hennig-Thurau *et al.*, 2006). Employee behaviour can also be highly significant in relation to the actual service offering of an organization: for instance, empirical evidence has shown that positive employee behaviour has the ability to remedy inferior core service, whereas the opposite scenario is not likely to occur (Walter *et al.*, 2010; Parish *et al.*, 2008). Furthermore, service employee perceived effort during the service encounter appears to be appreciated by customers regardless of the actual service outcome (Mohr and Bitner, 1995).

In light of the above, it is clear that the role of service employees is critical to several levels of effective organizational functioning. However, performing service work entails several facets that can be detrimental to service personnel (Grandey, 2000). These aspects are summarized in the next section.

3.3. Doing Service Work

Notwithstanding that relevant empirical evidence has been scarce (van Dolen *et al.*, 2002), there exists some indication that sometimes, service work can be associated with the pleasure derived from the interaction with others (e.g., Beatty *et al.*, 1996; Czepiel, 1990; Ivarsson and Larsson, 2010; Zimmermann *et al.*, 2011). In this view, it seems that service employees can occasionally, and under certain conditions, desire to provide their customers with good service (Ivarsson and Larsson, 2010), to resolve customer problems as if they were their own, and to build relational bonds with their customers (Beatty *et al.*, 1996; Bitner *et al.*, 1994; Schneider, 1980).

Yet, being at the frontline implies that service employees are commonly required to cope with a number of stressors typically encountered in service jobs, which are likely to impact on their well-being (e.g., Ben-Zur and Yagil, 2005; Dormann and Zapf, 2004). Examples of indicators of well-being encompass low levels of stress (physiological health), self-efficacy (psychological health), and job satisfaction (job-related affect) (Danna and Griffin, 1999). On this note, service work is usually associated with conditions such as poor salary and inadequate training (Bitner *et al.*, 1990), or reduced social status and lengthy shiftwork (Groth and Grandey, 2012). More importantly, there is ample evidence that on a psychological level, service roles are most commonly associated with employees experiencing emotional exhaustion, poor self-esteem, or depression (Kruml and Geddes, 2000). Service employees also often need to deal with ill-mannered or difficult customers and as such, these challenging interactions are identified as one of the most common sources of employee stress (Chuanchuen *et al.*, 2015; Dormann and Zapf, 2004; Dudenhöffer and Dormann, 2012; Zablah *et al.*, 2012). In this view, a basic feature of the service role is that service employees are constrained by normative behaviour and are therefore required to respond to customer aggressive behaviours directed towards them with ‘appropriate’ polite behaviour (Ben-Zur and Yagil, 2005). Consequently, the aforementioned conditions eventually lead to service employee reduced job performance and increased withdrawal (e.g., Grandey *et al.*, 2004; Pelled and Xin, 1999; Rafaeli *et al.*, 2012; Wright and Cropanzano, 2000).

This brief review points to another element that is integral to doing service work. In particular, a major antecedent to the negative consequences affecting service employees’ well-being relates to the fact that performing service work involves the regulation of one’s emotions. That is to say, among the other role-prescribed duties that are assigned to them, service employees are also and most importantly required to manage their emotions according to organizationally prescribed rules. Such an emotion regulation, however, is not devoid of critical implications for service personnel. This management of emotions is developed next.

3.4. The Management of Emotions

Interactions with customers require a significant amount of emotional regulation and behavioural effort from service employees (e.g., Ashforth and Humphrey, 1993; Chan and Wan, 2012; Hochschild, 1983; Mohr and Bitner, 1995). Hence, it comes as no surprise that "emotion management is a dominant presence in services literature" (Subramony and Pugh, 2015, p.354). In particular, a key task of service work necessitates that service employees modify (or suppress) their emotional expression with the aims of achieving more effective workplace interaction (Grandey, 2000). To accomplish this, service employees are expected follow certain 'display rules', which essentially refer to norms or standards that a service firm prescribes either explicitly, or implicitly in the form of unwritten guidelines (Diefendorff *et al.*, 2006). These rules in turn dictate the appropriate expression of feeling states during interpersonal service exchanges (Ashforth and Humphrey, 1993; Hochschild, 1983; Rafaeli and Sutton, 1987).

Specifically, the dramaturgical perspective of service interactions (Goffman, 1959) developed in the previous chapter (*cf.* section 2.5.1, p.30), suggests that "services are performances" (Parasuraman *et al.*, 1985, p.34). Grove and Fisk, (1992, p.455) also support this viewpoint and propose the "service experience as theatre" metaphor. Underlying these perspectives is the fact that as actors, service employees are required to engage in impression management before their audience (i.e. the customers) through the regulation of their emotions in order to achieve organizational goals (Grandey, 2000). This type of management of one's feelings inherent in service work is developed next.

3.4.1. The Nature of Emotional Labour

A vital component of the work performed by service employees has become the expression of emotions that are specified and required of them by service firms (Hochschild, 1983). These emotions are displayed by service employees through a combination of body language, spoken words, tone of voice, and facial expressions (Rafaeli and Sutton, 1987).

Employees who engage in such processes that are essential to manage organizationally desired emotions as part of one's job are viewed as performing *emotional labour* (or emotional work). Initially introduced by Hochschild (1983, p.7), the term defines "the management of feeling to create a publicly observable facial and bodily display". Based on service management literature, emotional labour is particularly relevant to service encounters (Wang, 2014) and to service employees, as their jobs involve (a) having face-to-face or voice-to-voice contact with customers; (b) producing a certain emotional state in customers as a result of their interactions; (c) and being subject to a form of control over their emotional activities by the organization (Hochschild, 1983). Hence, this public display of emotions can be considered as a form of labour as it entails "effort, planning, and control needed to express organizationally desired emotions during interpersonal transactions" (Morris and Feldman, 1996, p.987). A similar conceptualization focusing on the organizationally required expression of emotions suggests that emotional labour "is what employees perform when they are required to feel, or at least project the appearance of certain emotions as they engage in job-relevant interactions" (Kruml & Geddes, 2000, p.9). When viewed as a process, emotional labour can be summarized as "the process of regulating both feelings and expressions for the organizational goals" (Grandey, 2000, p.97), or as "the psychological processes necessary to regulate organizationally desired emotions" (Zapf, 2002, p.239). Notwithstanding the diverse perspectives, definitions, and foci on different processes, all conceptualizations share the underlying assumption that emotional labour involves the regulation of one's displayed emotions (e.g., enhancing, faking, or suppressing emotions), by exhibiting specific expressions according to organizational rules, regardless of whether these emotions reflect authentic feelings or not (Grandey, 2000).

Previous research has investigated emotional labour in a wide array of occupations such as restaurant table servers (Adelmann, 1995), cashiers (Rafaeli, 1989a), bill collectors (Sutton, 1991), or nurses (James, 1989), suggesting that emotional labour is pertinent in diverse service sectors that require the projection of different types of emotions (e.g., negative, neutral, or a combination). Nevertheless the display of positive emotions is viewed as predominant for the majority of service employees (Adelmann, 1995), and therefore service roles have been typically viewed as requiring the suppression of negative emotions in favour of expressing positive ones (Diefendorff *et al.*, 2006; Humphrey *et al.*, 2015), commonly while performing tasks under pressure (Hochschild, 1983). Therefore, service employees are oftentimes required to 'feign' their inner feelings and to 'act' so as to effectively respond to customer needs with a smile, regardless if they are willing to do so or not (Madupalli and Poddar, 2014).

In addition, emotional labour constitutes a multi-dimensional construct (e.g., Hochschild, 1983; Morris and Feldman, 1997), indicating that the degree of emotional labour performed by service employees also differs between work contexts. For instance, the frequency of interactions, or the duration of interactions with customers constitute components of emotional labour (Morris and Feldman, 1997). Furthermore, different antecedents to emotional labour have been identified in the literature (e.g., task routineness) as being positively related to the frequency of performing emotional labour (Morris and Feldman, 1997).

On this note, it is argued that customers may also influence the management of emotions of service employees. For instance, Harris and Reynolds (2003) have found that service employees engage in 'feigned' emotional display when having to deal with dysfunctional customer behaviour. On a conceptual level, Groth *et al*. (2006) proposed that apart from individual aspects (e.g., job satisfaction), and organizational factors (e.g., service scripts), dyadic characteristics of the service interaction also account for service employees' emotional labour strategies. More recently, Grandey and Gabriel (2015) argued that research on emotional labour typically focuses on employee interactions with rude or hostile customers, underscoring thus the impact of customer negative behaviour for service employee emotion management.

That said, the construct of emotional labour has been extensively examined in prior literature primarily due to the adverse consequences associated with this type of work and service employee well-being and performance. These consequences are illustrated in the following section.

3.4.2. The Consequences of Emotional Labour

The services marketing literature has been particularly concerned with the outcomes of regulating one's emotions through the projection of a positive demeanour towards customers. That said, certainly, and depending on the way that it is enacted, emotional labour can sometimes be beneficial to the person performing it (Kruml and Geddes, 2000; Zapf *et al.*, 1999; Zapf, 2002). For instance, the facial-feedback hypothesis proposes that emotional expressions are followed by emotional experiences consistent with those expressions (Adelmann, 1995; Côté, 2005). Therefore, "employees who are expected to smile may benefit from feelings of elation and exuberance" (Rafaeli and Sutton, 1987, p.32). Other positive outcomes include increased self-efficacy or task performance (Ashforth and Humphrey, 1993). Humphrey *et al.* (2015) have gone as far as maintaining that some service employees may take pleasure in performing emotional labour, even those who are employed in jobs that are typically viewed as difficult or unpleasant.

However, although the benefits of a positive expression can occur initially, "maintaining expressions congruent with emotional display rules over time and across interactions are the challenge" (Grandey *et al.*, 2015, p.771). In other words, even with the best intentions, one cannot uphold a specific expression incessantly, as contextual conditions and events are likely to influence the willingness to express a positive behaviour. Hence, a significant number of scholars have come to acknowledge the severe consequences of emotional labour for service employee well-being (e.g., Ashforth and Humphrey, 1993; Brotheridge and Grandey, 2002; Grandey, 2000, 2003; Grandey *et al.*, 2015; Hochschild, 1983; Madupalli and Poddar, 2014).

Hochschild (1983) initially maintained that in the long-run, emotional labour could lead to self-alienation as the repetitiveness of the emotional performance may cause service employees to lose track of their own personal feelings. In other words, emotional labour can be demoralizing, devaluing and undermining to the self (Grandey *et al.*, 2015). In the same vein, Kruml and Geddes (2000) have identified a number of studies supporting that emotional labour may produce negative consequences for employees, which, apart from role and self-alienation, include emotional deviance, stress, poor self-esteem, depression or cynicism. Similarly, Zapf (2002) made reference to the notion of emotional burnout, a condition that arises when employees present a lack of ability to manage their emotions when interacting with their customers (Zapf *et al.*, 1999). The construct of burnout consists of mainly three aspects: (a) emotional fatigue, or exhaustion i.e. the draining of one's emotional resources, which results from prolonged and exhaustive physical, affective and cognitive strain caused by extended exposure to stressors; (b) depersonalization, i.e. a defensive response consisting of the development of negative cynical behaviour towards customers; and (c) reduced personal accomplishment, i.e. an inability to accurately evaluate one's performance towards customers as a result of poor self-esteem (Bakker *et al.*, 2004).

On this note, service employees working in labour-intensive contexts such as the hospitality industry are more susceptible to experiencing emotional exhaustion, a fact that is due to their frequent and repeated interaction with customers as part of their daily work routine (Lee and Ok, 2013). As such, they are often required to suppress their genuinely felt emotions by substituting them with inauthentic ones, which in turn produces a loss of psychological energy and resources, hence the emotional exhaustion and depersonalization (Brotheridge and Grandey, 2002). In this regard, emotional exhaustion constitutes a critical measure of service employee well-being on a psychological level (Madupalli and Poddar, 2014), as it reflects feelings of being emotionally overextended by one's work (Ito and Brotheridge, 2003). Notwithstanding the increasing amount of research that acknowledges these adverse consequences, there is yet a need for further studies that will consider how to control and to reduce such observed negative outcomes for service employees (Wang, 2014).

Two incidents mainly account for the fact that emotional requirements in conjunction with situational factors threat service employee well-being: (1) the state of emotional dissonance, which involves the experienced incongruence between one's internal states and imposed displays. As a result, emotional dissonance constitutes a subjective experience that is psychologically taxing and strain-enhancing for the individual (Brotheridge and Lee, 2002; Hochschild, 1983; Morris and Feldman, 1996; Rafaeli and Sutton, 1987); and (2) the depletion occurring from the continuous regulation of one's emotions and expressions occurring over time and across episodes (Beal *et al.*, 2005).

The foregoing discussion on emotional labour points to three issues pertinent to the present research: (a) when performing emotional labour, service employees put a certain amount of effort into the exchange (e.g., Morris and Feldman, 1996); (b) customer behaviour appears to act as an antecedent to service employees' degree of engagement in emotional labour (Grandey, 2000; Grandey *et al.*, 2004; Huang and Dai, 2010; Rupp and Spencer, 2006); and (c) emotional labour is associated with resource depletion (e.g., Wang, 2014). Taken together, these points suggest that among other factors, customer interpersonal behaviour also accounts for the amount of effort exerted by service employees during the service interaction, and by consequence, to a draining of their resources. As such, when other job requirements (e.g., store busyness) concur with customer negative behaviour, service employees feel extremely tired and lacking energy, and seek different types of resources in order to cope with these strenuous workplace situations (e.g., Diefendorff *et al.*, 2008). This resource perspective is further elaborated next.

3.5. Resources in Service Roles

Following the literature covered in the previous sections, it is clear that emotional labour is viewed as a key service employee job stressor (Chan *et al.*, 2010; Pugliesi, 1999). Job stress broadly constitutes the result occurring from a disturbance of the balance between the demands service employees are exposed to, and the resources they have at their availability (Bakker and Demerouti, 2007). In other words, job stress may be viewed as the detrimental impact on service employees' psychological and physical well-being, which occurs due to a discrepancy between job requirements and needs, abilities or resources (Parish *et al.*, 2008). Therefore, in a sense, job stress constitutes an outcome of onerous work, which adversely affects an individual's ability to function efficiently (Bakker *et al.*, 2005).

From a role theoretical perspective, job stress can be conceptualized as consisting of three constructs: role ambiguity, role conflict, and work (or role) overload (Katz and Kahn, 1978). *Role ambiguity* refers to service employee lack of certainty regarding how to perform their work tasks effectively, whereas *role conflict* involves incompatible expectations placed upon service employees regarding their role (Katz and Kahn, 1978). Finally, *work overload* relates to cumulative role demands that exceed service employees' abilities to perform a task (Rizzo *et al.*, 1970). Overall, face-to-face interactions with other individuals constitute an important source of job stress for service employees (Parish *et al.*, 2008), while each dimension of job stress is likely to produce detrimental effects on their well-being, (e.g., increased emotional and physical exhaustion) (Moore, 2000), their attitudes, (e.g., job satisfaction) (Chung and Schneider, 2002), and their behaviours (e.g., turnover intentions, absenteeism, ineffective task and citizenship performance) (Chung and Schneider, 2002; Grandey *et al.*, 2015; Jackson and Schuler, 1985; Tubre and Collins, 2000). In other words, stressful work circumstances are likely to affect service employees on several levels, including their behaviour. Two theoretical frameworks offer insights which help explain the underlying mechanisms that direct service employee behaviour in the face of stress: Conservation of Resources theory and the Job Demands-Resources Model.

3.5.1. Conservation of Resources Theory

A popular theoretical model that has received considerable empirical support in the organizational behaviour literature (Dewe *et al.*, 2012; Halbesleben *et al.*, 2014) helps shed light on the relationship between employee stressors and the foregoing adverse consequences. Specifically, *Conservation Of Resources* (COR) Theory (Hobfoll, 1989), constitutes an integrative stress theory that studies the interaction of an individual with his or her environment, and the degree of correspondence between the environmental demands and the individual's resources to cope with these demands (Dewe *et al.*, 2012). COR theory has been employed as a fundamental explanatory mechanism for understanding the negative outcomes of stress in work settings

(Hobfoll, 2001). Notably, this particular resource-based theoretical perspective is consistently relevant to emotional labour (Grandey and Gabriel, 2015), as this type of work consumes service employee resources (e.g., motivational energy) (Brotheridge and Grandey, 2002), or enhances the resources that determine their well-being (e.g., social support) (Côté, 2005).

Briefly overviewed in **Chapter 2** (*cf.* section 2.6.4, p.41), the fundamental tenet of COR theory is that "people strive to retain, protect, and build resources and that what is threatening to them is the potential or actual loss of these valued resources" (Hobfoll, 1989, p.516). In succinct terms, people try to protect their current resources and to gain new ones. For Hobfoll (1989), *resources* consist of entities valued by individuals as they positively contribute to their well-being. In his overview of COR theory, Hobfoll (2001) identified a large number of types of resources, including objects, states, personal characteristics and energy resources. Furthermore, resources are contingent on the type of environment a person functions in (Halbesleben *et al.*, 2014). Therefore, in a work context, examples of resources include positive feedback, job autonomy, or social support (Dewe *et al.*, 2012; Stock and Bednarek, 2014).

According to Hobfoll (1989) the key idea underlying the theory suggests that stressful instances lead to resource losses. In this view, stress occurs on three occasions: when these valued resources are lost, threatened with loss, or when individuals fail to replace them. *Threats* are commonly in the form of role demands, which require effort, and energy consumed in order to meet these demands. For example, during the service encounter service employees are required to meet customer demands; coping with these customer demands, i.e. "the extent to which frontline employees encounter customers expressing negative behaviours" (Stock and Bednarek, 2014, p.402) such as hostility, requires extra mental effort from service employees, which in turn increases their emotional exhaustion (Grandey *et al.*, 2005). Therefore, in the occurrence of a lack of resource availability to meet such customer demands, stress occurs (Brotheridge and Lee, 2002). Furthermore, other situational variables are likely to inhibit service employee efforts to respond to organizational demands such as display rules. For instance, time pressure is a contextual variable that can be threatening to service employee resources (Yagil, 2008a). As such, a lack of sufficient amount of time to complete a task (e.g., under circumstances of busyness) may create negative emotions to service employees, which in turn can prevent the display of positive emotions to customers (e.g., Rafaeli and Sutton, 1990).

As opposed to stressful conditions, the theory maintains that favourable circumstances lead to gains in motivational resources (Hobfoll, 1989). For example, the reception of positive feedback for one's performance from their supervisor is likely to induce them with positive feelings, a sense of self-efficacy, and a form of validation about the quality of their job performance (Hobfoll, 2001). Stated simply, resource gains contribute to the maintenance and further enhancement of the individual's overall well-being (Dewe *et al.*, 2012). In this regard, Grandey and Gabriel (2015) maintained that service employees can capitalize on plenty of possible resources and pointed to the fact that researchers to date have made a distinction among two basic types of resources: (1) formal, work-based, financial, and psychological resources (e.g., money, autonomy, status), and (2) informal, social, or energy sources. On the one hand, despite the fact that jobs that are high in emotional labour differ in terms of their financial compensation (e.g., health-care versus customer service jobs), Grandey and Gabriel (2015) asserted that monetary incentives can counterbalance some of the unfavourable effects of emotional labour. On the other hand, social resources, which are relevant to the present research, can oftentimes result from positive behaviours arising from customers (e.g., Garma and Bove, 2011; Maneotis, 2014; Zimmermann *et al.*, 2011). In this view, it is noteworthy that among the various types of situational resources, social support is considered to be one of the most important ones due to its ability to buffer against job stress (Bakker *et al.*, 2004; Russell *et al.*, 1987). Specifically, social support can help service employees cope with stress, whereas a positive work environment can contribute to service employees expressing genuinely felt positive emotions (Grandey, 2000). When service employees can draw on such resources, their need for investing more emotional energy and mental effort in their interactions with customers is reduced, which results in higher performance (Stock and Bednarek, 2014). In sum, positive, rewarding, and supportive interpersonal relationships constitute a very effective way for service employees to gain resources (Grandey, 2000; Hobfoll, 1989).

Finally, two main principles of COR theory need to be highlighted: (1) resource spirals, and (2) resource caravans (Hobfoll, 2001). *Resource spirals* can be divided into two categories: loss spirals, which are based on the idea that a lack of resources for dealing with stressful events makes individuals more vulnerable and reinforces further resource loss. Conversely, gain spirals suggest that individuals who possess resources are more adept to enhance further resource gain, such as when successful performance 'spills over' to further achievements. However, Hobfoll (2001) noted that due to their potency, loss spirals are more impactful to individuals' well-being than gain spirals. In other words, it is more detrimental for people to lose resources than it is helpful for them to regain lost resources. Regarding *resource caravans*, Hobfoll (2001) postulates that resources can accumulate and build upon each other in an immediate and future sense. A relevant example suggests that job performance may lead to enhanced self-efficacy, which in turn will reinforce a person's optimism regarding his or her ability to perform effectively in the future.

To summarize, COR theory provides a pertinent mechanism explaining the negative outcomes experienced by service employees in their work context. In the same vein though, COR theory offers a plausible approach pointing to the benefits in the form of resources that could be reaped by service employees in an organizational setting. In other words, COR theory helps inform how different types of resources or threats in the work context promote or hinder service employee well-being on a physical, psychological and affective level. Following the foregoing overview of COR theory, another approach that offers a theoretical explanation for the contextual antecedents associated with employee-related outcomes is outlined next.

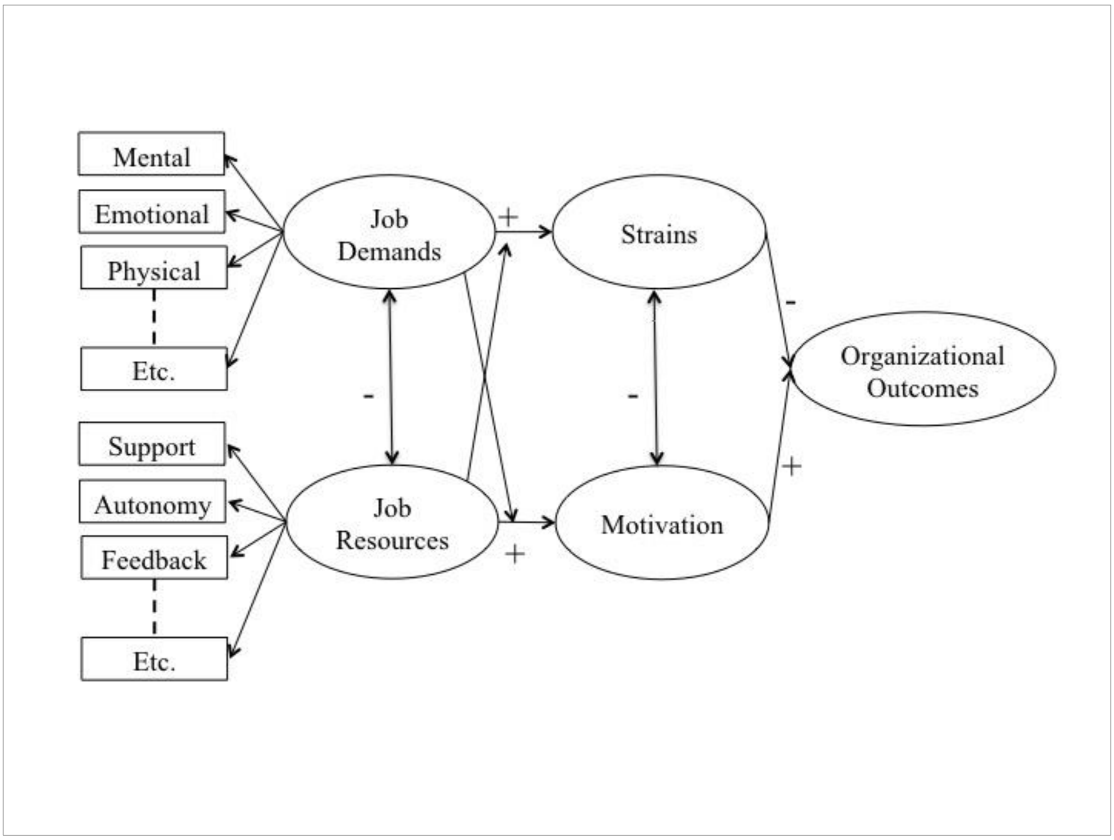
3.5.2. The Job Demands-Resources Model

The Job Demands-Resources (JD-R) model constitutes a well-established theoretical framework in organizational psychology (Stock and Bednarek, 2014), and offers a plausible theoretical basis for understanding the positive and negative aspects of the work-related context as antecedents to service employees' state. In particular, developed by Demerouti *et al.* (2001) with the aims of explaining the process of burnout, the basic question aimed at being answered by this theory is "what keeps people healthy, even after they encounter high degrees of workload" (Demerouti *et al.*, 2001, p.501). The authors provide an explanation for this fact by postulating that stressors (or demands), i.e. external factors that are likely to exert a negative influence to an individual, could lead to a state of well-being depending on the resources available at a given point in time.

According to Demerouti *et al*. (2001), the model is based on three premises: the first one proposes that regardless of the work context, job-related conditions can be divided into two broad categories: job demands and job resources, where each condition is associated with specific outcomes. Specifically, the model suggests that *job demands* consist of "those physical, social, or organizational aspects of the job that require sustained physical or mental effort and are therefore associated with certain physiological and psychological costs (e.g., exhaustion)" (Demerouti *et al.*, 2001, p.501). Therefore job demands refer to those work aspects (e.g., workload, emotional demands, time pressure), that require constant effort by service employees, and that in the long-run can lead to the draining of an individual's energy and to a state of exhaustion, which ultimately reduces task performance (Bakker *et al.*, 2004). On the other hand, health-protecting factors called 'resources' coexist in the individual's environment. *Job resources* in particular involve "those physical, psychological, social, or organizational aspects of the job that may do any of the following: (a) be functional in achieving work goals; (b) reduce job demands at the associated physiological and psychological costs; (c) stimulate personal growth and development" (Demerouti *et al.*, 2001, p.501). Typical examples of resources include social support, autonomy or performance feedback (Bakker and Demerouti, 2007).

The second premise of the JD-R model suggests that two different underlying psychological processes interfere in the development of job strain and motivation (Bakker and Demerouti, 2007). The full model illustrating these processes is depicted graphically in Figure 3.1 on the next page. The first process suggests that various job demands exhaust employees' mental and physical resources and can potentially lead to a depletion of their energy (e.g., a state of exhaustion). In order to deal with such instances where it is difficult to allocate their attention and effort efficiently, service employees engage in compensatory strategies by activating the use of extra effort, which in turn entails detrimental consequences (e.g., narrowing of attention, subjective fatigue), eventually resulting in breakdown. Conversely, the second process proposes that job resources have a motivational property, either intrinsic or extrinsic, that overall promotes engagement. For example, positive feedback increases job competence (intrinsic motivation) and promotes the successful achievement of one's work goals (extrinsic motivation).

Figure 3.1. The JD-R model.



Source: Bakker and Demerouti (2007, p.313).

The final premise postulates that job resources buffer the detrimental effects of job demands on the service employee's stress reactions (e.g., emotional exhaustion) (Bakker *et al.*, 2005; Crawford *et al.*, 2010; van Yperen and Hagedoorn, 2003). For instance, providing positive feedback to employees for their performance might help sustain their motivation by signaling them to continue performing in the same way. Therefore, depending on the prevailing job characteristics (e.g., labour intensive), different job resources may act as 'buffers' for several diverse job demands. As such, the model also implies that job resources are particularly motivational under circumstances where employees are exposed to high job demands.

The JD-R model has been tested empirically and studies have revealed interesting insights regarding the ways that job demands and resources affect important organizational outcomes (Bakker and Demerouti, 2007). Among these studies, Bakker *et al.* (2004) employed the JD-R model in the context of employee performance. Specifically, the authors investigated the relationship between job characteristics, burnout, and other-rated performance, and provided noteworthy results regarding the antecedents to employee performance. Consistent with their predictions, the authors revealed that job demands (e.g., job pressure and emotional demands) were the most significant predictors of exhaustion, which in turn predicted in-role performance. On the contrary, job resources (e.g., autonomy and social support) were the most important predictors of extra-role performance through their relationship with disengagement (i.e. distancing oneself from one's work, work objects, or work content). Therefore, these results indicated that the JD-R model constitutes a plausible theoretical framework for examining the key role that job demands and resources hold in terms of predicting service employee performance.

The previous sections have offered an overview of the nature of service work, by highlighting the components, the antecedents and the outcomes of emotional labour, primarily in terms of its impact on service employee well-being and performance. Furthermore, the foregoing discussion also suggests that due to the existence of other stress-inducing work-related factors, service employees are in need of additional resources in order to be able to maintain the level of effort required of them so as to perform their roles effectively. In this vein, consistent with the aims of the present research, existing literature reviewed so far indicates that resource availability (e.g., social support) is likely to enhance employee behavioural responses (e.g., extra-role performance).

At this point, it is deemed necessary to further elaborate on the primary types of employee behaviour in order to offer a thorough understanding of their role during the service encounter. Hence, the following sections overview the ways that service employees may behave during their interactions with customers.

3.6. Service Employee Behaviours

As previously noted, service encounters follow a role theoretical perspective (Solomon *et al.*, 1985). In view of this, service employees are required to perform in a network of interrelated roles, each involving a series of behaviour patterns, which ultimately aim at achieving customer satisfaction (Eyuboglu and Sumrall, 1989). In other words, service employees bring more than one pattern of behaviour, which is required of them by the service firm (Katz, 1964). Specifically, service employees hold a host of behaviours when catering to customers' needs. Among these behaviours, a category broadly termed 'prosocial behaviour' (Brief and Motowidlo, 1986) is relevant to the aims of the present thesis, and is viewed as being particularly beneficial to the service organization when enacted by service personnel (Spence, 2010).

From a social psychological perspective, prosocial behaviour is essentially the "behaviour that benefits others" (Hinde and Groebel, 1991, p.5). Even though prosocial behaviours can occasionally benefit the person performing them as well (Grant and Sonnentag, 2010; Morrison, 2006), the definition of the term implies that a prosocial act is characterized by its interpersonal nature: a benefactor and one or more recipients of the benefits need to exist for the act to occur (Dovidio *et al.*, 2006). Brief and Motowidlo (1986) proposed that in an organizational context, prosocial behaviours are delineated by three main characteristics: (a) the person enacting this type of behaviour needs to be a member of an organization; (b) the prosocial act needs to target co-workers, customers or the organization; (c) the underlying intention of the prosocial act has to involve the promotion of the welfare of the intended beneficiary. Furthermore, the authors argued that prosocial behaviour varies according to whether (a) it is functional or dysfunctional to organizational effectiveness; (b) prescribed or not prescribed as being part of an employee's organizational role; and (c) directed towards an individual or an organizational target. Finally, Brief and Motowidlo (1986) advocated that prosocial organizational behaviours are desirable as they entail advantageous outcomes for firms such as more effective job performance, improved communication, coordination and satisfaction among individuals and units. On the other hand with regards to customers, prosocial organizational behaviours favour enhanced customer satisfaction, and hence, repeat patronage. That said, and consistent with the overall aim of the research, it is noted that prosocial service employee behaviours are viewed as those that are functional to organizational effectiveness, whether role-prescribed or not, and that are directed towards a particular group of individuals: the customers.

According to the role theoretical perspective, the range of service employee behaviours established in the literature can be broadly assorted on the basis of being within the service employees' organizationally prescribed role or not. The former category is known as service employee in-role behaviour. Conversely, forms of discretionary service employee behaviour, voluntarily performed, and extending beyond their expected role, are termed extra-role behaviours. Both types of behaviours are described next.

3.6.1. In-Role Behaviours

Katz (1964) proposed that two out of the three essential types of employee behaviour for the effective functioning of an organization involve (1) their dependable role performance, and (2) their engagement in innovative and spontaneous activity in line with organizational objectives – the third one consisting of them staying within the firm. The first two behaviours are of interest for this thesis. In this regard, the first type of behaviour draws from Katz's (1964) theorization that human behaviour is characterized by its great variability. Therefore, he argued that it is indispensable to reduce this volatile behaviour to a limited number of patterns that are to a certain extent predictable. This means that the roles assigned to the organizational members ought to be executed through a minimum standard of quality and quantity of performance. These standards are the most conspicuous behavioural requirements that are commonly explicitly articulated in organizational documents such as job descriptions, or goal statements.

Formal job requirements are broadly referred to as *in-role* (or *role prescribed*) behaviours. In particular, these behaviours are "organizationally specified as a formal part of the individual's role or job" (Brief and Motowidlo, 1986, p.711). In a similar vein, Borman and Motowidlo (1997) employ the term *task performance* to describe a concept that highlights the outcome of such organizationally required behaviour. In the authors' view, task performance represents the effectiveness with which service employees perform role-prescribed task activities, such as following specific procedures. In service-related literature the conceptualization of this type of behaviour focuses on the service employee-customer interface, and is referred to as *role-prescribed customer service*, essentially involving "expected employee behaviours in serving the firm's customers" (Bettencourt and Brown, 1997, p.42). Overall, these in-role service employee behaviours consist of activities that contribute to the production of goods or the delivery of services that are organizationally and formally recognized as part of one's job (Borman and Motowidlo, 1997). This means that these behaviours are required, enforceable, evaluated by the organization (Organ, 1997), and commonly believed to be organizationally functional (Brief and Motowidlo, 1986). Furthermore, they can be implicitly (e.g., norms) or explicitly (e.g., job descriptions) expected by the organization (Brief and Motowidlo, 1986). For example, exhibiting common courtesy, greeting customers, or demonstrating accurate knowledge of products or services, represent common instances of in-role service employee behaviours (Bettencourt and Brown, 1997). Similarly, service employee emotional displays constitute an in-role requirement (Diefendorff *et al.*, 2006), which is imposed through employee monitoring, training, and rewarding (Rafaeli and Sutton, 1987). Role-prescribed behaviours are generally promoted through studies that highlight their association with favourable outcomes such as customer satisfaction, perceptions of service quality and customer loyalty (e.g., Bitner, 1990; George, 1991; Keaveney, 1995). However, organizations mostly seek for employees who demonstrate a willingness and an ability to exceed these formal job requirements (Katz, 1964; Katz and Kahn, 1978). These employee behaviours that extend beyond prescribed job specifications are commonly referred to as extra-role behaviours, developed next.

3.6.2. Extra-Role Behaviours

The second type of behaviour viewed as essential to effective organizational functioning by Katz (1964) refers to innovative and spontaneous activity in line with organizational objectives. In particular, Katz (1964, p.132) noted that “An organization which depends upon its blueprints of prescribed behaviour is a very fragile system”. This suggests that an individual’s organizationally required performance should be complemented by other behaviours performed at his or her own initiative. Katz (1964) based this argument on the fact that no amount of careful planning can detect, predict, or control with complete accuracy all environmental or individual changes within the ever-changing organizational context. Therefore, firms should allow room for acts of creativity, innovation, goodwill, cooperation, and other gestures encompassed into what is broadly termed *citizenship behaviour* (Smith *et al.*, 1983). This is the general idea underlying extra-role employee behaviours. Similar to other concepts referred to as *citizenship performance* (Organ, 1988), or *contextual performance* (Borman and Motowidlo, 1997; Borman and Motowidlo, 1993), extra-role behaviours consist of discretionary employee behaviours that exceed formal role requirements and that benefit, or aim at benefiting the organization by going above and beyond contractually rewarded job achievements (Bateman and Organ, 1983; Brief and Motowidlo, 1986; Smith *et al.*, 1983).

As already noted (*cf.* section 3.6, p.63), prosocial behaviours can be distinguished on the basis of the target towards which these actions are directed. Hence, discretionary behaviours that are beneficial to the service firm in some way, and that are directed towards customers, are viewed as reflecting the degree to which service employees 'go the extra mile’ during the service employee-customer interface (Maxham *et al.*, 2008). Several conceptualizations have been offered to capture aspects of similar employee behaviours such as Bitner *et al*.’s (1990) ‘unprompted and unsolicited employee actions’ or Winsted’s (2000) dimension of employee ‘concern’. Underlying the foregoing conceptualizations is the idea that extra-role behaviour involves service employees’ extra effort directed towards serving customers.

In this view, Bettencourt and Brown (1997, p.41) introduced the term *extra-role customer service* to describe “discretionary behaviours of contact employees in serving customers that extend beyond formal role requirements”. Therefore, when customers are the focus of outstanding performance, service-related literature often refers to the significance of service employees providing exceptional service to them. Specifically, going ‘beyond the call of duty’ and ‘delighting the customer’ through the provision of ‘small extras’, ‘extra attention’ and ‘spontaneous’ service, are viewed as service employee behaviours that are associated with positive customer evaluations (e.g., Arnold *et al.*, 2005; Bitner *et al.*, 1990; Price *et al.*, 1995). It is worth noting that Bettencourt and Brown (1997) suggested a third component to service employee prosocial service behaviour: *cooperation*. This behaviour encompasses supportive actions of service employees directed towards other members of their immediate workgroup. Despite the fact that support among service employees is likely to enhance the quality of customer service as it creates “a positive, cooperative organizational climate that can indirectly spill over onto the customer” (Yoon and Suh, 2003, p.606), this type of behaviour is viewed as not targeting the customers *directly* but rather benefiting them implicitly. Hence, it is beyond the scope of this thesis.

That being said, an elaborate classification scheme of employee behaviours has been provided by Podsakoff and MacKenzie (1997). Similar to Brief and Motowidlo’s (1986) distinction of behaviours contributing to organizational effectiveness, the authors discerned two broad categories of service employee behaviours: those that are not functional to the organization (e.g., anticitizenship behaviours), and those that enhance organizational effectiveness (e.g., citizenship behaviours). This second type of employee behaviour is of interest in this thesis.

The authors’ typology further categorized service employee citizenship behaviours on the basis of two main criteria: whether these behaviours are (a) role-prescribed or not, i.e. whether they are recognized by the organization and therefore are explicitly rewarded/punished, trained, etc.; and (b) directed towards the company/organization or the firm’s customers. As shown in Table 3.1 illustrating this typology on the next page, *in-role behaviours* directed at the service firm are termed *work-oriented* *behaviours*. On the other hand, when such behaviours are directed towards the firm's customers they are called *service-oriented behaviours*. These service behaviours occur when service employees treat customers in a conscientious, responsive, attentive, and courteous manner (Bettencourt and Brown, 2003), and they have been linked to several important outcomes for service firms. For instance, Gremler and Gwinner (2000) have associated these behaviours with relationship formation and the development of interpersonal bonds.

Conversely, *extra-role behaviours*, i.e. those behaviours that are discretionary in nature and typically not recognized by the firm's formal reward system (Netemeyer *et al.*, 1997), can be directed towards either the organization – and are therefore called *organizational citizenship behaviours* (OCB) – or the company's customers – therefore termed *customer oriented behaviours* (COB). In this view, customer orientation is conceptualized as the satisfaction of customer needs at the service employee-customer interface (Kelley *et al.*, 1992; Saxe and Weitz, 1982), and includes helpful behaviours such as being perceptive and responsive to customers' needs, or providing solutions with the customers' best interest at heart (Dobni *et al.*, 1997).

Table 3.1. Employee behaviour typology.

	Company-Directed	**Customer-Directed**
In-Role	Work-Oriented Behaviours (WOB)	Service Oriented Behaviours (SOB)
Extra-Role	Organizational Citizenship Behaviours (OCB)	Customer Oriented Behaviours (COB)

Source: Podsakoff and MacKenzie (1997).

Three things are worth noting at this point regarding customer-directed extra-role employee behaviours. Firstly, customer-oriented behaviour has been treated in the literature in different ways. For Zablah *et al.* (2012) for example, the construct represents an individual's work value. For the most part though, existing literature conceptualizes customer-oriented behaviour primarily in two ways: (1) as a state-like construct involving employee behaviours intended to engender customer satisfaction and reflecting service employees' affect towards customers (Grizzle *et al.*, 2009; Stock and Bednarek, 2014), and as (2) a psychological variable that motivates employees to satisfy customer needs (e.g., Brown *et al.*, 2002). It is the first conceptualization that is of interest for this thesis as it focuses on a state-like perspective rather that on an intrinsic psychological variable.

Secondly, it has been advocated that the conceptual distinction between role-prescribed and extra-role behaviour is likely to be particularly unclear in customer service contexts (Bettencourt *et al.*, 2005). As Tepper *et al.* (2001) argue "the distinction between inrole and extrarole is too ambiguous to identify a set of behaviours that may be regarded as extrarole across persons, contexts, and time". In other words, it appears that service employees ostensibly perceive many extra-role behaviours as part of their job, rather than as being discretionary (Morrison, 1994). Hence, it may be more suitable viewing the majority of service employee prosocial behaviours as being placed somewhere along a discretionary continuum ranging from entirely role-prescribed to entirely extra-role (Bettencourt *et al.*, 2005). That said, the key idea worth retaining at this point is that, depending on a number of factors (e.g., work context) (Dierdorff *et al.*, 2012), service employees enjoy to a smaller or to larger extent the privilege of *choosing* whether to limit their behaviour to the absolutely necessary organizationally imposed rules, or to 'go above and beyond the call of duty' by providing superior service to their customers (Morrison, 1994).

Thirdly, as can be observed various perspectives have given birth to all sorts of terms and conceptualizations in order to express what the construct of service employee prosocial behaviour represents. Drawing on the aforementioned review, it is proposed that service employee prosocial behaviours towards customers are subjectively defined according to a number of individual factors and typically lay somewhere between a discretionary continuum; the closer these behaviours are to the extra-role extreme, the higher their contribution to the satisfaction of customers' needs and, by consequence to the organizational effectiveness. The section that follows overviews the outcomes as well as the antecedents of employee prosocial behaviours during their interactions with customers.

3.6.3. Service Employee Behaviours in Customer Interaction

As previously outlined, apart from their significance in terms of contributing to the overall organizational effectiveness, service employee extra-role behaviours have been associated with favourable outcomes when performed at the service employee-customer interface (Brief and Motowidlo, 1986). For instance, perceived service employee effort in general has been positively linked to customer satisfaction (Mohr and Bitner, 1995). Likewise, customer perceptions of service employees' COBs have shown to be positively related to customer commitment to the service firm (Donavan and Hocutt, 2001). Hennig-Thurau (2004) empirically supported the fact that customer orientation of service employees is significantly related to customer satisfaction and emotional commitment, which in turn promote customer retention. Furthermore, COBs have been shown to influence customers' perceptions of rapport, indicating the potential for building future relationships with a service firm (Kim and Ok, 2010). Finally, service employee extra-role behaviours have been found to induce prosocial behaviours from customers as well, implying their potential for the development of a cycle of reciprocal behaviours among the two parties (Bove *et al.*, 2009; Mingjian and Ruixue, 2011; Yi and Gong, 2008). From all of the above, it becomes evident why such employee behaviours are desirable by service organizations.

Given the acknowledged beneficial outcomes of service employee behaviour that exceeds formal role requirements, it comes as no surprise that a significant amount of studies has been mostly interested in identifying the antecedents to these types of behaviours (Tepper *et al.*, 2001), and therefore a wide range of influential variables has been revealed over the years. For instance, empathy (Brief and Motowidlo, 1986), positive mood (George, 1991), and job satisfaction (McNeely and Meglino, 1994), have all been associated with the engagement in prosocial behaviours at work. Positive affect has also shown to influence altruism towards coworkers, and COB (Kelley and Hoffman, 1997). Moreover, equity theory (Adams, 1963) and social exchange theory (Blau, 1964) have been used to explain the relationship between work fairness perceptions and employee extra-role behaviours (Tepper *et al.*, 2001). Likewise, reward contingencies such as distributive and procedural justice (i.e. an individual’s perception of rewards being allocated equitably and through fair procedures respectively) have been found to affect employee willingness to engage in COBs (Kim *et al.*, 2004). Furthermore, service employee empowerment and organizational commitment have shown to influence extra-role customer service (Lee *et al.*, 2006), whereas organizational climate acts as a moderator of COBs (Grizzle *et al.*, 2009). In view of all of the above, it appears that despite the broad spectrum of examined predictors of prosocial behaviours, the majority of research has considered organizational or individual factors as predictors of service employee willingness to engage in extra-role behaviours.

Having said this, and as indicated in the former sections, interactions with customers are fundamental to service employees’ work (e.g., Dormann and Zapf, 2004; Yagil, 2008b). Therefore, it appears that customers too may affect the service employees’ willingness to perform prosocially since their behaviour can deeply affect employee attitudes and behaviours (e.g., Barnes *et al.*, 2013; Dallimore *et al.*, 2007; Harris, 2013). For example, Stock and Bednarek (2014) empirically demonstrated that supportive customers are likely to enhance service employees’ COBs, which in turn enhance customer satisfaction. Likewise, Barnes *et al.* (2015) showed that delighted customers increase employee positive affect, which in turn, among other outcomes, positively affects their engagement in COBs. Finally, a recent notable contribution was made by Jung *et al.* (2017), who acknowledged a lack of research on customer behaviour as an antecedent to service employee behaviour, and empirically demonstrated that customer-initiated justice can positively affect employee COB. In a broad sense, it appears that “likeable customers seem to get more attention or better service than others” (Ivarsson and Larsson 2010, p.71) from employees. On this note, when service employees feel a sense of personal connection and enjoy interacting with particular customers, they are viewed as engaging into a distinct category of behaviours, perceived as being both in-role and extra-role. Specifically, two types of employee behaviours related to relationship building are briefly overviewed next.

3.7. Behaviours Related to Relationship Building

The term 'relationship' employed in this section essentially refers to repeated exchanges among service employees and customers, which, ultimately leads to a history of shared interactions (Gutek *et al.*, 1999). In this vein, the next sections overview service employee behaviours that either promote the development of a relationship with customers (i.e. rapport-building behaviours), or that result from their ongoing relationship with specific customers (i.e. relational benefits).

3.7.1. Rapport-Building Behaviours

The clear definition of the notion of rapport can be attributed to Gremler and Gwinner (2000). Specifically, having acknowledged the existence of a plethora of research on the construct from various disciplines (e.g., education), as well as its relevance and value in terms of building relationships with customers, the authors admitted to a lack of a clear operationalization of the construct in the services marketing literature. Hence, Gremler and Gwinner (2000) aimed at gaining a more thorough understanding of rapport by conducting in-depth interviews among service employees and customers. This process led them to the identification of two dimensions of rapport: enjoyable interaction and personal connection.

The authors defined the *enjoyable interaction* component as "an affect-laden, cognitive evaluation of one's exchange with a contact employee" (Gremler and Gwinner, 2000, p.91). This feature of rapport is closely related to the notion of functional quality (Grönroos, 1982), which describes the way that something is being delivered. Therefore, as an overarching construct, according to Gremler and Gwinner (2000), functional quality encompasses several elements inherent in the interpersonal interaction occurring during the service encounter (e.g., verbal and nonverbal expressions). Consequently, enjoyable interaction involves the assessment of the relational aspects of the service (Gremler and Gwinner, 2000). *Personal connection* on the other hand "represents a strong affiliation with the other person (perhaps unspoken) based on some tie (e.g., close identification with the other, mutual caring, etc.)" (Gremler and Gwinner, 2000, p.91). The authors contended that this dimension of rapport affects the development of commercial friendships, even during mundane and non-recurring encounters, and it essentially involves an intense mutual interest on what the other party is doing or saying during the encounter. Finally, Gremler and Gwinner (2000) empirically assessed and found support for the fact that rapport is linked to customer perceptions of satisfaction, loyalty and positive word-of-mouth communication.

Few years later the same authors revisited the notion of rapport, which they defined as "the perceived quality of the relationship, dealing with the communication between the two parties and characterized by a connection or understanding among the participants" (Gremler and Gwinner, 2008, p.309). This time, in order to further elaborate on the concept, the authors aimed at identifying specific employee behaviours that enhance rapport-building with customers during service encounters. In particular, through the implementation of the Critical Incident Technique among customers and retail employees, Gremler and Gwinner (2008) developed a categorization scheme of employee behaviours that foster rapport-building. Their results consisted of five major categories - three of which were consistent with prior rapport literature - as well as fourteen subcategories. A summary of the behaviours revealed by the study is presented in Table 3.2 that follows.

Table 3.2. Rapport-building behaviours used by service employees.

Category of Behaviour	Description	Subcategories
Uncommonly attentive behaviour	Performing above-and-beyond actions	*Atypical actions* *Personal recognition* *Intense personal interest*
Common grounding behaviour	Discovering of something in common with the customer	*Identifying mutual interests* *Finding other similarities*
Courteous behaviour	Genuinely looking out for the customer	*Unexpected honesty* *Civility* *Empathy*
Connecting behaviour	Explicitly attempting to develop a connection with the customer	*Using humour* *Pleasant conversation* *Friendly interaction*
Information sharing behaviour	Sharing or gathering of information from the customer to serve his/her needs more effectively	*Giving advice* *Imparting knowledge* *Asking questions to understand customer's needs*

Source: Gremler and Gwinner (2008).

In view of these findings, few points are worthy of attention. First of all, next to engaging in pleasant conversation, atypical action behaviours constitute the category of employee behaviour that was mentioned most frequently by the informants in the exploratory study. Therefore, 'going the extra mile' when serving customers, reflected in the subcategory of 'atypical actions' (Gremler and Gwinner, 2008) (see Table 3.2, above), is seemingly instrumental in the development of rapport for customers (Hyun and Kim, 2014) and employees alike. Interestingly, such atypical employee actions are conceptually commensurate with extra-role customer service (Bettencourt and Brown, 1997). This parallel between the two constructs is significant in its own right, as it showcases that service employees are aware of the fact that they actually choose to offer extra-role service to those customers with whom they attempt to establish a sense of rapport. Secondly, Gremler and Gwinner (2008) linked each subcategory of behaviour to specific favourable outcomes that are collateral to rapport-building, denoting thus that these behaviours involve other indirect organizational benefits. For example, the use of humour has been associated with positive service evaluations, whereas imparting knowledge develops customer trust in the employee. Third, the authors also noted that employees may implement a simple strategy, a two-strategy, or a multiple rapport-building strategy when interacting with customers. However, their analysis demonstrated that customers perceive rapport behaviours regardless of the number of behaviours exhibited and of the strategy employed. This finding underscores the impact of employee rapport-building actions on customers, while denoting its association with specific managerial implications (e.g., identifying the appropriate rapport-building behaviour in each situation). Fourth, in relation to the previous section referring to the categorization of employee behaviours from a role theoretical perspective, it can be inferred that all rapport-building behaviours may be perceived both as role-prescribed or extra-role by the employees. For instance, from a work context viewpoint, it is most likely that service jobs that operate in a more hedonic context (e.g., tour guides) might perceive the ‘connecting behaviour’ component as positioned more towards the in-role end of the continuum rather than extra-role, compared to other jobs that are more functional in nature (e.g., bank teller). Finally, the authors noted that the effectiveness of service employee rapport building behaviours is also context-specific. For instance, customers of an upscale restaurant may not be particularly affected by courteous employee behaviour since, given the service context (i.e. luxury restaurant), exceptional service is likely to be expected by customers (Hyun and Kim, 2014).

That being said, it is worth retaining that whether perceived as role-prescribed or extra-role by customers, rapport-building behaviours are performed when service employees enjoy interacting with their customers and feel personally connected to them. As such, these behaviours fall within the range of choices that service employees possess and that are contingent on their interaction with their customers. These rapport-building behaviours in turn offer several benefits to customers in the long-run. These relational benefits provided by service employees are developed next.

3.7.2. Relational Benefits

Employee rapport-building behaviours seem to share several similarities with the notion of *relational benefits*, i.e. the benefits that customers reap as a result of having maintained a long-term relationship with a service firm (Gwinner *et al.*, 1998). Specifically, existing literature has identified three primary types of benefits that customers experience and that are owed to their long-term exchanges with a service firm: confidence benefits, social benefits, and special treatment benefits (Gwinner *et al.*, 1998). The connection between these benefits and employee rapport-building behaviours is based on two premises: (a) both are expressed through employee behaviours, i.e. it is the employees who engage in rapport-building behaviours, and likewise, it is essentially the employees who offer different types of relational benefits to customers; and (b) the temporal order through which these occur, i.e. rapport-building behaviours seem to precede relationship development with customers, and by consequence, relational benefits. Overall, such is the value of relational benefits that Gwinner *et al.* (1998) suggested that customers may decide to stay in a relationship with a service employee, even in the event that the core service offered by a firm is perceived as inferior to available alternatives.

Firstly, *confidence benefits*, involve less customer anxiety and more trust in the service provider's performance (Gwinner *et al.*, 1998). In this regard, it can be argued that employee extra-role actions are conducive to achieving such lower levels of perceived risk and anxiety for customers. For instance, customers may receive a type of better treatment by receiving faster and/or more flexible service delivery (Homburg *et al.*, 2008). As a result, these types of actions confer a sense of reliability and trust to the customer towards the service employee by enhancing his or her perception that the service is being performed correctly (Gwinner *et al.*, 1998). In simple terms, the customer perceives that the service employee has the customer's best interest at heart by providing his or her best service, and that there is a reduced level of uncertainty with regards to the overall service experience (Beatty *et al.*, 1996). On this note, Czepiel (1990) maintained that notions such as confidence are central to the concept of relationship, suggesting that risk-reducing behaviours are likely to constitute the cornerstone for the development of customer-service employee linkages. In this view, it has been empirically demonstrated that behaviours which contribute to reducing feelings of risk increase customers' perception of being favourably treated (Kim and Ok, 2009), and are likely to more readily encourage reciprocal behaviours from customers compared to other benefits that may be provided by a service firm (Wetzel *et al.*, 2014).

Secondly, service encounters are social encounters above all (McCallum and Harrison, 1985), and therefore they involve a personal dimension that has the ability to moderate the degree of social distance typically encountered during an exchange between a customer and a service employee (Czepiel, 1990). This interpersonal communication suggests that customers perceive as having received kind and humane treatment (Metcalf *et al.*, 1992). Hence, these *social benefits* reflect these emotional aspects of relationships (Kim and Ok, 2009). Specifically, social benefits enhance the development of service communality (Goodwin, 1996), which is defined as the degree to which a service relationship resembles a friendship. What distinguishes communality from the rest of the service behaviours is the fact that "it is operationalized as conversational interchanges on topics unrelated to the core service…enacted on a voluntary rather than a programmed basis" (Goodwin, 1996, p.397). Social benefits essentially comprise of the socio-emotional aspects of service employees' performance (van Dolen *et al.*, 2002). These aspects facilitate interactions while fostering a positive evaluation by showing friendliness, enthusiasm and empathy to the customer that may or may not extend beyond the workplace (Barnes *et al.*, 2013; Beatty *et al.*, 1996; Rafaeli, 1993). In addition, the literature suggests that a basic element underlying the formation of these 'commercial friendships' (e.g., Price and Arnould, 1999; Rosenbaum, 2009) pertains to the unpredictable occurrence of positive interactions. In the same vein, Reynolds and Beatty (1999) state that social benefits resemble close friendships and include an enjoyment dimension of the other person's company. These behaviours deviate from the programmed emotional acting reported by Hochschild (1983) by being more genuine and spontaneous in nature (Goodwin, 1996). Social benefits often mentioned in the literature include feelings of familiarity such as personal recognition and use of a customer's name (Howard *et al.*, 1995), friendship and social support (Berry, 1995), engagement in friendly conversations or demonstration of personal warmth (Crosby *et al.*, 1990). Such behaviours are said to occur when a customer and a service employee share similar cognitions and/or when they have a high accuracy in role taking (Mohr and Bitner, 1991). According to Berry (1995) service firms capitalize on these social bonds with customers in order to further personalize and customize the relationship with them. Social benefits are also of primary importance, as they constitute one of the main drivers that induce loyalty to customers in high-contact services such as restaurants (Mattila, 2001; Parish *et al.*, 2008). Furthermore, social benefits that lead to the development of social bonds between customers and service employees have shown to constitute a significant advantage in instances where the core product is noncompetitive, or in the event of a service failure, as social bonding prompts customers to exhibit more tolerance towards the provider (Berry, 1995).

Finally, in defining *special treatment benefits* the term 'exclusivity' is key. Also referred to in the relevant literature as 'preferential treatment benefits' (e.g., Lacey *et al.*, 2007; Xia and Kukar-Kinney, 2014; Söderlund *et al.*, 2014), 'customization benefits', or 'economic benefits' (Gwinner *et al.*, 1998), these benefits share a common characteristic: they reflect service employee behaviours that involve the offering of privileges to specific customers, which are typically not available to everyone (De Wulf *et al.*, 2001; Wetzel *et al.*, 2014). These types of benefits are viewed as conferring a sense of elevated status to customers by making them feel special and by indicating that they possess a high ranking that is widely recognized and that is usually associated with prestige, power, or entitlement (Drèze and Nunes, 2009). Similar to the notion of 'augmented personal service' employed by Beatty *et al.* (1996) on their qualitative study on relationship formation, special treatment benefits include service employee behaviours that clearly exceed customer expectations by doing something very special that at times deviates from the organizationally prescribed script. As such, these behaviours have previously shown to 'lock' the customer into a relationship in its early stages (Beatty *et al*., 1996). On the same note, 'differentiation' has been also defined as a customer's perception of being treated and served differently from the other customers (De Wulf *et al.*, 2000). Research shows that customers feel advantaged when they receive special treatment (Xia and Kukar-Kinney, 2014) as this conveys them the message of being privileged in comparison to the other customers (Gwinner *et al.*, 1998). Although special treatment has been previously rated as the least important of the three types of relational benefits by customers (Gwinner *et al.*, 1998), it has also been empirically validated that the receivers of special treatment demonstrate higher levels of commitment and emotional attachment to a service firm, increased repurchase intention and level of purchases (Lacey *et al.*, 2007).

To conclude, overall the previous sections suggest that service employees can perform according to their organizationally prescribed script. Nevertheless, service employees can also decide to exceed customer expectations by performing at a high standard. Similarly, they may go off-script in a positive way by building friendships with customers, or by offering exclusive privileges to their customers. However, failing to overview the ways that service employees may deviate from their expected role behaviour in a negative way would constitute a one-sided approach. Such an omission could constrain the understanding of the range of behaviours that service employees may engage in during their interactions with customers. Hence, the rather idealized view of service employee actions developed earlier is shadowed by the existence of another, 'darker side,' of service employee behaviour, namely service sabotage.

3.8. Service Sabotage

Despite the contention that service employees are deeply affected by their interactions with customers, Ivarsson and Larsson (2010) addressed a significant gap in their research report. Specifically, the authors pointed out that researchers have primarily overlooked the fact that customers also have a profound impact on service employees' willingness to provide service – a fact that occurs in reality regardless of its appropriateness. In this vein, despite the application of organizationally set rules, service employees posses a sort of informal autonomy regarding their behaviour towards customers (Blancero and Johnson, 1997). As such, they may choose to (a) control the product and service delivery (e.g., delivery time, information, presentation); (b) adjust their attitude and behaviour; and (c) help, or deliberately withhold help from customers (Blancero and Johnson, 1997). In this view, "employee intent is of pivotal importance" (Harris and Ogbonna, 2009, p.326). That is to say, service employees may engage in negative behaviours that do not encompass actions performed by mistake and therefore are due to human nature, which is far from being error-free. Rather, similar to the notion of ‘anticitizenship behaviours’ (Podsakoff and MacKenzie, 1997) mentioned earlier (*cf.* section 3.6.2, p.66) that are not functional to organizational effectiveness, service employee negative behaviours involve actions designed and performed in a way that *deliberately* harms the service.

Probably the most significant contribution in terms of this type of service employee behaviour has been offered by Harris and Ogbonna (2002, 2006, 2009), who provided an empirically supported comprehensive overview of the “dark side of service dynamics” (Harris and Ogbonna, 2009, p.325). According to the authors, despite the various terminologies adopted in order to describe service employee negative behaviours (e.g., deviant behaviours, counterproductive behaviours, dysfunctional behaviours, misbehaviour), *service sabotage* constitutes the term that most accurately describes those damaging actions intentionally performed by a service organization’s members. In this vein, service sabotage involves a wide range of acts, which may be covert or overt, routinized or intermittent. Examples include slowing the service encounter, condescending behaviour towards customers, disregarding the firm’s service standards, or even instances of damaging customers’ personal property.

Three things are worth noting at this point: firstly, service employee sabotage is not all that uncommon; Harris and Ogbonna (2002) revealed that 85% of service employees routinely commit service sabotage, indicating the pervasiveness of the phenomenon. This fact assumes greater importance in considering that sabotaging actions have immediate negative consequences for the service encounter. As such, they are negatively associated with service employee-customer rapport and functional quality described earlier (*cf.* section 3.7, p.72). Furthermore, service sabotage affects organizational effectiveness as sabotaging actions have been found to indirectly and adversely affect organizational performance (Harris and Ogbonna, 2006). Secondly, “whereas manufacturing sabotage is commonly designed to affect the firm or coworkers, the target of service sabotage is the customer” (Harris and Ogbonna, 2006, p.544). This suggests that regardless of the motivation for engaging in such behaviours, the customer is the one who habitually ‘pays the price’. Finally, among other causes (e.g., employee risk-taking tendency), customers constitute a significant antecedent to service employee sabotage. Specifically, when service employees feel disadvantaged in some way during their interaction with customers, they respond with sabotaging actions, which are perceived as completely justifiable and understandable by their executors on the basis of former unfair customer behaviour (Harris and Ogbonna, 2002, 2006). This finding especially highlights the reciprocal alignment between service employee and customer behaviour during the service encounter. Termed "customer revengers" (Harris and Ogbonna, 2009, p.328), these service employees are otherwise functional and valuable organizational members. However, further to a perceived unreasonable customer behaviour, they aim at intentionally worsening the customer's service experience in order to either achieve their personal gratification or to demonstrate their sense of camaraderie to coworkers. Consequently, they may choose to slow their service, to add extra charges, or to make calculated mistakes, which ultimately result in annoyed and dissatisfied customers, and spoiled service encounters.

In a similar vein, Ivarsson and Larsson (2010) empirically showed that service employees admittedly make use of their power and untruthfully: (a) claim that an item is sold out; (b) say that they will be making inquiries about a customer matter; (c) maintain that a particular customer request is unfeasible; (d) provide customers with incorrect information; or (e) withhold expertise and knowledge. Complementing Harris and Ogbonna (2002), the authors mentioned how this type of behaviour was reflected in one third of their sample, suggesting that the provision of insincere service is not all that rare among service employees. Adding to this, the authors also argued that the more customers produce negative feelings to service employees, the less motivated service employees will be to provide extra-role service to these customers.

From all of the above, it can be inferred that service employees are required to follow an organizational protocol of the appropriate behaviour to be enacted during their interaction with customers. However, in reality service employees possess, to a certain extent, a type of informal discretion to provide good service to their customers, to keep service to a bare minimum - or to even withhold it from them.

3.9. Summary

Chapter 3 proceeded with the literature review of this thesis by providing a description of the role and of the importance of service employees during the service encounter. In so doing, the nature of service work has been overviewed with a particular focus on the components of the theory of Emotional Labour. This overview has highlighted the fact that service employees are required to exert a certain amount of emotional, organizationally-prescribed effort when performing their service role, in order to achieve customer gratification. Such an effort can oftentimes result in resource depletion for service employees, notably when they are required to deal with challenging interactions and the demands of ill-mannered customers. As a consequence, apart from being affected in terms of their well-being, such a resource loss can also affect the quality of their performance. A resource-based approach can help explain these outcomes. Specifically, the fundamentals of Conservation of Resources theory and the Job Demands-Resources model overall underscore the importance of resource availability in terms of helping service employees in meeting or exceeding their formal role requirements. As such, and through a role theoretical perspective, the chapter presented a host of roles that service employees may perform when providing service. Apart from in-role behaviour, which is anticipated by all stakeholders (i.e. prescribed by the service firm, and expected by customers), on the one hand service employees can voluntarily engage in behaviours that are discretionary, and which although not officially rewarded, are nonetheless desirable by service organizations due to their associated beneficial outcomes. On the other hand, service employees can admittedly decide to engage in undesirable behaviours, primarily directed towards their customers.

To resume, **Chapter 3** has highlighted three main points relevant to the present research: (a) service employees are required to follow formal role requirements, which necessitate a certain amount of effort. The amount of effort exerted is oftentimes influenced by customer demands; (b) service employees may exceed formal role behaviour and offer enhanced service. This extra-role behaviour can be supported by customer resources; and (c) service employees may engage in sabotaging actions, following customer mistreatment. Hence, customers have the ability to influence and to direct employee behaviour either through the demands they place upon them, or through the resources they bring to the service encounter through their behaviour. In simple terms, during the service encounter customers may act as both: facilitators and/or obstructors of service. Therefore, having established the role of service employees in delivering a positive service encounter, **Chapter 4** concludes the literature review part of the thesis by documenting the roles assumed by the other party of the dyad in the service encounter: the customer.

CHAPTER 4

THE CUSTOMER

4.1. Introduction

Customers constitute one of the major components of the service encounter next to the service environment and the service employees (Bateson, 1985; Gutek *et al.*, 2002; Wu, 2008). In this vein, and consistent with the aims of this thesis, **Chapter 4** overviews customers' roles and behaviours during the service encounter, with a particular focus on the ones assumed during their interaction with service employees. By acknowledging that customer behaviour has a deep impact on service employee behaviour (Bettencourt and Gwinner, 1996; Dudenhöffer and Dormann, 2012), two prevailing streams of research are identified in the services marketing literature and are discussed at this stage of the thesis. Specifically, on the one hand customers have the power to hinder the service delivery and therefore to obstruct the service encounter by directing it towards a negative outcome for both parties (Echeverri *et al.*, 2012). On the other hand, customers can effectively contribute through their behaviour to the successful delivery of the service and to therefore achieve a positive service encounter (Kelley *et al.*, 1992; Lengnick-Hall, 1996, 2000). Both types of customer behaviours are documented in this chapter.

4.2. Overview of Customer Roles

Mills and Morris (1986) argue that a customer-employee interaction includes a number of more or less explicit or implicit rights, obligations and privileges, which essentially constitute a form of 'contract' between the parties involved in the encounter. Even though employee roles are organizationally defined and are therefore likely to lead to specific outcomes, customers more often ignore the importance of their role in the service encounter process. However, in line with Role Theory (*cf.*

section 2.5, p.30), it is important that both parties to the exchange are able to identify with the role they occupy during the service encounter, as the roles adopted are likely to affect the outcome of the exchange. Adding to this, for Guiry (1992) the heart of the service encounter may lie within customer satisfaction. However, according to the author, customer satisfaction essentially arises from the fusion of giving and receiving service during the personal interaction between customers and service employees. Implied by this is that customers are active participants to the service encounter and are therefore, at least partially, responsible for the outcome they receive and, by consequence, for their own satisfaction.

In support to this standpoint, in their recent study Stock and Bednarek (2014) questioned why customers have scarcely been viewed as sources of their own dissatisfaction; more so despite the long-standing assertion that customers indirectly impact on their own satisfaction through their inappropriate behaviours or unreasonable demands (Bitner *et al.*, 1994). In this regard and inspired by the JD-R model, Stock and Bednarek (2014) proposed an adjusted model that integrated customer behaviours as demands and resources. In particular, the authors empirically tested what they termed as *customer demands-resources (CD-R) model*, which involved a causal chain running from customer demands (e.g., negative customer behaviours) and resources (e.g., customer support) to customer satisfaction, with service employees' psychological state (customer-oriented attitude) and behaviour (customer-oriented behaviour) as mediating variables. The study findings provided further empirical support for the JD-R model as a theoretical foundation for the service employee-customer interface and underscored that (1) customer demands decrease service employees' customer-oriented attitude through the mediating construct of emotional exhaustion; (2) customer resources (e.g., support) enhance service employees' customer-oriented attitudes and behaviours; and (3) customer resources buffer the negative effect of customer demands on employee customer-oriented attitudes. More importantly, the authors demonstrated how service employee behaviour is contingent on customer input, thereby showcasing customers' responsibility for their own satisfaction.

Likewise, this thesis proposes that customers may constitute sources of their own satisfaction when they exhibit thoughtful and supportive actions towards service employees, which in turn are perceived as beneficial resources by the recipients. Specifically, it is argued that in order to understand how customer behaviours can influence the service encounter outcome, it is essential to initially grasp how customer behaviours influence service employees during the encounter process (Stock and Bednarek, 2014). For instance, as discussed in the sections that follow, customers may behave in a way that obstructs the service delivery for service employees by increasing their job demands, thus resulting in decreased service employee performance. On the contrary, when providing resources, customers may act as facilitators of the service delivery, thereby increasing the likelihood of receiving enhanced service. That said, a comprehensive review of customer obstructive behaviour is beyond the scope of this thesis. However, a brief summary of the literature investigating customer misbehaviour is deemed necessary in order to illustrate how customer roles and behaviours affect service employees' experience, but also how service employee behaviour is aligned with the behaviour previously exhibited by customers in both positively and negatively charged encounters. Therefore, in order to allow for a parallel comparison, an overview of both types of behaviours along with their associated outcomes is developed in the following sections, with a primary focus on customer contributory behaviour.

4.3. Customers as Obstructors

Many service firms operate under the philosophy that 'the customer is God' or 'the customer is always right' (Berry and Seiders, 2008; Reynolds and Harris, 2006). However, such a viewpoint contrasts existing scholarly research that provides ample evidence of customers behaving badly in the context of the service environment (e.g., Fan *et al.*, 2012; Reynolds and Harris, 2009; Reynolds and Harris, 2006). In fact, customers are found to disobey organizational rules and norms that prescribe acceptable and compliant ways to behave during the service encounter more often than assumed (Fisk *et al.*, 2010). More importantly, a common scenario suggests that the most frequent outlet for customer unmet expectations consists of service employees, towards who customers direct inappropriate behavioural reactions

(Madupalli and Poddar, 2014). Grandey *et al.* (2004) for instance revealed that within the United States, frontline employees are subjected to customer misbehaviour on average ten times a day. Regrettably, comparable findings have been revealed in other countries all over the world, suggesting that customer misbehaviour constitutes a global phenomenon that is more pervasive than is likely to be acknowledged (Fan *et al.*, 2012; Fisk *et al.*, 2010; Reynolds and Harris, 2006). Evidently, it is the majority rather than the minority of customers who engage in such deviant behaviours (Reynolds and Harris, 2009). Furthermore, such unmannerly behaviour appears to be endemic within the service and hospitality sectors (Han *et al.*, 2016; Harris and Reynolds, 2004).

Customer misbehaviour has received various labels in the literature in order to describe customer "behaviour in exchange settings which violates the generally accepted norms of conduct in such situations and which is therefore held in disrepute by marketers and most consumers" (Fullerton and Punj, 1993, p.570). Examples of similar terms describing customer unfavourable behaviour include *aberrant customer behaviour* (Fullerton and Punj, 1993), *problem customers* (Bitner *et al.*, 1994), *dysfunctional customer behaviour* (Harris and Reynolds, 2003), *unfair customers* (Berry and Seiders, 2008), or *customer mistreatment* (Skarlicki *et al.*, 2008). That being said and regardless of the term employed, all aforementioned conceptualizations share a common denominator: they are detrimental to a service firm, its service employees, and its customers (Berry and Seiders, 2008; Daunt and Harris, 2013; Harris and Reynolds, 2004) on a financial, physical, and/or psychological level (Fullerton and Punj, 1993). The present research follows the guidelines provided by Fisk *et al.* (2010) and therefore for reasons of clarity, the term *customer dysfunctional behaviour* will be currently employed. According to Harris and Reynolds (2003, p.148), customer dysfunctional behaviour in general refers to "actions by customers who intentionally or unintentionally, overtly or covertly, act in a manner that, in some way, disrupts otherwise functional service encounters". Examples of dysfunctional behaviour include shoplifting, vandalism, fraud, psychological, or physical victimization (Harris and Reynolds, 2003, 2004; Fullerton and Punj, 2004). When the target of such behaviour is the service employee, customers can engage in verbal abuse, including sarcasm, intimidation, yelling or swearing; threats of physical violence, such as slamming tables; and nonverbal expressions such as angry facial expressions (Berry and Seiders, 2008; Grove *et al.*, 2004; Huang *et al.*, 2010). In a broad sense, it can be said that customer dysfunctional behaviour is a form of antisocial behaviour which may range from low-intensity deviant behaviour with ambiguous intent to harm (e.g., incivility), to high-intensity deviant behaviour with intent to harm (e.g., aggression) (van Jaarsveld *et al.*, 2010).

Customer dysfunctional behaviour has been associated with several negative outcomes for each of its intended targets: the service environment, the other customers, but especially the service employees (Fullerton and Punj, 2004; Grove *et al.*, 2004; Harris and Reynolds, 2003), who are required to deal with such issues on a frequent basis (Echeverri *et al.*, 2012). Specifically, behaviours perceived as less civil by service employees tend to have a negative impact on them (Fisk *et al.*, 2010) on several levels. For example, a study conducted by Grandey *et al.* (2002) among part-time service employees, revealed that customer mistreatment constitutes the most frequently mentioned cause of anger. A series of field interviews by Harris and Reynolds (2003) has significantly helped advance the current understanding of the adverse consequences of customer dysfunctional behaviour on service employees by identifying four types of negative effects: (a) long-term psychological effects (sustained feelings of degradation and stress disorders); (b) short-term emotional effects (negative mood and inauthentic emotional display); (c) behavioural effects (reduced motivation and retaliation); and (d) physical effects (tangible damage to the service employee and their private property). In a similar vein, Grandey *et al.* (2004) showed that dealing with unfair customers produces added stress to employees while increasing their turnover and general unwillingness to perform. Berry and Seiders (2008, p.30) suggested that unfair customer behaviour, i.e. “when a customer behaves in a manner that is devoid of common decency, reasonableness and respect for the rights of others”, can affect employees’ job satisfaction and can weaken a company’s overall service quality. Customer complaints together with customer demands have been negatively linked to service employees’ customer-oriented attitude via employees’ emotional exhaustion (Stock and Bednarek, 2014). Likewise, a recent study from the restaurant industry revealed significant positive relationships between customer dysfunctional behaviour, service employee burnout and turnover intention

(Han *et al.*, 2016). Obviously, some customers may not necessarily be rude or unpleasant, however, they may place such demands to the service employees in terms of requiring a prolonged and complex response from them, that they eventually add more strain to their work (Rafaeli and Sutton, 1990).

Hence, it is clear that what may be perceived as dysfunctional customer behaviour encompasses a wide range of customer actions, associated with negative consequences for employees. On this note for example, Dormann and Zapf (2004) drew on Conservation of Resources Theory (COR) (Hobfoll, 1989), and argued that disproportionate customer expectations impact on employees' self-efficacy, optimism, self-esteem and goal-pursuit. Moreover, the authors revealed four constructs that constitute typical stressors in employee-customer interactions: (a) unreasonable customer expectations that tap on fairness issues; (b) verbal aggression and other forms of antisocial behaviour that threaten the employees' basic resources; (c) hostile, humourless and unpleasant customers that hinder the work process of the employee; and (d) ambiguous customer expectations that create organizational problems, uncertainty, or time pressure. Likewise, in a recent effort to understand how frontline employees respond to aggressive customer behaviour, Chuanchuen *et al.* (2015) found that employees experience negative psychological well-being, involving negative affect, anxiety, depression and stress. More importantly, the authors revealed that when dealing with aggressive customers, employees feel a form of threat relating to their work goals. Specifically, employees experience a sense that they will not be able to successfully achieve their work-related tasks such as serving other customers well (Berry and Seiders, 2008). Consequently, it can be inferred that customer dysfunctional behaviour impacts on the service employees' psychological, social and physical well-being, which in turn affects their ability to deliver good service to all customers.

Furthermore, it stands to reason that unbalanced exchanges involving customer dysfunctional behaviour are likely to be perceived as unfair by service employees. As a result, they should feel the urge to reduce their investments in the exchange relationship. In particular, Equity Theory (Adams, 1963) developed in an earlier chapter (*cf*. section 2.4.3, p.25), postulates that when individuals perceive that their inputs into an exchange (e.g., service employee effort, emotional labour) are higher compared to the other party's inputs (e.g., customer disrespectful behaviour), they are likely to decrease their effort and productivity. In a similar vein, employees who receive uncivil treatment are also likely to react negatively by reciprocating with similar behaviour towards the source of the incivility (Andersson and Pearson, 1999). For example, exploratory research has revealed that the attitude and behaviour of customers is likely to spark deviant service employee behaviour directed at the source of injustice (Browning, 2008). Recalling from **Chapter 3** (*cf*. section 3.8, p.79), Harris and Ogbonna (2002, 2006, 2009) addressed the issue of service sabotage, involving actions performed by service employees with the intention of disrupting the service encounter. In considering the antecedents and consequences of such service employee behaviours, the authors highlighted the customer as both a source and a target of such service employee actions. Specifically, the authors clearly identified a category of service employees, termed 'customer revengers', who "react to a perceived negative customer encounter by seeking to take revenge on the perpetrating customer whose actions are viewed as unfair" (Harris and Ogbonna, 2009, p.328). This suggests that service sabotage has a retaliatory quality stemming from customers' previous behaviour. Notably, the authors also acknowledged that service saboteurs invest time and effort to punish those customers that caused them harm on some level. As a result, service sabotage is likely to divert employee attention from the service, thereby indirectly affecting their performance towards other unknowing customers (Skarlicki *et al.*, 2008). In sum, it can be inferred that customer dysfunctional behaviour can indirectly influence other customers' experience through its impact on the service employee's experience.

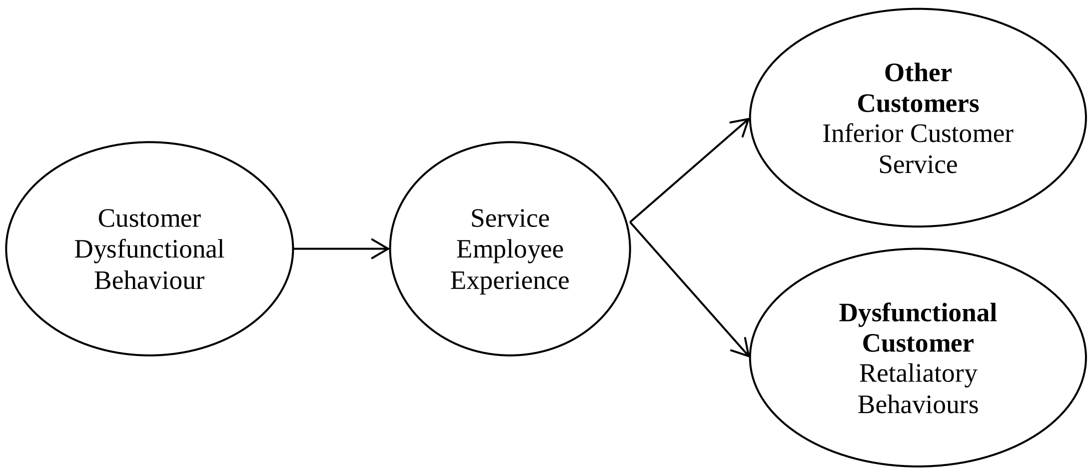
Having said this, it is not until rather recently that a scholarly interest has been explicitly directed towards the empirical investigation of specific service employee retaliatory behaviours following customer dysfunctional behaviour. Service employee retaliation can be defined as any unfavourable action taken by a service employee "that is beyond the norms of normal customer service behaviour" (Madupalli and Poddar, 2014, p.247). Three studies in particular contributed to the elucidation of those occurrences that lead service employees to 'get even' with customers who behave badly. The first one, conducted by Skarlicki *et al.* (2008), proposed that perceived customer mistreatment (i.e. interpersonal injustice) leads to disgruntled employees who are likely to respond with service sabotage towards the source of their injustice. As previously noted (*cf.* section 3.8, p.79), service sabotage essentially refers to "organizational member behaviours that are intentionally designed to negatively affect the service" (Harris and Ogbonna, 2002, p.166), which intensely affects the service encounter for customers. The study findings supported that mistreatment from customers is positively related to customer-directed sabotage, indicating that employees retaliate in organizationally unauthorized ways in order to cope with customer mistreatment. Notably, the authors achieved in addressing a significant gap in the literature by explaining employee sabotage following personal injustice performed by a source other than an intra-organizational one.

The second study comes from van Jaarsveld *et al.* (2010), who examined the relationship between customer and employee incivility. Specifically, the authors defined customer incivility as the employee's "perception that the customer is treating the employee in an uncivil manner (e.g., rudeness, speaking in a disrespectful or insulting manner)" (van Jaarsveld *et al.*, 2010, p.1489). Similarly, employee incivility was defined as rude and uncourteous employee behaviour towards customers. The study results showed that employee incivility towards customers was linked to customer incivility towards employees. In other words, the study highlighted a parallel between employee behaviour and customer prior behaviour in that employees behave in an uncivil manner towards customers as a means of reciprocating prior customer incivility. As such, the authors demonstrated that when employees experience negative interactions, they respond to such instances by engaging in counterproductive work behaviours directed towards the source of their injustice. In other words, a spiral of incivility may develop at the customer's initiative.

The third study undertaken by Madupalli and Poddar (2014) provided several insights regarding the impact of customer dysfunctional behaviour on employee responses. Specifically, the authors found that abusive customers create greater emotional dissonance to service employees, while emotional dissonance strongly predicts emotional exhaustion. This finding receives greater importance in considering that emotional exhaustion has been previously associated with outcomes such as decreased employee performance and job satisfaction (Babakus *et al.*, 1999). Therefore, it can be inferred that abusive customers also indirectly and negatively affect the service received by the other customers. However, the most important contribution of the study pertains to the empirical support offered for the fact that service employee retaliatory behaviour was directed towards customers who evoked intense negative affective experiences to them. In simple terms, once again a parallel is revealed between customer and service employee behaviour, with service employees reacting and matching their behaviour to the one previously exhibited by customers.

Taken together, previous findings suggest that when customer dysfunctional behaviour is directed towards service employees, it affects their experience on a cognitive, emotional and behavioural level. As depicted in Figure 4.1 next, customer-directed employee behavioural response following customer dysfunctional behaviour finds two outlets: either the other customers in the service setting, and/or the customer perceived as dysfunctional. On the one hand, other customers may suffer from lower quality of service; on the other hand, the customer who disrespected the service employee might have to endure his or her overt or covert retaliatory actions. However, there exists another, brighter side of customers, one that describes those who perform as facilitators of the service encounter process. These customers and the roles assumed by them are overviewed next.

Figure 4.1. Customer dysfunctional behaviour on customer outcomes.



4.4. Customers as Facilitators

Customers may provide resources to the service encounter, facilitating thus the process and the outcome of the service. The importance of customer contributory behaviour has been the focus of a vein of research that has investigated the notion of 'customer participation' for almost fourty years (e.g., Lovelock and Young, 1979; Bitner *et al.*, 1997; Grönroos, 2008; Cermak *et al.*, 2011; Mustak *et al.*, 2013). Overall, customer participation has been defined as "the degree to which the customer is involved in producing and delivering the service" (Dabholkar, 1990, p.484).

Customer participation is particularly pertinent to service-based transactions, which unlike the transaction of goods, are characterized by their inseparable nature, i.e. the simultaneous production and consumption (Zeithaml *et al.*, 1985). In particular, this distinguishing characteristic of services oftentimes necessitates that the customers are present during the production process (e.g., airlines), and provide their own input to the service process (Zeithaml *et al.*, 1985). Therefore, depending on the service offered, and the degree of interaction required, customer participation may take various forms ranging from firm production, to joint production, or to customer production (Kelley *et al.*, 1990; Mustak *et al.*, 2013). For example, in certain services customers may need to explicitly engage in the encounter by providing their input in order to influence the outcome of the interaction (Kelley *et al.*, 1990). In this vein, in service research customers are generally regarded as 'partial employees' of the service firm (Bateson, 1985; Kelley *et al.*, 1992; Mills and Morris, 1986; Schneider and Bowen, 2009). Consequently, it can be inferred that successful service delivery does not rely solely on the employee; customer participation is more or less a prerequisite for an effective exchange to occur (Bitner *et al.*, 1997).

The notion of customer participation (or coproduction) (Groth, 2005) has received several definitions over the years. The concept has been conceptualized predominantly as a behavioural construct, measuring the extent to which customers contribute effort and knowledge, provide or share information and suggestions, and become involved in the service creation and delivery process (e.g., Bettencourt, 1997; Dabholkar, 1990; Hsieh *et al.*, 2004, Chan *et al.*, 2010). Mills and Morris (1986) in particular argued that just as employees are required to engage in dependable behaviours in order to meet minimum standards of performance, customers also constitute active participants of the service process. This means that as participants in the ongoing service delivery process, it is desirable that customers perform certain behaviours (e.g., discussing a desired hairstyle with a stylist at a salon) that facilitate the service encounter and enhance service quality (Kelley *et al*., 1990). Bettencourt (1997, p.384) in fact maintained that customers may "contribute to the development and delivery of service quality just like the firm's traditional employees". As a consequence, customer active participation to the service production is expected since it determines to a great extent the success of the service outcome (Groth, 2005). In a similar vein, Rodie and Kleine (2000) also defined customer participation as a behavioural construct, which encompasses the actions and resources that customers contribute to the service production and delivery. It can be therefore argued that these conceptualizations have focused mainly on customer contributions that are functional and essential to the service delivery (Bettencourt *et al.*, 2002). However, it is noteworthy that Czepiel (1990, p.17) observed that "for the most part…studies neglect the social aspect of the interaction in favour of studying the functional impact of the customer's presence in the organization". Kelley *et al*. (1990) contributed towards this end by distinguishing between customer technical and functional quality: while the former refers to *what* customers deliver during the service encounter (i.e. labour, information), the latter consists of *how* a customer behaves during the interaction (i.e. interpersonal aspects including friendliness and respect).

Bettencourt (1997, p.384) in turn examined the notion of customer discretionary behaviours and introduced the term *customer voluntary performance* (CVP), which refers to "helpful, discretionary behaviours of customers that support the ability of the firm to deliver service quality". In Bettencourt's (1997) view, CVP includes voluntary customer behaviours that are generally of value to the organization and include: (a) cooperation (i.e. customers cooperating with service employees); (b) participation (i.e. customers acting as partial employees); and (c) loyalty (i.e. customers promoting the organization through WOM). However, although intended to reflect voluntary customer behaviours, the measures of CVP also include customer behaviours that are necessary for successful service delivery (Groth, 2005).

On this note, having acknowledged the conceptual and definitional variety of the construct of customer participation (or coproduction), as well as the inconsistency between the diverse measures of customer behaviours, Groth (2005) introduced one of the most influential frameworks on the role of customer behaviour. Specifically, in order to delineate the conceptual distinction between required and voluntary customer behaviours, Groth (2005) drew a parallel between employee and customer in-role and extra-role behaviour and proposed a framework consisting of two types of customer behaviour. On the one hand, *in-role* (or *coproduction*) *customer behaviours* reflect "expected and required behaviours necessary for the successful production and delivery of the service" (Groth, 2005, p.11). Examples of this type of behaviour include arriving at an appointed time at a venue to see a performance or paying for a dinner. On the other hand, *customer citizenship behaviour*s (CCBs) refer to customer "voluntary and discretionary behaviours that are not required for the successful production and delivery of the service but that, in the aggregate, help the service organization overall" (Groth, 2005, p.11). As such, CCB is deemed to be consistent with organizational objectives (Bove *et al.*, 2009), while it involves "behaviours that go beyond the expectations of customers within the specific service context" (Groth, 2005, p.10). This type of customer extra-role behaviour may be directed towards employees, other customers or the organization overall. For instance, tipping constitutes a typical example of customer extra-role behaviour directed towards service employees, expressed through a form of nonverbal appreciation at the customer's initiative (Azar, 2005). For Groth (2005), whose study focused on an online environment, CCB includes three dimensions: making recommendations towards the organization, providing feedback and helping other customers. Overall, CCB constitutes an important service behaviour as researchers acknowledge its favourable role for service firms (Oyedele and Simpson, 2011).

In an attempt to further elaborate on the dimensions of CCB and based on a review of organizational behaviour and marketing literatures (e.g., Bailey *et al.*, 2001; Bettencourt, 1997; Groth, 2005; Gruen, 1995; Keh and Teo, 2001), Bove *et al*. (2009) proposed that the construct consists of eight conceptually distinct dimensions. The framework comprised of the following discretionary customer actions: positive word of mouth, displays of affiliation, participation in the firm's activities, benevolent acts of service facilitation, flexibility, suggestions for service improvement, customer voice and finally policing for other customers. However, in a subsequent study, Garma and Bove (2011) revisited the construct of CCB and theorized that, apart from the organization overall, targets of CCBs also involve other beneficiaries such as other customers or service employees. In this vein, the authors contended that all studies so far have assumed that CCBs are actually perceived as beneficial by all recipients. Yet, it can be argued that as not all benefits constitute rewards (Clark and Mills, 2011), only the intended beneficiary can assess the value of a benefit (Vargo *et al.*, 2008). For example, although intended to be beneficial to the organization, CCBs may actually result in increasing service employees' level of job stress. Hence, such a premise may account for the fact that no significant relationship has been found between CCBs and employee job satisfaction (Yi *et al.*, 2011).

In light of this contradictory assumption, Gama and Bove (2011) attempted to elucidate the construct by distinguishing between different types of intended beneficiaries of CCBs, thereby investigating the employee's standpoint. To this end, the authors introduced the term 'customer citizenship behaviour directed to service personnel' (CCB-SP), and aimed at capturing customer behaviours that were explicitly considered as beneficial by service employees. According to their conceptualization, CCB-SP is positioned in the realm of customer extra-role behaviours and includes "*helpful, kind, considerate or thoughtful acts voluntarily performed by customers that benefit service personnel in some way*" (Garma and Bove, 2011, p.634). The lack of prior understanding of the construct led the authors to adopt the employee perspective, and through their exploratory study they came to identify six categories of CCB-SP. These are briefly outlined next, along with the associated main outcomes for service employees:

1. *Assumed employee role*: encompasses customer behaviours, which normally constitute part of the service employee's role and that usually result in a reduction of their workload (e.g., helping to accelerate the service delivery). As a consequence, employees achieve improved service delivery to customers.

2. *Advocacy*: includes behaviours that demonstrate customer commitment to service personnel. Typical examples of this category comprise of recommendations made to either customers or to the management, expressions of appreciation, or repeat patronage. Several benefits are associated with this type of behaviour such as employee positive mood, improved service delivery, and favourable attitude towards customers.

3. *Consultancy:* outlined as behaviour where customers provide advice to service employees with the purpose of ameliorating the service offering. Consultancy mainly results in improved service delivery to customers.

4. *Sportsmanship*: defined as tolerant and flexible customer behaviour with regards to the service delivery. Such behaviour results in employee positive attitude towards customers and improved service delivery. As an outcome, employees acknowledge that sportsmanship motivates them to engage in reciprocal behaviour towards the customers who benefited them.

5. *Social support*: illustrated as supportive customer behaviour, which either assists service employees in coping with stressful job-related events, or renders their work more pleasurable. Examples of expressions of this behaviour include vocal empathy, monetary tips, or other customer policing. Social support commonly operates as a mood-booster for employees.

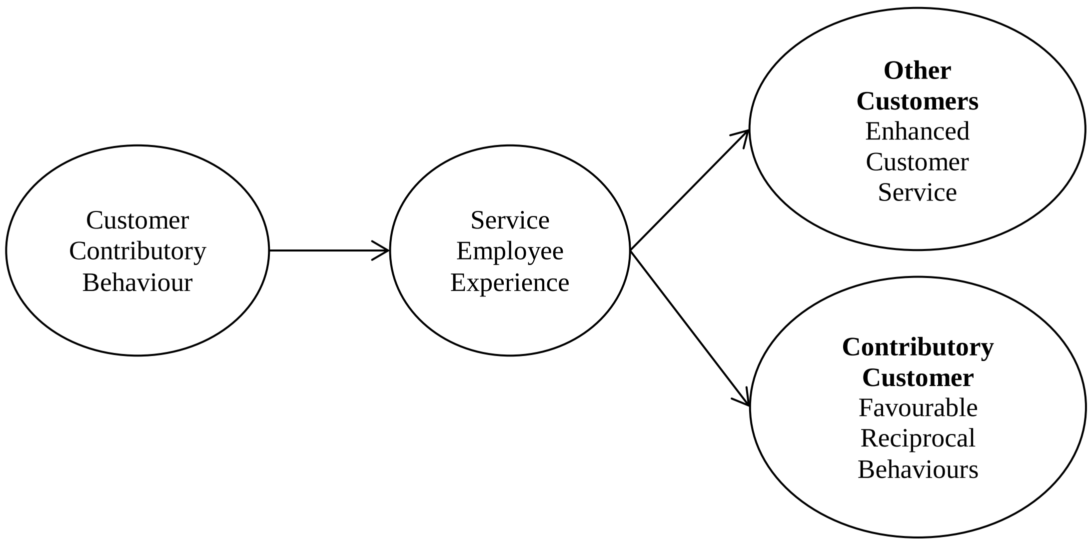
6. *Courtesy*: characterized by friendliness, pleasantness and positive emotion towards employees. The most important feature of this behaviour is the fact that it appears to result in favourable reciprocal behaviours, as employees who are treated courteously by customers are usually encouraged to provide better service to them in return.

In view of the findings, it came to the authors' attention that CCB-SP appears to be applicable across a wide range of contexts and, most importantly, pertains to contexts in which repeated interactions with the same service employee are unlikely. This finding challenges the prevalent view that prosocial behaviours tend to occur in communal exchanges, where there exists a prior relationship between the interacting parties (Clark and Mills, 1994), rather than in social exchanges. Therefore, customers may feel responsible for service employees' welfare and engage in supportive actions out of a desire to promote their well-being, without the requirement of a previous interaction or the potential of a future encounter.

Also, the study revealed that CCB-SPs benefit the service employees on several levels of their physical and social well-being. As such, each type of CCB-SP has been found to contribute to service employees' perceptions of behavioural confirmation, stimulation, comfort and feelings of affection. This finding indicates that among other roles, customers can act as a source of support for service employees. This suggests that service personnel may draw on these positive interactions with customers in order to maintain or further enhance their sense of well-being. In sum, customers can offer valuable resources to the service encounter apart from the financial ones (Garma and Bove, 2011).

Finally, the study brought to light two significant findings regarding the outcomes of such customer helpful behaviour. Firstly, it was found that the support provided by some customers to service employees facilitates the provision of enhanced service delivery to the other customers: customers who engage in service-related tasks assist the service employees in delivering a more smooth service to the other customers; patient customers help service employees provide faster service overall; customer suggestions help improve the service for everyone; policing of other customers allows service employees to continue with their job-related tasks with no obstruction; and polite customers boost service employees' energy leading to speedier service delivery. It is therefore clear that the contribution of some customers on a behavioural level is likely to create a spiral effect that positively affects the service experienced by other customers in the service setting. Secondly, several customer behaviours identified in Garma and Bove's (2011) study were associated with the initiation of favourable reciprocal behaviours from service employees. For example, courteous customers were shown to benefit from a better service provided by service employees, whereas customer sacrifice in favour of other customers was appreciated and 'repaid' by service personnel. These reciprocal behaviours or intentions to reciprocate were explicitly expressed by the participants in Garma and Bove's (2011) study. It can be therefore inferred that the norm of reciprocity is likely to apply in the opposite direction than the one that has been previously studied. In particular, Yi and Gong (2008) empirically demonstrated the key role that service employees may have in eliciting customer citizenship behaviour. Specifically, the authors' findings pointed out that service employee citizenship behaviour has the ability to trigger similar behaviour from the customer's side. Conversely, Garma and Bove (2011) provided some preliminary evidence suggesting that customers too have the ability to elicit service employee extra-role behaviours by engaging in citizenship behaviours themselves. Both types of outcomes outlined above are represented in Figure 4.2**.**

Figure 4.2. Customer contributory behaviour on customer outcomes.



In light of the foregoing discussion, it appears that customers contribute to the service encounter on an interactional level through their behaviour towards service employees. Specifically, contributions are made in the form customer resources, which are conceptualized as "the extent to which frontline employees perceive their customers as supportive of personal or work-related goals" (Stock and Bednarek, 2014, p.402). Customer resourceful behaviour can be expressed in various forms: it can be verbal (i.e. refer to what is said or not said during the service encounter), vocal (i.e. relate to the way that something is said, the pace, the tone and the volume of the voice) and nonverbal (i.e. consists essentially of customer actions) (Bradley *et al.*, 2010).

Similar findings have been brought to light in prior literature. For instance, exploratory research by Mohr and Bitner (1995) has highlighted that attentive and active customer behaviour during the service encounter can result in employees investing more effort during the service delivery and higher levels of job satisfaction. Likewise, a study conducted by Yoon *et al.* (2004) revealed that customer participation can lead to improved affective and behavioural outcomes for service employees. In particular, the authors found that perceived customer participation directly and positively impacts on service employees' job satisfaction and service effort, i.e. their level of expenditure of energy enacted during the service encounter. More importantly, perceived customer participation was shown to increase the amount of service employee effort, even more than perceived organizational support. This suggests that resources brought by customers may at times be more effective in terms of contributing to service employees' performance than other, intra-organizational ones. Moreover, it has been proposed that successful service encounters are partially determined by customers' politeness (Lerman, 2006). Therefore, it can be argued that so much as a smile from customers has the potential to encourage service employees' trust and cooperation (Grant, 2007). In other words, when employees perceive a friendly, knowledgeable, courteous and respectful customer, they are more likely to feel satisfied with their job and to reciprocate this behaviour to customers through more efficient service delivery. On the same note, customer emotional support that includes actions such as valuing service employee work effort (Zimmermann *et al.*, 2011) reflects an emotional input that helps service employees gain energy, which in turn impacts on their emotional state (Hobfoll, 1989; Yoon *et al.*, 2004). Furthermore, anecdotal evidence suggests that when customers exhibit considerate behaviour towards service employees they can help create smooth and balanced service interactions (Wieseke *et al.*, 2013). Likewise, Stock and Bednarek (2014) argued that customers constitute sources of emotional support for service employees. Drawing on this review, an argument can be made that customers can in fact provide several benefits to the service encounter through their behaviour towards service employees. These benefits in turn operate as resources, which are associated with favourable outcomes for their recipients (i.e. the service employees), the customers, and by consequence the organization overall.

4.5. Summary

The current chapter has provided a literature evaluation pertinent to the customer's role during the service encounter. From all of the above, it is clear that research examining the service industry has documented customer participation as a well-established construct. As such, customer participatory behaviour has become a significant chapter in the services marketing literature that has been associated with enhanced productivity and superior service (e.g., Bitner *et al.*, 1997; Fitzsimmons, 1985; Kelley *et al.*, 1990), indicating that customers themselves get to benefit from such participatory behaviours. In direct contrast, unsatisfactory customer service encounters can at times be attributed to a lack of sufficient effort or input from the part of the customer (Bitner *et al.*, 1994).

In sum, **Chapter 4** has reviewed the ways that customers may deviate from their designated script and expected role behaviour, either in a negative, or in a positive way. Overall, negatively valenced customer behaviours and their associated outcomes have been widely examined in the existing literature with the aims of avoiding, managing, or remedying such phenomena. With regards to positively valenced customer behaviours, most studies to date have been examining customer prosocial behaviours towards the organization overall, rather than making a distinction between the intended beneficiaries of such discretionary customer actions. It is not until recently that a scholarly interest has emerged and has endeavoured to explore the impact of customer positive behaviours towards service employees (e.g., Garma and Bove, 2011; Maneotis, 2014). The findings revealed from studies in this particular area have been encouraging and suggest that service firms are likely to reap significant benefits from such instances of customer behaviour.

Next, **Chapter 5** provides a summary of the preceding chapters on the literature review and assesses the evaluated theories and frameworks previously employed to explain exchange behaviour between customers and service employees during the service encounter. As such, the following chapter considers and reports the research gaps that have emerged during the overview of the relevant literature, and through a series of theorizations proposes a provisional conceptual framework in view of further exploration.

CHAPTER 5

INITIAL CONCEPTUAL DEVELOPMENT

5.1. Introduction

The previous chapters presented the theoretical background for this thesis. In particular, a review of the literature commenced in **Chapter 2** by examining the service encounter at the service employee-customer interface, and documented the interpersonal dynamics of the behaviours exchanged between the interacting parties. This context constitutes the background against which customers and service employees operate, and provides the theoretical basis that underpins the normative behaviours of both parties to the interaction.

Following this, **Chapter 3** presented the role and the behaviour of service employees vis-à-vis a service firm's customers. From the review of the literature covered in this chapter, it became evident that service employees are oftentimes in need of resources in order to perform their roles effectively. Specifically, customer behaviour emerged as a key a factor that affects service employee behaviour either by alleviating the work demands that are likely to restrict their ability to deliver good service, or by providing resources that enhance their performance.

Next, **Chapter 4** examined customers' role and behaviour during their interactions with service employees. In this review, apart from those instances where customers enact their role according to the appropriate script, it is clear that they may behave in ways that depart from their expected role behaviour. In this vein, two opposing scenarios emerged from the services marketing literature: customers may either behave in a way that obstructs the service, which is the case of customer dysfunctional behaviour. Conversely, customers may behave in a way that facilitates the service employees' performance by engaging in customer citizenship behaviours towards them. The key point of interest in this thesis lies in the fact that both types of customer behaviour are likely to produce parallel behaviours to service employees, suggesting that the latter are likely to match their behaviour to the one previously exhibited by customers.

In light of the foregoing summary and further to this comprehensive review, an examination of the bigger picture points to certain research opportunities that require further attention. In particular, the purpose of **Chapter 5** is to summarize the literature reviewed in the previous chapters by highlighting the research gaps that surfaced from this process, to emphasize the relevant calls for research, and to propose a conceptual framework for addressing these issues.

5.2. Theoretical Development

Despite the fact that "theory is the currency of our scholarly realm" (Corley and Gioia, 2011, p.12), there is yet little agreement among scholars as to what essentially constitutes a theory. Whetten (1989) has provided his personal reflections on the concepts that are to be considered during the theory-development process. In particular, he maintained that a theory should contain a number of key elements, which essentially refer to answering the following questions: 'what', 'how', 'why', 'who', 'where' and 'when'.

Specifically, *what* includes what elements, constructs, or variables should be taken into consideration due to their explanatory quality relating to a particular phenomenon. Creswell (2009, p.50) suggested that a variable "refers to a characteristic or attribute of an individual or an organization that can be measured or observed and that varies among the people or organization being studied". Alternatively, Creswell (2009) notes that the term 'construct' may also be employed or preferred to denote a more abstract idea than a more clearly defined term. Whetten (1989) maintains that two criteria are prevalent for identifying the 'appropriate' variables to be included in the conceptual landscape of a topic: comprehensiveness, i.e. ensuring that all relevant factors are included, and parsimony, i.e. removing those factors that add little additional value to knowledge and are therefore deemed unnecessary or invalid. Following the identification of the applicable number of variables to be investigated, the next step focuses on establishing *how* these variables are related to one another. In other words, this process sets the order to the conceptualization by clearly describing patterns of relatedness among the variables of interest – typically graphically depicted. *Why* is associated with "the underlying psychological, economic, or social dynamics that justify the selection of factors and the proposed causal relationships" (Whetten, 1989, p.491). In other words, 'whys' offer the underlying logic for a proposed theory. This means that the answers to the 'what-how-why' triad constitute the theoretical assumptions that hold a theory together; it is these three elements that offer the rudimentary ingredients of a basic theory: description and explanation. Lastly, *who*, *where*, and *when* constitute the temporal and contextual limitations to the generalizability of the theory, which are commonly discovered following the subsequent testing of the initial fundamental theory.

Creswell (2009) echoes Whetten's (1989) viewpoint and highlights the 'relationship' component among the variables in his definition of a theory. In particular, he proposes that "a theory is an interrelated set of constructs (or variables) formed into propositions, or hypotheses, that specify the relationship among variables (typically in terms of magnitude or direction)" (Creswell, 2009, p.51). As such, theories may take the form of an argument, a discussion, or a rationale, and are characterized by their explanatory (or predictive) quality in terms of the phenomena that occur in the world. The relationships among variables are basically determined by their temporal order, i.e. which variable precedes another one in time. Hence, three primary types of variables can be distinguished: independent variables, i.e. those that influence outcomes, dependent variables, i.e. the outcomes produced from the influence of the independent variables, and mediating variables, i.e. those that intervene between the independent and the dependent variables.

Whetten (1989) also suggests that theory-development should lead to a series of researchable propositions that are derived from the researcher's answer to the 'whats-hows-whys' questions. These propositions are particularly useful in instances of presenting a new theoretical positioning as is the present case, and when used they should be constrained to specifying the logically deduced inferences for research of a theoretical argument. In this vein, this study will state a number of propositions, reasoned from the previously documented review of the literature. Specifically, the next section provides an overview of the answers to the ‘why’ question by developing the theoretical rationale leading to the research objectives. Moreover, consistent with scholarly recommendations (Creswell, 2009; Whetten, 1989), and in order to offer an answer to the ‘whats’ and ‘hows’ of this research, a conceptual model depicting the proposed relationships between a number of suggested constructs will also be provided by the end of the chapter.

5.2.1. Identifying Research Gaps

The purpose of this section is to point to the gaps in knowledge that emerged from the literature review covered in the previous chapters. These research gaps are complemented by relevant calls for research, which overall come to support the need for a study such as the one undertaken for this thesis. Taken together, these actualities offer the primary argumentation for the legitimacy and the value of this research by showcasing that the topic is worth studying (Creswell, 2009). To this end, the subsequent sections provide an outline of those areas where further research is warranted.

5.2.1.1. Positive service encounters

The introductory chapter of this thesis (*cf.* **Chapter 1**, p.1) argued that a primary motivation for this research derives from the fact that for the most part, studies examining the customer-service employee interface have been focusing on deconstructing negative exchanges between the two parties. Providing an answer to the ‘what’, ‘how’, ‘why’, ‘who’, ‘where’ and ‘when’ (Whetten, 1989) of negative service encounters has offered and is still offering valuable insights to researchers and professionals alike; such an understanding aims at equipping all the parties concerned with the required knowledge for identifying, avoiding, preventing, or remedying those behaviours that are likely to produce undesirable exchange outcomes, and their concomitant physical, psychological, and economic costs (Bono *et al.*, 2013). In a way, it can be maintained that positive service encounters constitute the main goal of the ongoing aforementioned stream of research. However, it is deemed important to adopt a different angle when studying the service encounter (Harris and Ogbonna, 2002) apart from the one assumed to date, in order to gain a thorough understanding of the phenomenon under study. Therefore, this thesis adopts the service employees' viewpoint in order to provide an equally informative understanding of the processes that are likely to foster positive service interactions. Specifically, by informing on the ways for identifying, encouraging, developing, and rewarding behaviours that are likely to produce favourable exchanges, this thesis can substantially reinforce the stream of research on negative service encounters, thereby collectively campaigning against those exchanges that are equally undesirable by both parties in the interaction.

In this view, Grandey and Gabriel (2015, p.333) recently argued that "attention should be paid to positive events and moods at work". The authors contended that positive events that involve instances such as customer prosocial behaviours towards service employees are rarely studied, despite their potential contribution to service employees' affective state and job stress. Similarly, Humphrey *et al.* (2015, p.763) called for an attention on the 'bright side' of the nature of service work and suggested that "instead of focusing on stress and emotional exhaustion, researchers could take a positive psychology approach and examine the personality factors, attitudes, contextual factors, and interactional dynamics that enable service workers to stay motivated and provide outstanding service". Hence, this thesis answers these current calls for research by looking at the positive customer-service employee interactions that are created through the customer's initiative.

5.2.1.2. The mutuality of service interaction

A wealth of research has been dedicated to the service encounter (e.g., Arnould and Price, 1993; Ashforth *et al.*, 2008; Bailey *et al.*, 2001; Barger and Grandey, 2006; Barnes *et al.*, 1998; Bitner, 1990; Bitner *et al.*, 1994; Bitner *et al.*, 1990; Bradley *et al.*, 2010; Browning, 2008; Czepiel, 1990; Farrell *et al.*, 2001; Giardini and Frese, 2007; Goodwin and Gremler, 1996; Gutek *et al.*, 1999; Mattila and Enz, 2002; Mattila *et al.*, 2003; McCallum and Harrison, 1985; Mohr and Bitner, 1991; Singh, 2013;

Solomon *et al.*, 1985; Surprenant and Solomon, 1987). In particular, Role Theory (Biddle, 1979) provides the theoretical foundation that prescribes the behaviours expected from both customers and service employees during this period of time and maintains that both parties are required to perform according to a specific role in order to produce a balanced service encounter. Towards this end, and in line with the theory on Emotional Labour (Hochschild, 1983), service employees accomplish their role by endeavouring to comply with organizationally prescribed rules in terms of their expected behaviour when interacting with their customers (Ashforth and Humphrey, 1993). This effort in controlling one's own behaviour necessitates the expenditure of some limited resource pool that can be depleted unless favourable work conditions occur (Muraven and Baumeister, 2000). Adding to this, implicit in this role enactment from service employees is the existence of reciprocal expectations for mutual behaviour from the other party to the exchange, i.e. the customers (Brotheridge and Lee, 2002). This is supported by the fact that service encounters are viewed as "pivotal points that are characterized by the met or unmet expectations of customers and service providers" (Kivelä and Chu, 2001, p.254). From the service employee perspective for instance, these expectations include rewards (e.g., gratitude) for their efforts (Bakker *et al.*, 2007). Nevertheless, the reality of the relationship between service employees and customers is asymmetrical by its very nature (Liao and Searcy, 2012): the service employee is required to provide care, support, and assistance, while the customer merely receives the service (van Dierendonck *et al.*, 1996). Consequently, although service encounters constitute a period of time, which provides the opportunity to both the service employee and the customer to mutually benefit from their interaction (Chandon *et al.*, 1997; Liao and Searcy, 2012), service employee expectations frequently remain unfulfilled since their efforts are commonly taken for granted by customers (Schaufeli, 2006).

Adding to the above, the service interaction should ideally enable both customers and service employees to achieve their respective goals (Cropanzano and Mitchell, 2005). However, service employees regularly have to deal with unscripted and challenging interactions with customers (Zablah *et al.*, 2012). After all, "customers are less constrained by organizational practices and thus freer to misbehave" (Grandey *et al.*, 2012, p.264). As such, customers can deviate from their normative behaviour in a negative way when interacting with service employees (e.g., Bitner *et al.*, 1994; Harris and Reynolds, 2003; Reynolds and Harris, 2009), which, as already noted, oftentimes results in detrimental outcomes for employee well-being and performance.

The literature covered in the previous chapters also suggests that interaction is a key component of the service encounter. In essence, the concept of interaction consists of a "mutual or reciprocal action where two or more parties have an effect upon another" (Grönroos and Strandvik, 2008, p.53). This means that customer actions are equally important inputs to the interaction as are employee actions. In this view, successful outcomes essentially arise from the coordinated efforts of customers and service employees during the service process (Mills and Morris, 1986). Notwithstanding the strongly advocated mutual nature of the service interaction (Barnes *et al.*, 1998; Czepiel, 1990; Giardini and Frese, 2007; Ma and Dubé, 2011; MacCallum *et al.*, 1996; Madupalli and Poddar, 2014; Mills and Morris, 1986; Solomon *et al.*, 1985), existing literature has not been adequately informative on the ways that customer and service employee behaviours are interdependent (Giardini and Frese, 2007; Ma and Dubé, 2011). This omission receives greater importance in light of the fact that employee behaviour towards customers is not always employee-specific and thereby executed by the employee alone, but is frequently interaction-induced and therefore corresponds to the behaviour previously received by the customer (Van Dolen *et al*., 2004). In this view, it is maintained that service employee interaction with customers shapes the returns that the latter receive from the interaction process (Chan *et al.*, 2010). Therefore, despite the calls for additional insights on the service employee's viewpoint of the service encounter (Slåtten, 2011), research centered on the role of customer behaviours on subsequent employee behaviours is limited (Madupalli and Poddar, 2014). Hence, little is yet known about the effects of customer behaviours on employee-related outcomes (Rodie and Kleine, 2000; Yi and Gong, 2012; Yim *et al*., 2012). In considering all of the above, this thesis adopts the service employee perspective in order to investigate their viewpoint of the service encounter in general, and of customer behaviour in particular. The next section provides the rationale for such a particular focus on customers.

5.2.1.3. The customer's contribution

Although the behaviour of the customer is critical to the service delivery (Morrison, 1996), the idea that specific customer acts could support the social and psychological service environment has received little attention (LePine *et al.*, 2002). Specifically, as already argued, notwithstanding the potential organizational benefits associated with customer discretionary behaviours, most studies examining the interpersonal interactions have focused almost entirely on the employees' role in contributing to the service encounter (Bradley *et al.*, 2013; Groth, 2005; Guiry, 1992; Revilla-Camacho *et al.*, 2015; Rodie and Kleine, 2000; Yi *et al.*, 2011), or on customer dysfunctional behaviour (*cf.* section 4.3, p.86).

That said, and as highlighted in **Chapter 4** (*cf.* section 4.4, p.93), apart from executing their in-role behaviour, customers may also contribute to the service process by engaging in voluntary behaviours that go above and beyond their normative role. In particular, there has been a large emphasis on customer behaviours that benefit the organization (e.g., Groth, 2005), but less so on behaviours that are separated on the basis of other intended beneficiaries, with two exceptions. Firstly, there has been some research on customer extra-role behaviours benefiting other customers (e.g., Rosenbaum and Massiah, 2007). Secondly, and in relation to the present research, Garma and Bove's (2011) qualitative study has explicitly explored citizenship behaviours directed towards service personnel. Despite this scholarly effort, these types of behaviours have only been addressed in one more study to date (Maneotis, 2014), which has partially confirmed the categories of customer behaviour identified by Garma and Bove (2011). Taken together, the foregoing discussion suggests that there exists some preliminary evidence that customers may engage in behaviours that are substantially perceived as beneficial by service employees. Nevertheless, the scarcity of studies examining this type of customer extra-role behaviour indicates that this area is in need of further investigation. Therefore, this sets forth the following proposition:

Proposition 1: *Customers may engage in beneficial behaviours towards service employees.*

5.2.1.4. The customer's impact

Customer voluntary behaviours of encouragement and assistance could affect the service employees' ability to function effectively, as well as the nature of their cognitive and affective states (Yi *et al.*, 2011). In other words, customers can behave in ways that are beneficial and resourceful for service employees, especially in considering that "the employee experience with the service interaction is a central part of the employee job experience, and therefore what customers say and do during (and even after) the service interaction can affect employee satisfaction, performance, and well-being" (Liao and Searcy, 2012, p.236).

On this note, positive events at work are likely to be associated with several beneficial outcomes for service employee well-being. Specifically, AET (Weiss and Cropanzano, 1996) maintains that positive affective states expressed by customers as well as positive interactions with them represent a pleasing affective event for service personnel. When in a good mood, service employees are likely to exhibit more creativity, to perform at a higher level, to engage in helpful actions, and to be more satisfied with their job (Judge and Ilies, 2004). Furthermore, it is argued that positive events (e.g., being thanked for one's effort) have implications for service employee psychological well-being as for instance, they can result in increased self-efficacy and social worth (Grant and Gino, 2010.) Finally, positive events have the ability to offer service employees with those resources necessary for coping with their work demands. For example, the provision of social support by customers can be stress-alleviating for service employees, whereas tangible help can relieve some of their actual workload (Garma and Bove, 2011). In other words, customer behaviours that are perceived as positive by service employees are likely to benefit their physical (e.g., stress), psychological (e.g., self-efficacy) and affective (e.g., positive mood) well-being.

In considering that there is a need for further research that would focus on the investigation of resources that are able to counterbalance negative events but to also increase positive ones (Dormann and Zapf, 2004), it is surprising that studies so far have overlooked and undervalued the fact that customers may constitute a considerable resource beyond their desired in-role behaviours (Bove *et al.*, 2009). Hence, although services marketing literature admits to the importance of customers as providers of resources, and in spite of several calls for more investigation explaining positive service interactions (Subramony and Pugh, 2015), as indicated in the introductory chapter of this thesis (*cf*. Table 1.2, p.7), prior research has been primarily limited to the study of intra-organizational resources for service employees (Verleye *et al*., 2016). Furthermore, although few existing studies have indicated that certain customer behaviours may be perceived as sources of support by service employees (e.g., Garma and Bove, 2011), no research so far has developed and tested a comprehensive framework linking specific voluntary beneficial customer behaviours to their impact for service employees. As such, additional studies are required that consider the merits of customers as resources (Lengnick-Hall *et al.*, 2000; Yi and Gong, 2009). Therefore, the second proposition is stipulated as follows:

Proposition 2: *Customer beneficial behaviour positively affects service employees.*

5.2.1.5. The service employee's response

Adding to foregoing argument, although few studies have come to suggest that customers may engage in favourable behaviour towards service personnel (e.g., Garma and Bove, 2011; Maneotis, 2014; Zimmermann *et al.*, 2011), none of these studies has addressed the issue of how customer beneficial behaviour might affect service employee behavioural responses. For instance, past research has tested the relationship between customers' affective state and employee mood (Huang and Dai, 2010). Zimmermann *et al*.'s (2011) study focused on examining the impact of customer-initiated support on employee affective state. In their study Garma and Bove (2011) linked customer citizenship behaviours to service employee physical and social well-being. In other words, despite previous attempts to investigate customer behaviours that are beneficial for service employees, none of these studies have addressed the employee-related behavioural outcomes.

However, it is reasonable to deduce that based on the norm of reciprocity, when service employees perceive to have been benefited by a customer, they will probably feel stimulated to direct their efforts to returning the benefit received to this customer (Yoon *et al.*, 2004). Adding to this and according to Equity Theory (Adams, 1963), service employees who have been the recipients of customer beneficial behaviours are likely to reciprocate by engaging in higher levels of beneficial behaviours themselves (Bove *et al.*, 2009). Taken together, these theorizations suggest that if customers engage in voluntary, unexpected, beneficial behaviour towards service employees, reciprocal behavioural responses should be generated from the recipients of such discretionary customer actions. Despite the foregoing discussion, the examination of the service employe-customer interaction through the theoretical lens of social exchange is rather limited (Liao and Searcy, 2012; Yi and Gong, 2009). Therefore, it is proposed:

Proposition 3: *Customer beneficial behaviour stimulates service employee engagement in favourable reciprocal behaviours towards their benefactor.*

Research argues that from the service employees' perspective, customer behaviour is an important factor that can influence their work effort (Yoon *et al.*, 2004). For instance, Mohr and Bitner (1995) have shown that customer behaviour during the service encounter is one of the main factors that determine the amount of energy that service employees invest in service behaviour. Furthermore, service employees in a positive affective state are likely to exhibit approach-oriented behaviours such as greater work engagement, customer orientation, and other extra-role behaviours (Bradley *et al.*, 2010). That is to say, service employee positive affective state can be translated into enhanced personal and job resources (e.g., customer orientation). Plausible explanations for such instances can be found in **COR Theory** (Hobfoll, 1989), which suggests that positive events are viewed as having the ability to sustain or develop an individual's necessary and valued resources. Likewise, the **J-DR model** (Demerouti *et al.*, 2001) postulates that work resources (e.g., social support) in the work context help 'buffer' against service employee job demands. Altogether, both theories indicate that the greater the service employee resources, the higher their performance. In other words, enhanced service – or in simple terms, some form of extra-role service employee behaviour – is more likely to occur when service employees have replenished their valued personal resources. Nevertheless, and despite the acknowledgment that positive interactions with customers have the ability to increase the effectiveness of service employees (Yi *et al.*, 2011), research on the contextual antecedents of employee behaviour has primarily focused on organizational and task-related factors (e.g., work fairness, distributive and procedural justice, empowerment and organizational commitment) that affect employee behavioural responses (e.g., Bettencourt and Brown, 1997; Kim *et al.*, 2004; Lee *et al.*, 2006), rather than on the potential resources originating from customer behaviour. As such, the factors that enhance service delivery behaviours have not yet been thoroughly addressed (Knight *et al.*, 2007), and consequently "little research investigates how customer behaviour…affects employee performance and satisfaction theoretically and empirically" (Yi *et al.*, 2011, p.87). Therefore, the final proposition is suggested:

Proposition 4: *Customer beneficial behaviour stimulates service employee engagement in enhanced service delivery towards the other customers.*

The next section summarizes the research gaps outlined in the previous sections and describes the approach adopted for addressing each of the four propositions that emerged through this process. To this end, the research objectives are discussed next.

5.3. Research Objectives

The review undertaken so far points to the fact that positive encounters constitute a desirable scenario, as they are equally gratifying for customers and service employees, while being commonly associated with beneficial organizational outcomes. In this view, positive encounters can occur only when both of the actors involved in the interaction gain some type of benefit. In addition, research emphasizes that interactions are reciprocal in nature: this signifies that the behaviour of one actor tends to be aligned with the behaviour exhibited by the other actor involved in the interaction. In fact, several studies from the services marketing literature demonstrate that the behaviour exhibited by customers comes as a response to prior behaviour received from the employee. Similarly, employee behaviour towards customers is very often interaction-induced and therefore corresponds to the behaviour previously received from the customer. In other words, the outcome of the service encounter is not entirely the result of employee and customer action or inaction, but rather emerges as a response to the behaviour exhibited and received by both actors. Hence, a dynamic and emergent nature is integral to service encounters, suggesting that both parties to the interaction have the ability to partially shape the outcome received through their behaviour during the process.

Despite all of the above, the majority of studies elucidating the service encounter have mainly adopted: 1) a predominantly unilateral approach by examining the effects of service employees' behaviour on customer outcomes, while overlooking the employees' viewpoint of customer behaviour; 2) a one-dimensional perspective by deciphering the components of negative encounters while largely neglecting the processes underlying positive ones; and 3) a rather restricted approach when exploring the resources available for service employees during the service encounter by omitting to consider the contribution brought by customers. Therefore, there exists an identified need with regards to adopting a differentiated angle when investigating the service encounter. Customer behaviour emerges as a determining factor in terms of directing employee behaviour. Hence, the research adopts the employee standpoint to investigate how customers act as partial contributors to the service encounter. Through this angle, this thesis offers a theoretical model of a reciprocal exchange of beneficial behaviour occurring at the customer's initiative so as to illustrate the contribution of both parties to the service encounter, while it investigates the potential of customer behaviour as a plausible antecedent for service employee enhanced service delivery.

In particular, the aim of this research is set as follows:

***Research aim*:** *To investigate how customer behaviours contribute positively to the service encounter through their impact on service employee behavioural responses.*

In line with the aim of the research, there are three objectives that need to be addressed:

Objective 1: To determine the customer behaviours that are perceived as beneficial by service employees during the service encounter.

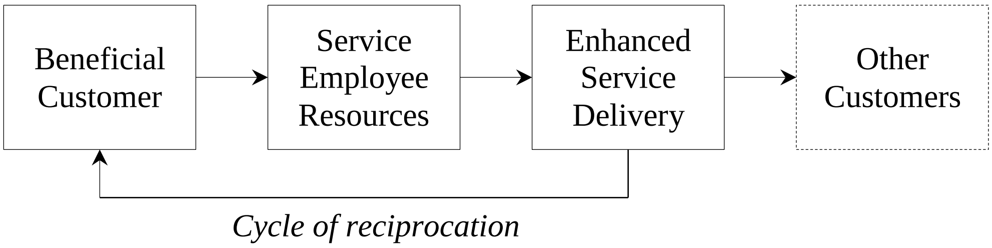
Objective 2: To examine the influence of a customer's beneficial behaviour on service employees' reciprocal behavioural responses towards the customer.

Objective 3: To assess the extent to which customer beneficial behaviours influence service employees' behavioural responses towards other customers in the service setting.

5.4. Initial Conceptual Model

Following the prior discussion, which justified the need and value of a research such as the present one, the next step involves the graphical illustration of the hypothesized relationships among a number of proposed constructs. Therefore, Figure 5.1 shows the initial conceptual development derived from the preceding literature review, articulated in the form of four research propositions. At this point, it is worth emphasizing that research into customer positive behaviour towards service employees constitutes a rather new area of enquiry. Therefore, in line with Creswell's (2009) view of the term 'construct', which expresses a more abstract idea rather than a more concretely defined term, the model illustrated in Figure 5.1 comprises of a number of constructs which are to be refined during the subsequent qualitative phase of the research. Specifically, the nature and impact of customers' beneficial behaviour towards service employees during the service encounter is to date poorly investigated. Therefore, given the necessity to clarify the constructs of interest, and the objective being to formulate the research propositions into definite and more specific research hypotheses, an exploratory approach was viewed as being a suitable starting point of research. As such, the purpose of the initial conceptual development is to form the basis for the exploratory research, which aims at elucidating the variables to be subsequently implemented and empirically tested through a final theoretical model and corresponding research hypotheses.

Figure 5.1. Initial conceptual development.



Starting at the left end of the model illustrated in Figure 5.1, it is hypothesized that at some point during the service encounter the customer initiates some form of behaviour that is intended to benefit the service employee, and is perceived as such by the recipient (**Proposition 1**). In the proposed model, the customer is termed ‘beneficial’ due to his or her intended behaviour towards the service employee. In other words, customer beneficial behaviour refers to the extent to which service employees perceive that the customer has recognized their contribution and acts in a way that shows care about their well-being (Yi and Gong, 2009).

Drawing on AET (Weiss and Cropanzano, 1996), it can be inferred that instances of customers engaging in beneficial behaviours are perceived as positive affective events for service employees. Therefore, such incidents are likely to trigger positive affective states to them, a fact that is also consistent with the theory on emotional contagion (Hatfield *et al.*, 1994). Furthermore, beneficial behaviours in general, and by customers in particular, are likely to be resourceful for service employees. As a result, they can either reduce negative aspects of their work (e.g., job stress), or enhance positive ones (e.g., enjoyment). In other words, it is hypothesized that customers may offer benefits to service employees through their behaviour towards them, which in turn are likely to be perceived as resourceful by their recipients (**Proposition 2**). The very definition of a benefit points to the conceptual overlap of the construct with the notion of ‘resource’. As already highlighted, benefits refer to tangible or intangible entities that are *valued* by their recipient (Lawler, 2001). Likewise, resources consist of those material or immaterial features that are *valued* by individuals as they contribute to their well-being (Hobfoll, 1989). As such, resources offered from one individual to another constitute forms of benefits as perceived by the recipients.

In line with the norm of reciprocity (Gouldner, 1960), the reception of benefits (i.e. customer extra-role behaviour) by service employees will create a sense of internal obligation to return the benefits received to their benefactor. In other words, customer behaviour will affect service employees' reciprocal behavioural responses, conceptualized for this thesis as the reactive, interaction-induced behaviours with the aims of returning the favour to the benefactor (Kim and Lee, 2013). Consequently, they are likely to reciprocate by offering enhanced service to beneficial customers. Hence, a cycle of favourable reciprocal behaviours between the two parties is initiated (**Proposition 3**).

The final part of the model refers to the recognition that positive exchanges are not a closed loop, but can affect multiple other parties. As such, employee behavioural responses, i.e. their reactive, interaction-induced behaviours to a positive interaction may be directed towards other customers. Two resource-based theories help explain why positive events from beneficial customers are linked to service employees' prosocial behaviour towards the other customers: COR theory (Hobfoll, 1989) and the JD-R model (Demerouti *et al.*, 2001). As already described in **Chapter 3**, both theories suggest that psychological and physical resources brought to the service encounter by customers (e.g., social support, practical assistance, positive mood) help service employees perform at desired levels. Hence, the model proposes that these resources offered by beneficial customers will urge service employees to provide enhanced service to the other customers as well (**Proposition 4**).

Therefore, the premise of the conceptual model in this study is that customers who engage into some form of beneficial behaviour directed towards service employees are more likely to receive greater benefits in return, while stimulating service employees to provide better service overall.

5.5. Summary

Chapter 5 bridges the theoretical background for this thesis with the actual research undertaken in order to answer the research objectives. As such, and drawing on the previously documented literature review, the chapter highlighted the gaps in knowledge where further scholarly attention is warranted. Specifically, each section developed the theoretical rationale explaining **why** the examination of customers' behavioural contribution constitutes a prime area of interest for the service encounter literature. In view of this, the chapter gradually developed a series of research propositions, ultimately depicted in a conceptual model illustrating **what** constructs are of interest in this thesis and **how** they are hypothesized as being related to each other.

Following the synopsis of the emerging research gaps and in view of the fact that "much would be gained if future efforts focused on identifying delightful…factors from the employee's viewpoint" (Arnold *et al.*, 2005, p.1143), this thesis adopts the service employee's standpoint. In this vein, the next chapters proceed with the description of the studies undertaken with the aims of exploring the proposed conceptual model. In particular, the initial conceptual development outlined in this chapter serves as a guide to be investigated and refined through the first study. In this vein, a qualitative study is conducted in order to elicit insights on the impact of customers' beneficial behaviour for service employees. Furthermore, the aim of the first phase of the research is to clarify the variables and the relationships to be subsequently developed into a series of researchable final hypotheses, tested through the second quantitative phase of the research. As such, **Chapter 6** commences with an overview of the research paradigm of the thesis. Next, the chapter elaborates on a promising methodology that could generate knowledge and elucidate a relatively rarely documented phenomenon such as customer voluntary behaviour towards service employees. Hence, the Critical Incident Technique is implemented for **Study 1**.

CHAPTER 6

PART I: RESEARCH PHILOSOPHY AND STUDY 1 METHODOLOGY

6.1. Introduction

The purpose of the previous chapters was twofold: first, to present a state-of-the-art review of the literature on the service encounter and on the behavioural dynamics occurring between customers and service employees. This process has provided an overview of the theoretical foundation of this thesis; second, to clearly define the identified gaps within this stream of research. The present chapter aims at developing the methodological approach for two studies undertaken in order to shed light on the much-needed exploration of the phenomenon of customers' behavioural contribution to the service encounter. As such, the objective of **Chapter 6** is to offer an extensive discussion on the rationale for the choice of methodology which, as already stated (*cf*. section 1.4, p.11), consists of two studies: a qualitative phase (**Study 1**) and a quantitative phase (**Study 2**). Furthermore, the chapter presents the research design and data analysis for the first phase of the research (**Study 1**).

The next sections are organized as follows: the chapter commences by documenting a variety of philosophical stances and presents the philosophical grounding for the selected research design, while providing a justification for the philosophical assumptions of the thesis. In this regard, the scientific paradigm of the thesis is provided along with its ontological, epistemological and methodological considerations. Next, the research design for **Study 1** is outlined where practical issues such as sampling and interviewing are covered. The chapter concludes with a detailed overview of the data analysis procedure before finishing up with a discussion on the ethical issues relevant to the completion of this first study.

6.2. Research Philosophy

Research is essentially concerned with the social world in which we live (Saunders, 2011) and therefore, a researcher's philosophical standpoint will lead to embracing a particular view of the world, either implicitly or explicitly (Burell and Morgan, 1979). Easterby-Smith *et al.* (2015) contend that there are at least four reasons why a philosophical standpoint is valuable in research: firstly, it helps the researcher understand his or her role in research methods; secondly, it informs the researcher about the suitable research designs and methods for answering the issues under investigation; next, it assists the researcher in identifying those research designs that are likely to be successful by pointing out strengths and weaknesses; and finally, it expands researchers' possibilities by enabling them to explore advanced designs and approaches.

That being said, research philosophy is directly related to the term 'paradigm'. Specifically, the popularity of the word among social scientists is mainly owed to the work of Kuhn (1962, p.175) for whom the concept of 'paradigm' is central, and is described as a set of values, beliefs, and techniques, which serve as a regulative framework that is "shared by members of a given community". Creswell (2009) argues that this paradigm, also termed 'worldview', constitutes an individual's overall orientation about the world, and therefore, it does not only influence one's methodological choices, but also the ontological and the epistemological viewpoints. Although the term 'paradigm' lacks a clear definition (Guba, 1990), and the concept lends itself to various versions (Morgan, 2007), it can be broadly described as "the basic belief system or worldview that guides the investigator" (Guba and Lincoln, 1994, p.105). On this note, as a set of basic beliefs, no one paradigm is superior to another, but simply represents a researcher's sophisticated and informed view of answering three basic questions (Guba and Lincoln, 1994). According to Guba (1990) and Guba and Lincoln (1994), these three fundamental questions are:

(1) *The ontological*: What is the form and nature of reality?
(2) *The epistemological*: What is the nature between the researcher and the subject of research?

(3) *The methodological*: What is the course of action for the researcher to reach knowledge?

Each answer is constrained by the response already given to the previous question. Therefore, the researcher's ontological viewpoint will determine his or her epistemological stance, which will in turn establish the appropriate methodology to be implemented for research (Guba and Lincoln, 1994). Furthermore, the answers to these questions constitute the cornerstone that will ultimately define the researcher's individual methods and techniques that need to be used in a particular study, and that will direct the interpretation of the findings (Guba and Lincoln, 1994). An overview of these fundamental philosophical terms is presented in Table 6.1 below.

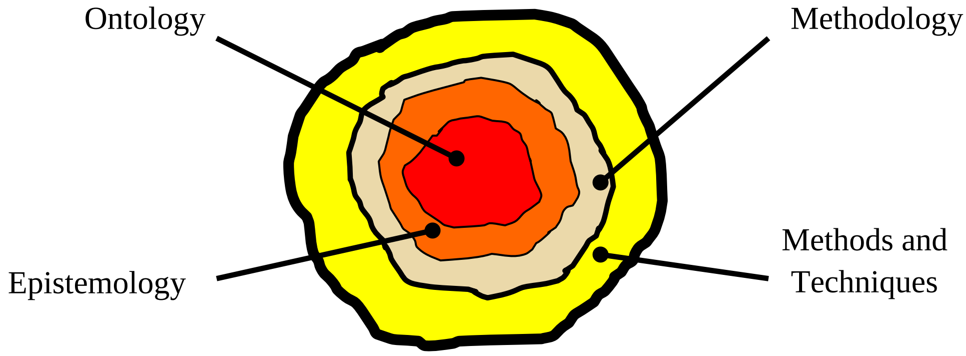
Table 6.1. Ontology, epistemology, methodology and methods and techniques.

Terminology	Summary
Ontology	Philosophical assumptions about the nature of reality.
Epistemology	A general set of assumptions about ways of inquiring into the nature of the world.
Methodology	A combination of techniques used to inquire into a specific situation.
Methods and Techniques	Individual techniques, for data collection, analysis, etc.

Source: Easterby-Smith *et al.*, (2015, p.47).

Easterby-Smith *et al.* (2015) also offer a more elaborate view of these philosophical terms by making use of the metaphor of a tree with three rings in order to represent the relationship between them. This metaphor is illustrated in Figure 6.1 on the next page.

Figure 6.1. The four rings model.



Source: Easterby-Smith *et al.* (2015, p.47).

As shown in the figure, a researcher's choice of methods and techniques (e.g., surveys, interviews) constitute the most evident and visible aspects of a study. However, "questions of method are secondary to questions of paradigm" (Guba and Lincoln, 1994, p.105) as they largely depend on the methodological, epistemological, and ontological assumptions of the researcher that are progressively less detectable. The following sections further develop these aspects.

6.2.1. Ontology and Epistemology

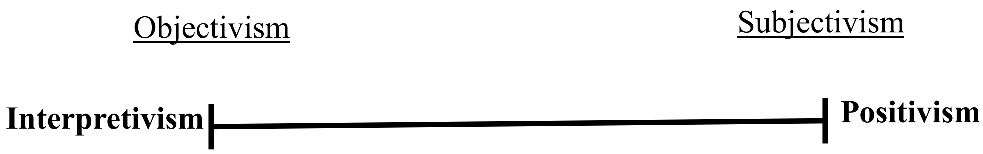
Ontology constitutes the most frequent issue of debate among philosophers (Easterby-Smith *et al.*, 2015). In essence, ontology is concerned with the nature of reality (Guba and Lincoln, 1994) and one's assumptions about the way the world operates (Saunders, 2011). Consequently, it stands to reason that ontology influences a person's belief system regarding acceptable knowledge in an area of research (epistemology), along with the ways that this area can be explored (methodology, methods and techniques).

In general, each individual is different in terms of his or her background, education, personal and professional experience, and therefore his or her view of the world is likely to adopt diversified angles (Easterby-Smith *et al.*, 2015). The two primary angles of ontology consist of *objectivism* and *subjectivism* and they are best illustrated as a continuum's polar opposites with differing philosophical stances aligned between them (Burell and Morgan, 1979). Therefore, ontological standpoints vary between being fully objective, where a reality exists independently of how an individual perceives it, and being strictly subjective, in which case reality is the product of human construction and individual perception of the world (Creswell, 2009). In other words, on the one hand objective ontology is based on the assumption that reality is 'out there' and once discovered, it can be identified and communicated to others. Typically, this ontological standpoint has been associated with the natural sciences. On the other hand, the object of social sciences is the study of human behaviour and therefore, unlike the natural sciences which primarily focus on the study of physical objects, it can only be understood with reference to the meanings and purposes attached by humans to their activities (Guba and Lincoln, 1994). This viewpoint lies in the heart of subjective ontology, which assumes that reality is socially constructed through the perceptions and the interpretations created by individuals.

Epistemological questions have also been the object of sustained debates among scientists and philosophers ever since the time of Plato and Aristotle (Johnson and Duberley, 2000). Conceptually, the word 'epistemology' describes "the study of the criteria by which we can know what does and does not constitute warranted, or scientific, knowledge" (Johnson and Duberley, 2000, p.3). For Burrell and Morgan (1979, p.1) epistemological assumptions refer to "the grounds of knowledge – about how one might begin to understand the world and communicate this knowledge to fellow human beings". It can therefore be inferred that epistemological considerations are vital in a research context, as a researcher's perceptions on how knowledge is accumulated directly affect the methods employed.

Together, ontological and epistemological assumptions are represented through philosophical paradigms. Specifically, various philosophical positions have been defended and adopted among researchers with a main focus on the respective merits of two opposing views: *positivism* and *interpretivism* (Creswell, 2009; Easterby-Smith *et al.*, 2015). While these two terms are commonly employed in the literature, they are also often encountered under other names (e.g., postpositivism, social constructivism). That being said, their differences lie primarily within their ontological, epistemological and methodological assumptions (Creswell, 2009; Easterby-Smith *et* *al.*, 2015; Saunders, 2011). These polar opposite research paradigms can be illustrated along a continuum as shown in Figure 6.2: positivism on one end, associated with an objectivist ontology, and interpretivism on the other end, embracing a subjective ontological stance.

Figure 6.2. The objective-subjective continuum.



Despite the fact that these two contrasting positions have been to some extent promoted into a stereotype (Easterby-Smith *et al.*, 2015), there exist other paradigms along this continuum that offer more compromising assumptions (e.g., critical realism, pragmatism). In this view, it is worth noting that researchers do not commonly subscribe to all aspects of one specific philosophical position, and therefore it is not all that unlikely that they will ‘borrow’ ideas from other philosophical positions (Easterby-Smith *et al.*, 2015). In any case, it should be retained that “paradigms, as sets of basic beliefs, are not open to proof in any conventional sense; there is no way to elevate one over the other on the basis of ultimate, foundational criteria” (Guba and Lincoln, 1994, p.108). Consequently, in the field of marketing in particular, each competing perspective has its loyal supporters, but it is deemed inappropriate to seek a single superior standpoint as the most prominent one (Anderson, 1983).

6.2.2. Objectivity versus Subjectivity

As already indicated, the worldview that an individual researcher holds is most likely going to influence his or her understanding of a phenomenon. In essence, there are two leading approaches to the reality of the world: the objective one, and the subjective one, both of which are associated with a particular philosophical approach. Both are also developed in the following sections.

6.2.2.1. Positivism

Taken from an objectivist dimension, *positivism* has dominated the philosophical approaches for some four hundred years (Guba and Lincoln, 1994), and in a way constitutes the traditional form of research (Creswell, 2009). Guba and Lincoln (1994, p.109) suggest that the positivist ontological standpoint considers that "an apprehendable reality is assumed to exist, driven by immutable natural laws and mechanisms". Implied in this statement is that ontologically, positivists embrace realism and therefore, assume reality to be external, unalterable and objective. By consequence, positivists are constrained to an objective epistemology (Guba, 1990) and view knowledge as the product of empirical verification (Easterby-Smith *et al.*, 2015). As such, positivism is basically characterized by two elements: a *deterministic* thinking, which implies that there is a cause-effect relationship in all phenomena and causal explanations are to be provided for their occurrence; and a *reductionist* approach, which proposes that problems and ideas are to be reduced into the smallest possible elements in order to be better understood (Creswell, 2009; Easterby-Smith *et al.*, 2015). Hence, positivist research methodology follows a deductive approach, where theory draws from the existing literature (Easterby-Smith *et al.*, 2015), and hypotheses are developed in advance in propositional form. These hypotheses are tested through a research design carried out under carefully controlled conditions, based on precise measurable observations and quantitative results, and overall aiming at analyzing the research problem. By default, *empirical experimentalism* constitutes the methodology of choice for positivists (Guba, 1990).

The positivist approach was espoused by the marketing discipline during the 1950s and 1960s in order to reinvent itself as a rigorous, and consequently, acceptable discipline (Easton, 2002). Nonetheless, in recent years the historical and sociological perspective has challenged positivism and has fundamentally changed the traditional image of positivist research. In his review of the contemporary literature of the philosophy of science, Anderson (1983) points out that despite the initial enthusiasm demonstrated for the positivist standpoint, several philosophers and historians of science observed that this particular philosophy lacks flexibility. Specifically, positivism is usually governed by a worldview that is highly resistant to change. In other words, as positivism aims at systematizing observable behaviour, it fails to explain social phenomena by considering situational conditions or by understanding processes (Easterby-Smith *et al.*, 2015). As a result, this deductive approach is criticized on the basis of being too rigid, thereby not allowing any room for alternative explanations of a phenomenon (Saunders, 2011). However, in a broad sense, generalizations in social sciences are far more complex than in the natural sciences, as the former require taking into account more contextual conditions and therefore, this fact casts doubt upon the validity of causal explanations (Williams and May, 1996). Finally, it is maintained that positivist approaches are not particularly contributive to the development of theory (Easterby-Smith *et al.*, 2015), and therefore limit the advancement of knowledge in a particular field of study within the social sciences. In the present case, this means that the philosophical assumptions underlying the positivist standpoint are likely to constrain the range of findings associated with the research objectives (Creswell, 2009).

Having overviewed the basic elements of the positivist approach, an alternative philosophical stance is presented and developed in the next section, one that is placed at the opposite end of the ontological continuum: Interpretivism.

6.2.2.2. Interpretivism

While positivists postulate that the real explanation or cause of an event can be tested through scientific standards of verification, the interpretivist approach does not seek to find an objective truth so much as to elucidate patterns of subjective understanding. Placed at the subjective end of the ontological continuum, interpretivism came to a certain degree as a response to the limited success resulting from the application of the positivist principles to the social sciences (Easterby-Smith *et al.*, 2015). In particular, a general tenet suggests that the natural sciences seek for causal explanations, whereas the social sciences search for understanding (Johnson and Duberley, 2000). As such, interpretivists support the idea that reality is determined by people rather than by objective, external factors (Easterby-Smith *et al.*, 2015). The world is interpreted through individual observations of the social world, and therefore it only constitutes a subjective perception of reality that we can grasp, and not the ‘true’ nature of the world (Williams and May, 1996). That is to say, interpretivists acknowledge the diversity and the variety of the subjective meanings that individuals develop about their experiences (Creswell, 2009). Furthermore, they argue that peoples’ actions are not governed by a link between cause and effect, but by the rules that they use in order to interpret the world (Johnson and Duberley, 2000). In other words, the frame of reference in this approach is that of the participant, compared to the observer of action (Guba, 1990).

Contrary to positivism where researchers draw on theory according to a deductive approach in order to test relationships, researchers adopting interpretivism generate and develop a theory or a pattern of meaning inductively, through the collection of data (Creswell, 2009). This inductive process means that the research findings are practically developed as the researcher proceeds (Guba and Lincoln, 1994). As a result, inductive methods promote new theory development and in a way, help researchers expand their scope and knowledge within a specific area of research (Saunders, 2011). Qualitative methods of inquiry are best suited in instances where data collection can provide both contextual information, as well as different perspectives on a phenomenon (Easterby-Smith *et al.*, 2015). As such, the study of a small number of subjects appears to be more appropriate than a larger one, as is the case in the deductive approach (Saunders, 2011). Table 6.2 on the next page presents a synthesis of the primary implications of the positivist philosophical approach compared to the interpretivist standpoint.

Interpretivism has not escaped criticism and has been the object of debate mainly due to the hegemony of the positivist paradigm (Guba and Lincoln, 1994). Being at the opposite extreme of the ontological continuum, interpretivist approaches are highly subjective and are therefore viewed as lacking rigour in two key elements that are dominant in the positivist stance: reliability and validity (Carson *et al.*, 2001). Moreover, the generalizability of research findings obtained through an interpretivist approach is somewhat constrained, as this can be achieved through a quantitative research phase, consistent with the positivist standpoint (Onwuegbuzie and Leech, 2005). On a different note, the success of interpretivist approaches significantly depends on the skills of the researcher who is required to possess some degree of empathy (Williams and May, 1996). From a practical standpoint, the interpretivist processes are viewed as time-consuming, and therefore require patience and practice for the researcher to reach an optimum level of experience (Carson *et al.*, 2001; Easterby-Smith *et al.*, 2015).

Table 6.2. Contrasting implications of positivism and interpretivism.

	Positivism	**Interpretivism**
The observer	Must be independent	Is part of what is being observed
Human interests	Should be irrelevant	Are the main drivers of science
Explanations	Must demonstrate causality	Aim to increase general understanding of the situation
Research progress	Hypotheses and deductions	Gathering rich data from which ideas are induced
Concepts	Need to be defined so that they can be measured	Should incorporate stakeholder perspectives
Units of Analysis	Should be reduced to simplest elements	May include the complexity of 'whole' situations
Generalization	Statistical probability	Theoretical abstraction
Sampling	Large numbers selected randomly	Small numbers of cases chosen for specific reasons

Source: Easterby-Smith *et al*. (2015, p.53).

From all of the above, it becomes clear that both positivism and interpretivism constitute attractive approaches for researchers, albeit constrained by their respective drawbacks. In this view, a third philosophical paradigm is discussed in the next section that in a way reconciles these two polarized approaches: Pragmatism.

6.2.3. Pragmatism

According to Morgan (2007), the emergence of a new paradigm is required to combine two characteristics: it should be able to remedy the problem areas in the existing systems, while at the same time retaining their qualities. Pragmatism is one paradigm that achieves this. Ending the paradigm 'wars' (Feilzer, 2010) between positivism and interpretivism, pragmatism is viewed as a compromise position between these two fundamentally opposed approaches (Johnson *et al.*, 2007). Having emerged in the early twentieth century, this paradigm has ever since been a valuable perspective especially in management research (Easterby-Smith *et al.*, 2015). For Rossman and Wilson (1985), the focus of pragmatists lies in providing a solution to the research problem rather than on the methods per se, and to this end, all available methodological approaches are considered. Echoing this standpoint, Saunders (2011, p.110) supported that "pragmatism argues that the most important determinant of the research philosophy adopted is the research question". Therefore, purely epistemological issues have no major interest for pragmatists: "it is not the abstract pursuit of knowledge through "inquiry" that is central to a pragmatic approach, but rather the attempt to gain knowledge in the pursuit of a desired ends" (Morgan, 2007, p.69). For the followers of pragmatism, a continuum exists between the objective and subjective standpoints and therefore, issues of ontology and epistemology are contingent on the research questions or the issue at hand (Morgan, 2007; Saunders, 2011). A summary of the main differences between the pragmatic approach and the views of positivists (i.e. quantitative) and interpretivists (i.e. qualitative) is illustrated in Table 6.3.

Table 6.3. A pragmatic alternative to the key issues in social science research methodology.

	Qualitative Approach	Quantitative Approach	Pragmatic Approach
Connection of theory and data	Induction	Deduction	Abduction
Relationship to research process	Subjectivity	Objectivity	Intersubjectivity
Inference from data	Context	Generality	Transferability

Source: Morgan (2007, p.71).

Researchers embracing this approach utilize the strengths of both qualitative and quantitative techniques with the ultimate aim of answering the research objectives. In their position paper, Onwuegbuzie and Leech (2005) advocate that pragmatic research offers a myriad of advantages among which the most significant is related to researcher flexibility in terms of strategies of inquiry. For instance, pragmatists are able to employ quantitative data in order to compensate for the limited generalizability of qualitative findings. Conversely, relationships discovered through quantitative research can be explained by the inclusion of qualitative data in a study. In other words, despite the fact that pragmatism does not require a particular method mix and does not exclude another, overall pragmatists call “for a convergence of quantitative and qualitative methods” (Feilzer, 2010, p.3). Therefore, one of the most powerful tools that pragmatist researchers possess, is the option of utilizing mixed methodologies within the same inquiry. As shown in Table 6.3, Morgan (2007) suggests that the pragmatic approach employs an *abductive* reasoning, which comprises of a movement of going back and forth between induction and deduction, in order to inform the research question with the most appropriate methods and techniques. Noted also on the table is the fact that pragmatists adopt an *intrasubjective* approach to the research process. The traditional standpoints have so far argued for either an objective or a subjective relationship with the research process; yet, according to Morgan (2007), such an extreme positioning is considered impossible in practice. Consequently, pragmatists embrace a form of duality by asserting that it is possible for a single ‘real world’ to exist (i.e. objectivism), along with individual and unique interpretations of that world (i.e. subjectivism). Finally, quantitative research is mainly concerned about the generalizability and universality of the knowledge gained from a specific setting; researchers adopting a qualitative approach support that knowledge is specific and context-dependent. The pragmatist however contends that knowledge acquired from a particular environment is evaluated on the basis of its relevance or usefulness when transferred to other settings. Hence, knowledge should be assessed in terms of its *transferability*.

Following the foregoing discussion, it is clear that pragmatists do not confine themselves to extreme philosophical viewpoints (Creswell, 2009), and therefore adopt multiple methods in order to seek practical solutions for the real world (Feilzer, 2010). Such a standpoint is consistent with this researcher’s worldview and is therefore adopted in this thesis in order to shed light to the phenomenon under study. An overview of the associated research design is provided in the next section.

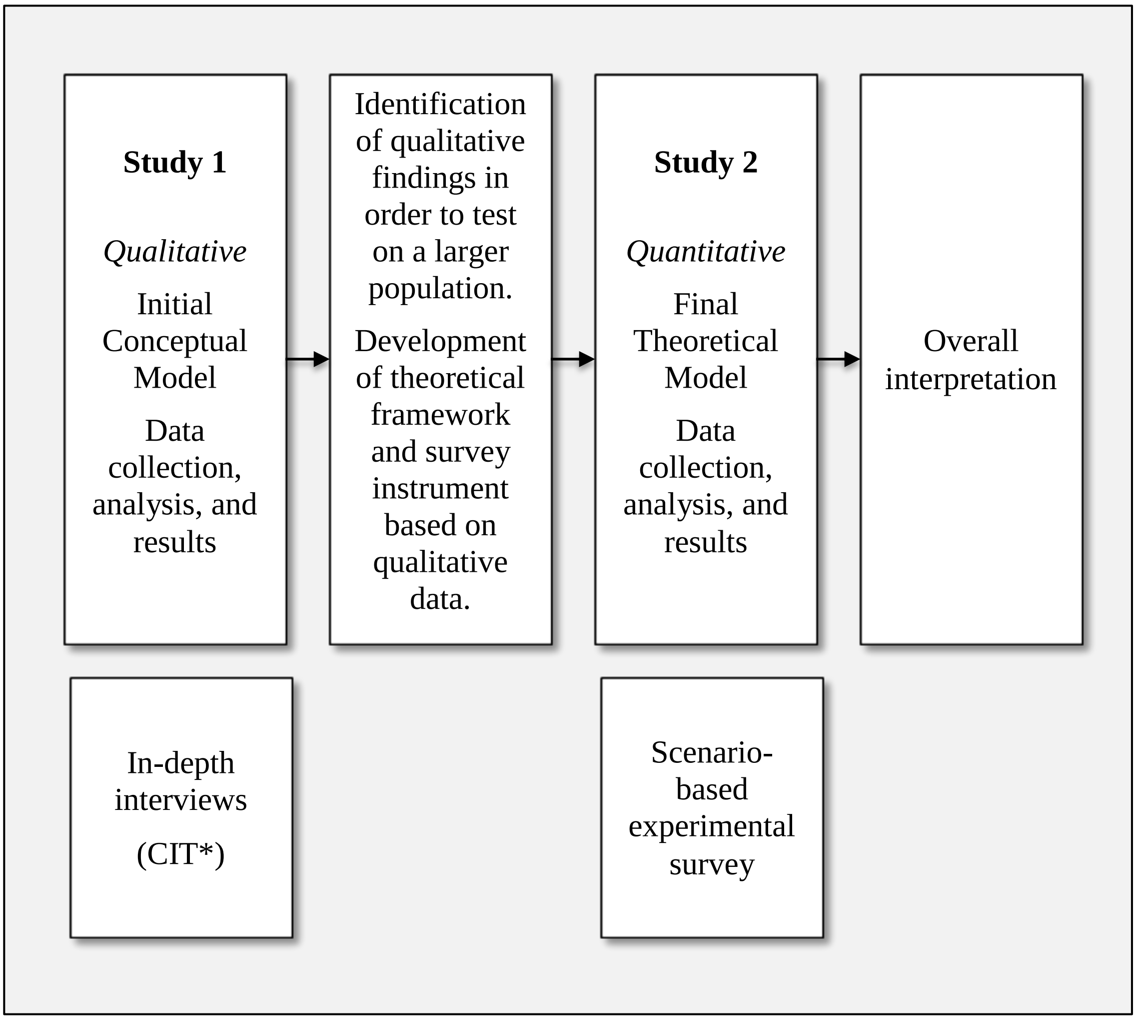
6.3. Research Design

The philosophical standpoint sets the stage for addressing the research objectives for this thesis. As such, Creswell (2009) affirms that a researcher's worldview is likely to determine, to a certain extent, the method that will be employed in a research study. In this vein, Feilzer (2010) demonstrates the relevance of pragmatism to a mixed methods methodology. Mixed methods research in fact constitutes a popular research approach, characterized by its robustness and superiority in terms of providing informative, comprehensive, balanced, and useful research results (Johnson *et al.*, 2007). That being said, there are several families of mixed designs from which a researcher is called to reflect upon (Tashakkori and Teddlie, 2010) in order to select the one that best addresses the research objective (Creswell and Clark, 2007).

In this regard, Creswell and Clark (2007, p.58) propose that research designs can be defined as "procedures for collecting, analyzing, interpreting, and reporting data in research studies". Therefore, deciding upon the development and the implementation of a particular research design is a significant step, as this process will guide the researcher regarding the methodological decisions, as well as the interpretations derived from a study. The present research calls for the implementation of a mixed methods research design, in order to (a) explore a phenomenon that is relatively understudied, and (b) to test a theory on an aggregate level in order to enhance the generalizability of the exploratory findings. In this respect, the most popular of mixing approaches are considered. These include the *parallel* design (qualitative and quantitative data collected concurrently to inform a specific area) (Hesse-Biber, 2010), the *explanatory* design (qualitative data explains quantitative results), and the *exploratory* design (qualitative data informs quantitative data) (Creswell and Clark, 2007). While the first design is executed in one phase, the latter two are accomplished in two stages. With regards to the exploratory design in particular, as it commences with a qualitative phase, it is deemed especially useful in several instances. For example, when no guiding framework or theory is available (Saunders, 2011), when the researcher wishes to identify variables to study quantitatively, or when the aim is to explore a phenomenon in depth and subsequently examine its prevalence (Creswell and Clark, 2007). The present research calls for an investigation of the impact of customer beneficial behaviour towards service employees during the service encounter, an area that as already discussed in the previous chapters, remains largely unexplored. Consequently, the research design commences with a qualitative phase in order to explore this phenomenon in depth.

Creswell and Clark (2007) also make a distinction on the basis of the purpose of an exploratory research design. As such, they distinguish between the *instrument* development model and the *taxonomy* development model. Clearly, the first approach is employed when the researcher wishes to develop and implement a quantitative instrument on the grounds of qualitative findings. The taxonomy development model is appropriate, among other instances, when the researcher aims at identifying theoretical constructs and/or generating a theory in order to test it in a quantitative phase. In this case, the rationale is that the qualitative part of the research serves as a reference point for the formulation of hypotheses and the development of a theoretical framework (Hesse-Biber, 2010). This last point is consistent with the purpose of this research, which aims at (a) exploring the impact of customer beneficial behaviour on service employees (variable identification and theory development), and (b) testing the hypothesized relationships between the previously identified variables (validation). Hence, for this research, a mixed methods sequential exploratory design (taxonomy development model) is adopted and implemented in two phases. The first phase of the research, documented in **Study 1**, draws on the initial conceptual model (*cf.* section 5.4, p.116) and consists of a qualitative exploration of customers' behavioural contribution to the service encounter, for which in-depth interviews employing the Critical Incident Technique (CIT) is employed. Drawing on the initial findings, quantitative research hypotheses are formulated, depicted in a final theoretical model. Following this, a second, quantitative research phase is implemented through a scenario-based experimental survey, which is reported in **Study 2**. Figure 6.3 illustrates this research design process. Both studies are thoroughly described as follows: the remaining of **Chapter 6** documents the design of the qualitative study which is complemented by **Chapter 7**, where a presentation of the study's findings is reported along with a series of research hypotheses. The process for **Study 2** is described in **Chapters 8** and **9**.

Figure 6.3. Sequential exploratory mixed-methods research design.



*CIT: Critical Incident Technique.

6.4. Methodological Considerations for Study 1

The first phase of the research process commences with a qualitative study aiming at elucidating the previously reported research gaps. The following sections provide a comprehensive justification for the rationale underpinning the employment of a qualitative method, as well as a detailed account for the choice of a particular qualitative technique (CIT) over others.

6.4.1. Justification of the Qualitative Method

The design of a research project involves a prior examination of how much is already known on the issue under investigation, as well as a consideration of both the nature of the research problem and the objectives of the research (Shaw, 1999). In this respect, a prior review of the existing literature underlined the scarcity of studies that provide a thorough understanding of the impact of customer beneficial behaviour on service employees. Consequently, there is a need for further knowledge on the issue under study and therefore, an exploratory methodology is considered the appropriate instrument that will assist in generating rich theory building insights (Denzin and Lincoln, 2000). As such, since the aims of the present thesis involve gaining a better understanding of a phenomenon through the exploration of the life experiences of a designated sample, a qualitative method of inquiry is adopted (DiCicco- Bloom and Crabtree, 2006; Creswell, 2009). Qualitative research methods have a definite scope, which is clearly discernible from quantitative methods. That is to say, quantitative inquiry is designed to test a priori hypotheses and is based on statistical inference in order to make generalizations from the research sample to the population. On a different note, the main objective of qualitative inquiry is to understand a phenomenon by capturing participants' experiences, perceptions, and motivations (Forman and Damschroder, 2008). Qualitative interviews are suitable for contributing both theoretically and conceptually towards this end (Blancero and Johnson, 1997; DiCicco- Bloom and Crabtree, 2006).

Specifically, the use of interviews aimed at exploring a broad research aim divided into three research objectives:

Research aim**:** *To investigate how customer behaviours contribute positively to the service encounter through their impact on service employee behavioural responses.*

The research objectives are set as follows:

Objective 1: To determine the customer behaviours that are perceived as beneficial by service employees during the service encounter.

Objective 2: To examine the influence of a customer's beneficial behaviour on service employees' reciprocal behavioural responses towards the customer.

Objective 3: To assess the extent to which customer beneficial behaviours influence service employees' behavioural responses towards other customers in the service setting.

The Critical Incident Technique was the instrument of choice in order to initially explore these research objectives, as explained next.

6.4.2. Justification of In-Depth Interviews and CIT

In-depth interviews constitute a common method of data collection in those instances where the researcher wishes to carry out a profound investigation of social and personal matters of the interviewee (DiCicco- Bloom and Crabtree, 2006). In particular, the *Critical Incident Technique* (CIT) employed in **Study 1** constitutes a robust methodology for discovering more about behaviours underlying service encounters (Blancero and Johnson, 1997). Initially, the development of the technique aimed at gathering information on effective and ineffective job behaviours (Flanagan, 1954), and has ever since been widely employed in studies in the field of services marketing (e.g., Bitner *et al.*, 1994; Bitner *et al.*, 1990; Chell and Pittaway, 1998; Gabbott and Hogg, 1996; Garma and Bove, 2011; Grove and Fisk, 1997; Hoffman *et al.*, 2003; Keaveney, 1995). The use of the CIT is viewed as conducive to acquiring rich knowledge in the present research as, apart from few exceptions (e.g., Bitner *et al.*, 1994), most studies investigating critical incidents have focused almost exclusively on the customer's perspective of the service encounter (Chung- Herrera *et al.*, 2004). Therefore, the implementation of the technique at the other end of the interactive party (i.e. the service employee) aims at generating an insightful understanding on what is perceived as a 'critical incident' during the service encounter.

In theory, a critical incident consists of a situation where one party's expectations with regards to the service encounter are disconfirmed (Chung- Herrera *et al.*, 2004).

A disconfirmation of expectations can be either negative, in which case the interacting party's behaviour is inferior to the one that is expected. A positive disconfirmation occurs when the other party's behaviour exceeds normative expectations. Given that the present research objective focuses on customer beneficial behaviour, a critical incident was defined as an occurrence during which employees perceived customers as having exceeded their expectations through their behaviour towards them. In simple terms, critical incidents were viewed as those instances where customers went 'above and beyond their expected role' to benefit the service employees. As such, service employees were asked to elaborate on factual incidents during which they were the recipients of this type of behaviour from their customers.

Study 1 employed the CIT for several reasons. The primary advantage of this technique lies in the fact that it allows the interviewer to gain an understanding of the respondent's perception of an incident so as to enhance the 'richness' and the 'depth of the data' (Edvardsson, 1992). This is achieved by collecting data based on verbatim stories that are described by the participants (Gremler, 2004). Therefore, service employees were given the opportunity to describe firsthand personal experiences that they considered to be significant in some way, a process that offers noteworthy insights into the phenomenon under study. In addition, being inductive in nature (Gremler, 2004), this method is well suited to exploratory studies where a thorough understanding is required due to a lack of sufficient prior research.

All in all, the CIT constitutes a powerful technique (Gremler, 2004). Despite the many benefits related to the CIT in generating rich insights and contextual intricacies, it is also subject to criticism. Therefore, as a retrospective method, it is disadvantaged by recall biases, over- or under-reporting of actual events, while it is sensitive to socially desirable reporting (Gremler, 2004). Hence, despite the fact that retrospective data are permissible in this approach (Woolsey, 1986), by asking service employees to recall past incidents, there exists a possibility that events might not have been remembered with accuracy or may have been biased by the respondent with the passage of time. Furthermore, the CIT is incontestably a subjective procedure (Flanagan, 1954). However, in the present case the trustworthiness of the qualitative study results was evaluated via the process of inter-coder reliability assessment, in order to ensure the credibility, transferability, and dependability of the findings.

6.5. Justification of the Research Context

Regarding the appropriate context for conducting **Study 1**, a number of factors were taken into account prior to arriving at a final decision. Firstly, it was deemed that the hospitality context, as being the world's largest industry (Chung- Herrera *et al.*, 2004), would offer a fruitful area to research. In addition, hospitality-related businesses constitute a popular work environment characterized by the diversity of customer and service employee interactions, as opposed to professional services such as consulting (Chung- Herrera *et al.*, 2004). The selected hospitality-related context for the fieldwork should also be interaction-intensive in order to allow for a high amount of customer contact points. Furthermore, it can be argued that the balance of power between customers and service employees varies depending on the type of service context (Shamir, 1980). As such, contrary to more professional services, customer-employee interactions in the hospitality industry are characterized by the fact that the authority lies with the customer whereas the employee is viewed as a subordinate (Laing *et al.*, 2005). Consequently, it was decided that the interviews should target service employees from a labour-intensive environment representing such a power imbalance between the interacting parties, as the impact of customer helping behaviour on service employee behaviour would be more salient in this context (Brotheridge and Lee, 2002; Zimmermann *et al.*, 2011).

In light of the above, waiting personnel were deemed to constitute a plausible sample, as these employees are likely to be particularly exposed to emotional demands (Bakker and Demerouti, 2007), i.e. frequent experience of emotionally demanding circumstances, such as complaints, impoliteness, and intimidation (Bakker *et al.*, 2005). For instance, it has been previously shown that waiting personnel regularly suffers from customer incivility (Han *et al.*, 2016). Therefore, it was reasoned that interviews from employees in the restaurant industry would increase the likelihood of capturing prominent stories of customer kindness. Adding to this, although waiting personnel often endure some of the worst working conditions, the service encounter in a typical restaurant is characterized by a mutual expectation of a quid pro quo from both the service employee and the customer (Kivelä and Chu, 2001). This means that despite the power imbalance inherent in customer-employee interactions in restaurants, waiting personnel hold expectations for reciprocal behaviour from their customers. Finally, the restaurant industry is characterized by its notable service employee emotional displays compared to other service contexts that are more functional in nature such as banking or car-washing (Wang, 2014). As such, it would be logical to deduce that due to their high frequency and intensity of interpersonal contact, these customer service roles are also susceptible to burnout (Singh, 2000). Therefore, it can be inferred that waiting personnel would be particularly appreciative of beneficial actions from customers. In considering all of the above, waiting staff of full service restaurants was viewed as being representative of the required features for conducting the interviews.

6.6. Interview Procedure

The interviews were conducted in-person on an individual basis in Greece, in the participants' native language (Greek), and over the course of several weeks. All of the participants had experience in the restaurant industry as waiting personnel. The contact with potential informants was made through managers and owners of restaurants in Greece, who in turn recruited the individuals for the interviews. The presentation of the research was truthful but vague during the first contact with the gatekeepers in order to avoid the eventuality of a direct refusal to participate on the basis that the interview might be perceived as intimidating (Cieurzo and Keitel, 1999). The purpose of the research was described as an investigation of customer positive behaviours towards waiting personnel, rather than an examination of the impact of these behaviours for service employees along with their subsequent behavioural response. Once the access was granted, the gatekeepers received an information sheet providing a description of the aim of the research and of the interview process.

A basic requirement transcending any interview process is the need to initially establish rapport with the interviewees (Fontana and Frey, 1994). One way of achieving this is by ensuring the participants' convenience with regards to the interview, as this has the ability to maximize the potential of building rapport with them (DiCicco- Bloom and Crabtree, 2006). To this end, each interview was scheduled at the participants' work premises at a time that would not interfere with the operation of the restaurant. In addition, time was spent at the beginning of the interviews so as to set the participants at ease and to develop rapport with them (Fontana and Frey, 1994). Twenty-nine interviews were conducted in total and each interview lasted between thirty minutes to one hour. The interview started with a preliminary presentation of the purpose of the research, and all participants were guaranteed anonymity and confidentiality. These details were also clearly explained and contained in the information sheet provided to all participants. This introductory clarification intended to reinforce the cooperation during the actual interview (Carson *et al.*, 2001). Following this introduction, participants were given time to read and to sign the consent form, and to complete a short demographics profile. A copy of each of these two documents presented to and completed by the informants is attached in **Appendix 1** (p.357) and **Appendix 2** (p.358).

Each interview was audio recorded following the permission received by the participants. The interviews were in-depth and were conducted with the aid of an interview guide (Table 6.4, see next page), which provided the focus on the issues that needed to be covered. To begin with, introductory, general, work-related questions were asked in an attempt to 'break the ice' (Fontana and Frey, 1994). For example, "*What is it that you enjoy most about your job?*" or "*Can you tell me about your occupation?*" were some of the opening questions employed.

After this initial phase, the main part of the interview progressed with a focal question, which inquired about participants' views on customer expectations regarding the behaviour of waiting staff during the service delivery. This was asked in order to establish the participants' perceptions of their role vis-à-vis their customers. Following this, informants were asked about their own expectations from customer behaviour during the service encounter. This part was discussed in order to establish the point of balance in the interaction between the two parties, i.e. what behaviours would theoretically lead to a smooth and harmonious service encounter for both parties according to service employees.

Table 6.4. Discussion guide for in-depth interviews.

1)	**Introduction**	○ Self introduction of the interviewer ○ Explanation of the purpose of the meeting ○ Explanation of the research objectives ○ Guidance of interviewee through the information sheet and consent form ○ Introduction of interviewee/completion of the demographics form
2)	**Description of service work**	○ Description of work context ○ Overview of job requirements regarding interaction with customers (i.e. service employee expected behaviour) ○ Interviewee expectations from customer behaviour
3)	**Past experiences from the interaction with customers**	○ Identification of (2-3) key incidents where customer behaviour exceeded service employee expectations and ask for detailed description ○ Investigation of the incident on three levels: ▪ State before the incident - Interviewee's mood - Restaurant busyness - Interviewee's relationship status with customer ▪ State during the incident - Description of the incident - Feelings/Thoughts with regards to the incident and the customer ▪ State after the incident - Outcome of the incident (positive/negative/neutral) - Interviewee's behavioural reaction - Reciprocation/No reciprocation - Justification of reaction - Effects on future relationship with customer - Impact on service delivery to other customers
4)	**Conclusion and final comments**	○ Depiction of potential incidents perceived as negative ○ Description of who is perceived as a 'desirable' customer ○ Thanking the interviewee

The central part of the interview examined those instances where customer behaviour exceeded service employees' expectations, in order to address the first research objective, i.e., to determine the customer behaviours that are perceived as beneficial by service employees during the service encounter.

These questions were asked in a non-intimidating manner in order to encourage the participants to share their personal experiences. An example of this type of question was "*Can you please recall and tell me about specific incidents where a customer voluntarily acted in a way that was not expected but that has benefited you in some way during the delivery of service?*". In particular, it was explained that these incidents should involve past customer behaviour that exceeded their expected role by being especially helpful, kind, considerate, or thoughtful, and that benefited the respondent in some way, while not being required of them in order to obtain service. A visual aid was also provided in order to allow for respondents to be able to recall the question in written form during the interview process.

As the aim was to gain a holistic view of the experiences discussed, the reported critical incidents were approached as a process rather than as a specific situation. In particular, probing questions aimed at unveiling the state of the employee prior to the incident in an effort to determine whether specific contextual factors might privilege or hinder the outcome of the incident. Examples of this type of questions include "*Can you recall if there was anything particular about the day that this occurred?*" or "*What was your relationship with that customer?*". Guided by the research objectives, probing questions were employed to reveal the participants' reactions to specific customer behaviours. Examples of this type of investigative questions include "*How did that make you feel?*", "*How do you perceive this behaviour?",* "*What was your reaction to this behaviour?*", "*Could you please elaborate on that?*". These questions aimed at helping the interviewees delve deeper into their thoughts and feelings.

Next, participants were encouraged to share the outcome of the incident on a behavioural level in order to investigate whether a mechanism of reciprocation was triggered, in line with the second research objective. In the event of a favourable reciprocal behaviour, the interviewees were asked to develop the reason for engaging into such actions, the form of reciprocation, as well as the perceived or actual impact of these behaviours to the recipients. In case respondents did not mention a return of the benefit to their benefactor, questions were also made so as to clarify the underlying reasons for a lack of reciprocation. This was asked in order to examine the potential factors that did not facilitate this type of initiative on the part of the respondents. Lastly, in relation to the third research objective, informants were asked whether and in what way such instances of customer positive actions might have influenced their subsequent behaviour towards the other customers.

It is worth noting that additional questions also arose from the ensuing dialogue, which were principally driven by the participants' responses (Guiry, 1992). Surprisingly, the majority of the informants demonstrated a particular keenness to make reference to some form of incident of customers engaging in negative behaviour, primarily in the frame of contrasting it to previously described positive incidents. Perhaps such a willingness can be attributed to the fact that people typically do not pay as much attention to positive incidents as they do to negative ones (Bono *et al.*, 2013). Although not the primary focus of the research, these incidents were also recorded as they provided significant insights that would contribute to the understanding of what is perceived as positive behaviour by service employees. Furthermore, reported customer negative behaviours were documented with the aims of being employed during the quantitative phase of the research (**Study 2**).

Overall, the interviews adopted a 'friendly' tone so as to gain the participants' trust and encourage them to elaborate on the issues discussed (DiCicco- Bloom and Crabtree, 2006), while not deviating from the guidelines of the topics that required to be covered (Fontana and Frey, 1994). Care was also taken to minimize social desirability responding (Chung and Monroe, 2003) by employing indirect questioning, a form of projective technique that mitigates the effects of this phenomenon (Fisher, 1993). For instance, hypothetical scenarios or personal experiences were brought up from the restaurant industry so as to stimulate the participants to provide their viewpoint on similar issues. An example of this type of question was "*As a customer I have at times made room on the table to assist the waiter when bringing the plates, what do you think about this behaviour?*" This indirect technique was used on the basis that it would encourage the participants to disclose information on their perceptions rather unselfconsciously (Smith and

Albaum, 2005). Also, as previously noted, later interviews were informed from the discussions of prior interviews, as this allowed for asking more direct clarifying questions which drew on earlier informants' responses.

Finally, as mentioned earlier, the whole interview process was conducted with the aid of a discussion guide (*cf.* Table 6.4, p.141). This guide outlined a broad agenda of the issues to be investigated and contained topics and probes for further exploration (Wilson, 2011). The initial conceptual model developed in **Chapter 5** served as the basis for building this guide, which would eventually contribute to exploring and identifying the constructs of interest.

6.7. Sample

The main criterion guiding the selection of the potential candidates to participate in **Study 1** was to ensure that the sample would be fairly homogenous and would bear key similarities (DiCicco- Bloom and Crabtree, 2006). To this regard, the choice of the participants was based on an iterative process known as purposive sampling. The main objective of the latter is to ensure that participants will be able to provide rich information so as to enable the development of a comprehensive understanding of the issue in question (Marshall, 1996; Shaw, 1999). As such, a number of the factors that could influence the participants' contribution was taken into consideration (Marshall, 1996), such as being a knowledgeable sample with extensive participation in service encounters that could provide rich insights on customer behaviours. Therefore, the sample for **Study 1** consisted of adults (18 years old or over) working as waiting personnel in full-service restaurants in Greece. This sample was selected on the basis of the experience and expertise that was required from participants in order to effectively inform on the phenomenon under study. Such a selection would help to develop a comprehensive understanding of the impact of customer beneficial behaviour on respondents' experience with the service. Moreover, as the CIT involves the sample to be determined by a satisfactory coverage of incidents, there was no pre-determined sample size. Therefore, the incidents collected were deemed adequate when the interviews reached a threshold where no new themes emerged. In general, the variation of a phenomenon reaches saturation at around twenty participants

(Sandberg, 2000). For the present study, the sample consisted of twenty-nine informants, which is therefore higher than the minimum sample size required.

An overview of the characteristics of the sample is presented in Table 6.5 below and in Table 6.6 on the next page. In total, twenty-nine service employees, working as waiting personnel in full-service restaurants in Greece participated in **Study 1**.

Table 6.5. Type of restaurant, gender, and age of informants.

Interview #	Type of Restaurant (Gender)	Age	Interview #	Type of Restaurant (Gender)	Age
1	Hotel (M)	39	**16**	Hotel (F)	28
2	Hotel (F)	25	**17**	Upscale	37
3	Hotel (F)	37	**18**	Casual (M)	36
4	Hotel (M)	39	**19**	Upscale	42
5	Hotel (F)	50	**20**	Upscale (F)	24
6	Hotel (F)	45	**21**	Upscale	33
7	Casual (F)	33	**22**	Upscale	44
8	Casual (F)	43	**23**	Upscale	47
9	Casual (M)	44	**24**	Upscale	42
10	Hotel (M)	39	**25**	Casual (F)	35
11	Hotel (M)	24	**26**	Casual (F)	44
12	Casual (M)	39	**27**	Hotel (F)	21
13	Hotel (M)	34	**28**	Hotel (F)	22
14	Hotel (F)	39	**29**	Hotel (F)	21
15	Hotel (M)	25			

In order to ensure the diversity of the sample, care was taken in recruiting participants who had experience in different types of restaurants, including upscale (habitually accessible to affluent customers and involving employee highly scripted behaviour), casual (accessible to all customers, involving less rigidly scripted behaviour), and hotel restaurants (involving repeat customers, typically on a daily basis, for a specific amount of time). Such a breakdown was performed in order to gain further potential insights on the respondents' responses to customer beneficial actions under different conditions. The sample was almost equally divided between male and female participants, whereas the age of the respondents ranged from 21 to 50 years old. Mean age was 35.5 years (*SD*=8.6).

Table 6.6. Description of the sample.

Feature		**n**	**%**
Gender	Male	15	51,7
	Female	14	48,3
Years of experience	≥ 6 years	18	62,1
	< 6 years	11	37,9
Full/Part time	Full-time	28	96,6
	Part-time	1	3,4
Type of restaurant	Hotel	15	51,7
	Casual	7	24,1
	Upscale	7	24,1

Also, as shown in Table 6.6, the majority of the participants had several years of experience as waiting personnel (> 6 years), while apart from one respondent, all of them were employed on a full-time basis in this particular job position. This confirms that that they had sufficient experience of the labour-intensive nature of this type of work.

6.8. Data Analysis Procedure

Ideally, the analysis of the qualitative data and the data collection occur concurrently, thereby following an iterative process. This process is recommended for three reasons: first, it allows the researcher to gain an emerging understanding about the phenomenon under study; second, it informs the subsequent interviews; and third, it signals the saturation of the data (DiCicco- Bloom and Crabtree, 2006; Woolsey, 1986). The data analysis for **Study 1** was organized according to this iterative process. In particular, several steps of the data analysis described in this section were performed during the fieldwork (interview transcription, identification of critical incidents, deductive analysis), and note taking was involved in order to assess data redundancy. However, data analysis was systematically performed upon completion of the data collection process, when saturation of the data was observed.

The data analysis procedure started with each audio file of the interviews being transcribed verbatim into computer word processor documents (Microsoft Word) by the researcher. All scripts were rigorously compared to the recordings in order to ensure their accuracy. Next, a number was assigned to each interview, and an immersion phase followed, which allowed the researcher's familiarization with the transcribed material and getting a sense of the shared meaning of the respondents (Elo and Kyngäs, 2008). Subsequently, the preliminary analysis of the interviews comprised of a thorough reading of the transcripts so as to identify the reported critical incidents. It is generally recommended to provide precise definitions of what constitutes a critical incident (Gremler, 2004). Therefore, in order to qualify as critical, the incidents were required to meet the following criteria:

1) involve service employee-customer interaction;
2) refer to incidents of past customer behaviour directed towards service employees that they thought somehow exceeded their expectations, i.e. that they were perceived as particularly helpful, kind, considerate, thoughtful, or that benefited the employee in some way (Garma and Bove, 2011);
3) have sufficient detail to be visualized by the researcher.

Further to multiple thorough reviews of the transcribed interviews, the researcher identified and extracted sixty-one critical incidents from the dataset fulfilling the predefined criteria. Each incident was copied and pasted into a single separate document. Following this, all incidents were numbered, and a separate coded number was assigned to them in order to be able to cross-reference each incident to the original transcript. On this note, it has become customary for a second person, other than the researcher, who is familiar with the CIT to independently extract a number of critical incidents from the transcribed interviews, i.e. typically twenty five percent of the total critical incidents (Butterfield *et al.*, 2005). However, the identification of critical incidents “requires subjective interpretation, contextualization, and especially a thorough understanding of the theoretically motivated questions guiding the study” (Campbell *et al.*, 2013, p.304). Therefore, in considering (a) that the researcher had the necessary in-depth knowledge of the research objectives; (b) that the inclusion criteria of the critical incidents were driven by the literature (see point 2 in previous page); (c) the straightforwardness of the incidents described by the respondents; and (d) issues relating to time and effectiveness, the researcher solely assessed this stage of extraction. Nevertheless, the independent judges involved in the intercoder reliability process at a later stage separately evaluated whether the previously extracted passages corresponded to the predefined criteria, which qualified an incident as ‘critical’ or not. At that point, no differing opinions were observed between the judges. This enhanced the credibility of the fact that all incidents fulfilled the criteria for inclusion to further analysis as being critical, and hence, conducive to the overall research objectives (Bitner *et al.*, 1990).

Next, content analysis was undertaken in order to address all research objectives and this process essentially consisted of two components: (a) the organization of the data with the aims of structuring and ordering the collected material, and (b) the interpretation of the data so as to establish the meaning of the data in relation to the research objectives (Wilson, 2011). During the content analysis, the incidents described by the informants were examined holistically and were approached as a sequential process involving (a) potential antecedent information (e.g., what were the specific conditions leading up to the incident); (b) detailed description of the experience of the incident itself (e.g., cognitive, affective responses); and (c) outcome of the incident (e.g., behavioural responses). The content analysis process overall involved open coding, which allowed generating initial codes by reviewing all the transcripts involving critical incidents and by exploring the data. Coding as a procedure entails two steps: (a) creating a codebook that corresponds to the themes observed in the transcribed responses, and (b) judging whether each code is present in each unit of observation, or in more simple terms, in each predetermined segment of text (Hruschka *et al.*, 2004). As such, codes basically “represent topics, concepts, or categories of events, processes, attitudes or beliefs that represent human activity, and thought” (Forman and Damschroder, 2008, p.48). Several methods are offered in order to complete this data categorization process, however, it is up to the researcher’s preference as to how this procedure is performed (Wilson, 2011). All transcribed interviews were printed and the data was coded through a pen on paper method, based on quotes and observations of behaviours and events that led up to specific actions of the respondents. This ‘preliminary coding’ consisted of reviewing the transcribed material, underlining, highlighting, and taking notes on passages that were deemed relevant to the aims of the research (Forman and Damschroder, 2008). Examples of the codes that were generated through this process include ‘*polite behaviour*’, ‘*feeling appreciated*’, ‘*positive mood*’, etc. Following this step, and similar to the cut-and-paste method (Wilson, 2011), quotations along with their codes were exported into a table and categorized into relevant themes (or categories) by assigning them with related titles. Themes essentially “reflect a higher level of interpretative understanding” (Forman and Damschroder, 2008, p.57). For instance, codes such as ‘*feeling uplifted*’, ‘*psychology boosted*’, or ‘*better mood*’ were sorted under the category titled ‘*affective state*’. It is worth noting that all interviews were reviewed as a whole prior to arriving at a final categorization scheme of the incidents through a trial and error method (Woolsey, 1986). Finally, care was taken in order to ensure that the title assigned to each category in the codebook (e.g., courtesy) was meaningful in and of itself (Flanagan, 1954). However, definitions and full descriptions of the categories were also developed to be later employed in the intercoder reliability process.

6.8.1. Content Analysis for First and Second Research Objective

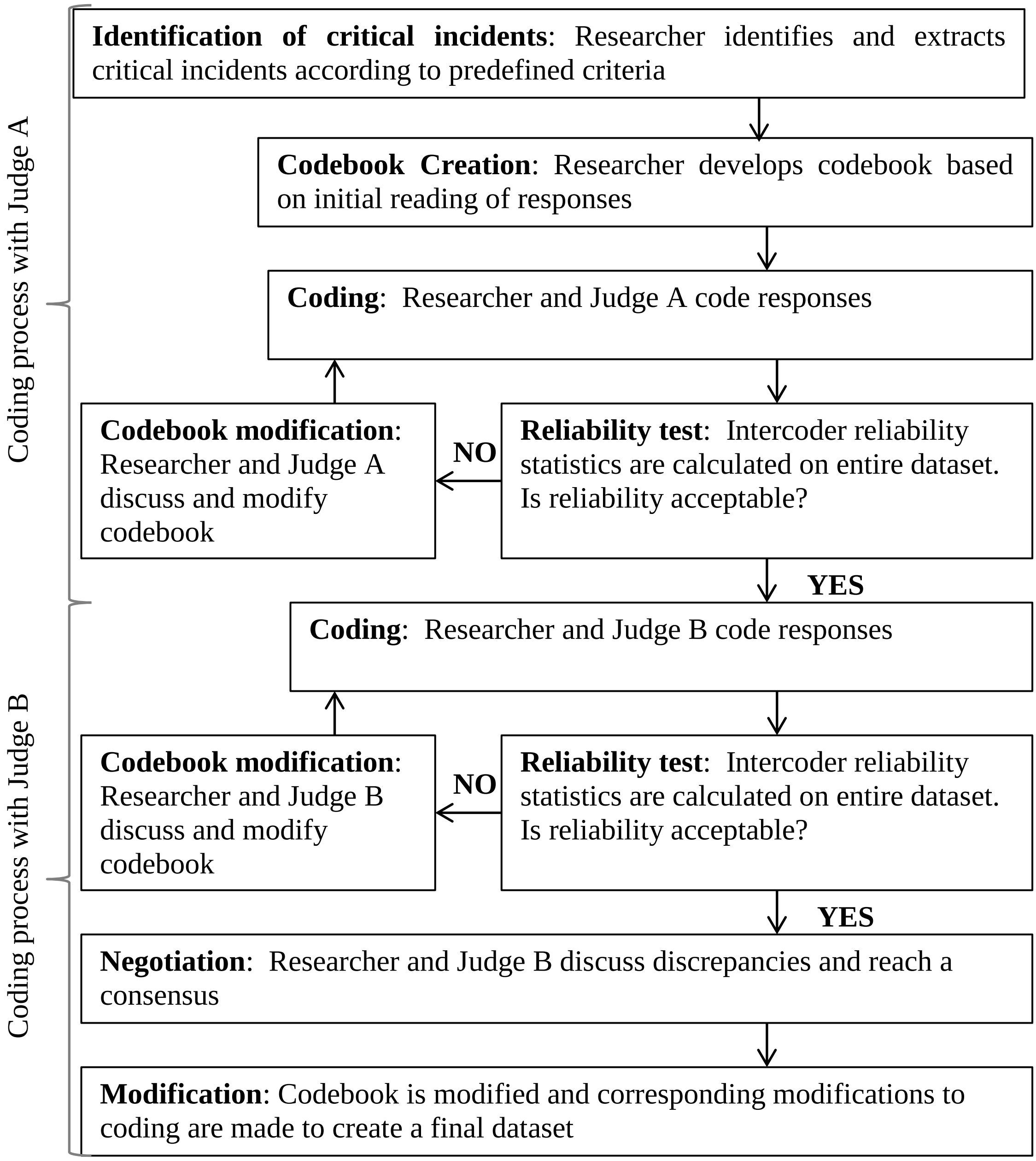
The first research objective aimed at exploring the customer behaviours perceived as beneficial by service employees, whereas the second objective investigated the impact of customer beneficial behaviour in terms of the service employees' reciprocal behavioural responses towards their benefactor. In order to investigate both objectives, three questions were examined:

1. Which customer behaviours are perceived as beneficial for and by service employees?
2. Do service employees reciprocate the benefit received?
3. How do service employees reciprocate?

In other words, the content analysis process for the researcher and the two independent judges involved a three-step procedure of assessing each critical incident. As it is possible for researchers themselves to serve as coders (Lombard *et al.*, 2002), each critical incident was sorted into the categories by the researcher through the use of a coding form. Therefore, content analysis for the first two research objectives began by the researcher reading and rereading the critical incidents in order to: (a) develop a classification scheme reflecting customer beneficial behaviours towards service employees, consistent with the a priori categories (deductive); (b) assess the incidents that made reference to some form of reciprocation (inductive, first level); and (c) establish a second classification scheme regarding these reciprocal behaviours (inductive, second level).

Despite the fact that there seems to be a lack of rigorous scholarly recommendations for establishing trustworthiness of the results in a CIT study (Butterfield *et al.*, 2005), several options for credibility checks are offered to researchers, one of which involves the individual assessment of the incidents by one (or more) independent judges (or coders). As such, in order to ensure that the classification scheme did not reflect the bias of one coder (Lacy and Riffe, 1996), intercoder reliability was performed. According to Lombard *et al*. (2002, p.589), intercoder (or interjudge) reliability (or agreement) refers to "the widely used term for the extent to which independent coders evaluate a characteristic of a message…and reach the same conclusion". Intercoder reliability is mainly used in order to ensure rigour in content analysis (Forman and Damschroder, 2008), thereby enhancing the reliability of the findings (Gremler, 2004). Gremler (2004) highlights that the intercoder reliability procedure typically requires two or three judges. The stage of the analysis relating to the first two research objectives included three judges in total (i.e. the researcher and two independent judges). Therefore, a doctoral marketing student served as a first independent coder (judge A) and a practitioner as a second one (judge B), and both repeated the same procedure so as to establish the level of agreement with the researcher (Lombard *et al.*, 2002; Neuendorf, 2002). Specifically, the intercoder reliability assessment procedure followed a sequential process. Hence, two separate progressive phases between the researcher and each independent judge were implemented. An overview of the general flow of the process for generating intercoder reliability is illustrated in Figure 6.4 (see next page), whereas a more detailed description follows in Table 6.7.

Figure 6.4. Process for generating intercoder reliability.



Source: adapted from Hruschka *et al.* (2004).

Table 6.7. Steps for intercoder reliability assessment.

Process step	Performed by	Activity	Quality control
1. Identification of Critical Incidents and Extraction	Researcher	Going through transcripts and extracting identified critical incidents	• Literature-driven predefined categories and fulfilling critical incident requirements • Check by two independent coders whether critical incidents met critical incident requirements
2. Codebook creation	Researcher	• Examination of critical incidents and creation of themes • Classification of incidents into relevant themes through coding form	ICR* with two independent coders
3. Independent coding	External Coder (Judge A)	Classification of incidents into relevant themes through coding form	First round of ICR with Judge A (*cf.* Table 6.10, p.159 and Table 6.11, p.160)
4. Negotiation phase	Researcher and Judge A	• Discussion on problem definitions • Recoding of data with initial disagreement • Modification of codebook	Second round of ICR with Judge A
5. Independent coding	External Coder (Judge B)	Classification of incidents into relevant themes through coding form	First round of ICR with Judge B (*cf.* Table 6.10, p.159 and Table 6.11, p.160)
6. Negotiation phase	Researcher and Judge B	• Discussion on problem definitions • Recoding of data with initial disagreement • Modification of codebook	Consensus between researcher and Judge B

*ICR: Intercoder Reliability

As illustrated, the intercoder reliability procedure started with judge A, and once completed, the same procedure was undertaken with judge B. On this note, one difficulty that researchers may encounter during the intercoder reliability assessment process is the experience of 'interpretive convergence'. This phenomenon occurs when consensus is achieved between a single team of coders as a result of a series of repeated discussions about a number of text segments that eventually cause the coders' interpretations to converge (Hruschka *et al.*, 2004). That is to say, consensus in these cases may be more likely due to recurring negotiations between the same coders, rather than a result of codebook clarification. This potential pitfall was avoided in **Study 1**, as the coding process involved two sequential steps. During this procedure, the improved codebook was relayed from judge A to judge B, who was not included in prior discussions and who independently applied the codebook to the same set of texts.

To begin with, each coder was given the following material: a) a description of the criteria for qualifying an incident as 'critical' (see p.147); b) a codebook, which included the researcher's titles and associated descriptions of the literature driven (deductive step) or tentative categories (inductive steps) to be assigned to each incident. One extra category labeled 'miscellaneous' was added to accommodate incidents that would not apply to any of the predetermined categories, and that would allow the refinement or even the elimination of any of the a priori categories (Campbell *et al.*, 2013; Forman and Damschroder, 2008) at a later stage. Instructions for the coding procedure were also included in the codebook; c) a document with the numbered transcriptions of the critical incidents; and d) a coding form, identical to the one completed by the researcher. Training of the coders was also performed by the researcher prior to the assessment, in order to develop familiarization with the codebook and operational definitions (Gremler, 2004). Next, a series of coding rounds took place which consisted of an iterative process of (1) coding, (2) reliability assessment, (3) recoding of data with initial disagreement and (4) codebook modification (Hruschka *et al.*, 2004).

Therefore, each coder independently assigned the incidents to the categories through the use of the coding form. Habitually, twenty-five percent of the total critical incidents are randomly chosen by the researcher to undergo the intercoder reliability check (Butterfield *et al.*, 2005). However, for **Study 1**, all sixty-one critical incidents were sorted into categories by both coders (Campbell *et al.*, 2013; Hruschka *et al.*, 2004), thereby lending support to the credibility of the findings. Following this procedure, each coder provided the coding form to the researcher and results were compared and contrasted. The guidelines offered by Lombard *et al.* (2002) were followed in order to assess the level of agreement between the coders. Specifically, four main reliability coefficients are available to researchers in order to assess intercoder reliability (see step 2 in previous page). An overview of these coefficients is summarized in Table 6.8 below.

Table 6.8. Indices for intercoder reliability assessment.

Index	Level of Measurement	Number of Coders	Coefficients
Percent Agreement	Nominal	Pairs of coders	0.00 (no agreement) to 1.00 (perfect agreement)
Scott's Pi	Nominal	Two	>.90 = acceptable in all situations
Cohen's Kappa	Nominal	Two (Adapted for multiple)	>.80 = acceptable in most situations
Krippendorff's Alpha	All	Multiple	.70 = typically used in exploratory research

Source: Lombard et *al*. (2002).

On the one hand, with regards to percent agreement, percentages above .90 are broadly deemed satisfactory (Miles and Huberman, 1994). Gremler (2004, p.75) in particular maintains that "in service research CIT studies, the generally accepted, although informal, rule of thumb for a lower limit for suggesting that judges' coding decisions are reliable appears to be a value of .80". On the other hand, notwithstanding its common use in service research (Gremler, 2004), scholarly recommendations suggest that intercoder reliability should not be solely evaluated on the basis of percent agreement; rather, it should be complemented by other, more sophisticated indices (e.g., Krippendorff's *alpha*) that take into consideration the possibility of coders occasionally agreeing by chance (Campbell *et al.*, 2013; Hruschka *et al.*, 2004; Lombard *et al.*, 2002). This is especially important in cases such as the present one, as few codes between two coders may inflate agreement percentages (MacPhail *et al.*, 2016). That being said, looser standards may be permissible for more complicated indices such as the ones figuring in Table 6.8, in cases of exploratory research (Hruschka *et al.*, 2004; Lombard *et al.*, 2002). For example, when exploring customer experience, Lemke *et al.* (2011) work with a 79% ICR, while Micheli *et al.* (2012) had an acceptable ICR range of 64%-74% when exploring perceptions of industrial design. Osei-Frimpong *et al.* (2017, in press) achieved an 85% agreement of coders in their value co-creation study. For the present study, apart from percent agreement, Cohen's *kappa* (Cohen, 1960, 1968) was selected as a conservative index in order to account for agreement expected by chance. In particular, whereas percent agreement calculates observed agreement between coders, Cohen's *kappa* includes a calculation for expected agreement. In addition, Cohen's *kappa* is suitable for nominal level variables, and despite the fact that it can be adapted for multiple coders (Lombard *et al.*, 2002), it is typically used to evaluate cases between a coding team of two members (Hruschka *et al.*, 2004; MacPhail *et al.*, 2016). Furthermore, Lombard *et al.* (2002) argue that Cohen's *kappa* is traditionally the index of choice, whereas it is commonly used in studies involving coding of behaviour. Alternative measures are also offered that accommodate agreement by chance. Therefore, although Krippendorff's *alpha* (Krippendorff, 2004) represents an attractive option, it constitutes a computationally complex statistic suitable for multiple coders, while it generally produces similar values to Cohen's *kappa* in smaller samples (MacPhail *et al.*, 2016) such as the one in the present study. Regarding Scott's *pi* (Scott, 1955), even though it is suitable for nominal level variables and two coders, it has been subject to critique due to its method of calculation, which does not account for individual differences among coders, suggesting thus a potential source of systematic bias (Lombard *et al.*, 2002).

In those instances where the level of agreement on the coding process between each coder and the researcher was not acceptable, discussions took place during a round of negotiation, where similarities and differences between the independent judge's and the researcher's coding forms were thoroughly discussed. During this "negotiated agreement process" (Forman and Damschroder, 2008, p.55) the researcher and each coder exchanged, explained, and offered justifications on the respective views of each other. The aim of this process was to ultimately reach a consensus on how the data should be coded, which in practice oftentimes entails a recoding of the data where initial disagreement was observed, and a revision and refinement of the codebook (see steps 4 and 6, Table 6.7, p.153).

As already noted, given the sequential process of intercoder reliability, once the second round of intercoder reliability was completed with judge A, the overall procedure was repeated with the researcher and judge B, this time through the aid of the improved codebook. On this note, it is maintained that the number of coding rounds required in order to reach an acceptable level of intercoder reliability may vary for a number of reasons, including the length, complexity and/or variation of the text segments, the format of the codebook, and the use of question-specific codes (Hruschka *et al.*, 2004). Given the simple and direct nature of the incidents described by the respondents in **Study 1**, the length of their responses, and the refinement of the codebook through the coding rounds with judge A, very few differences in opinion were observed between the researcher and judge B. As such, these disagreements were discussed and resolved, a final recoding of the data with initial disagreement was performed, and resulting modifications to the codebook were made. The intercoder reliability indices prior to negotiation with both judges are provided for the first two research objectives for illustration purposes in the paragraphs that follow (see Table 6.10, p.159 and Table 6.11, p.160).

As previously indicated, the data analysis addressing the first two research objectives for the researcher and for each independent judge consisted of a three-step process: a deductive step, followed by two inductive ones. Both are described next.

6.8.1.1. Deductive step

A deductive content analysis is suitable when examining the pertinence of a previously developed theory in a separate context and under different circumstances (Elo and Kyngäs, 2008; Forman and Damschroder, 2008; Saunders, 2011), thereby linking a current research into the existing body of knowledge (Saunders, 2011). Hence, deductive content analysis was used initially as a means of establishing the relevance of formerly developed categories of customer beneficial behaviour to the present study. To this end, six categories of customer behaviour drawn from the literature served as a reference for the classification scheme of the incidents. In particular, the categories of customer beneficial behaviour towards service personnel identified by Garma and Bove (2011) (see Table 6.9 below) formed the basis of the deductive analysis: assumed employee role, advocacy, consultancy, sportsmanship, social support and courtesy.

Table 6.9. Customer citizenship behaviours directed towards service personnel (CCB-SP).

Category of Behaviour	Description
Assumed Employee Role	Customer behaviour that resembles the work performed by service personnel.
Advocacy	Customer behaviour that displays commitment to service personnel, and is commonly expressed as promoting, recommending or speaking on behalf or in favour of service personnel.
Consultancy	Customer behaviour that involves providing information to service personnel with the intention of improving the service offering.
Sportsmanship	Customer behaviour that displays flexibility or tolerance associated with the service delivery.
Social Support	Customer behaviour that assists service personnel's ability to cope with (stressful) situations in the workplace or makes their job enjoyable.
Courtesy	Customer behaviour that includes friendliness, sociability, or positive emotion toward service personnel.

Source: Garma and Bove (2011).

Nevertheless, despite the deductive reasoning involved at this stage, the code development process remained open to emergent topics that might be suggested by the data (Forman and Damschroder, 2008).

The deductive part of the intercoder reliability process demonstrated that all incidents corresponded to the categories previously identified in the literature, and therefore, no new categories emerged during this stage. The intercoder reliability indices were calculated with the aid of an online intercoder reliability web service, 'ReCal' (http://dfreelon.org/utils/recalfront/). Specifically, ReCal2 was employed, which is a module suitable for estimating multiple coefficients for nominal-level variables between two coders (Freelon, 2010). The results of the intercoder reliability for the deductive stage, and prior to the negotiation process with each of the two judges are illustrated in Table 6.10.

Table 6.10. Results of intercoder reliability with judge A and judge B prior to negotiation (deductive stage).

Index	Coefficients Judge A	Coefficients Judge B
Percent Agreement	0.92	0.97
Cohen's Kappa	0.53	0.88

As shown in the table, on the one hand the coefficient of agreement with judge A reached a satisfactory level during the first round of intercoder reliability assessment. This value observed during the initial stage of reliability testing can be explained by the fact that it relates to the deductive stage of the analysis. This means that during the deductive coding process all coders assigned the critical incidents to predefined, literature-driven categories of customer behaviours. Furthermore, small sets of codes that are specific to each question are conducive to achieving an acceptable level of intercoder reliability early on in the analysis (Hruschka *et al.*, 2004). However, despite the satisfactory percentage of agreement, the more stringent coefficients in the present case between the researcher and judge A did not achieve a satisfactory level. Such an outcome is generally expected during the initial coding phase (Miles and Huberman, 1994). This issue was resolved, and intercoder reliability was reassessed after the coders tried to reconcile their differences during the negotiation phase. Therefore the iterative process, which resulted in codebook revision and clarification successfully remedied the initially low agreement with judge A through two coding rounds. On the other hand, intercoder reliability with judge B was satisfactory for the deductive stage. The high degree of agreement during the first round of intercoder reliability with the second coder can be attributed to the fact that the codebook modification process with judge A resulted in a refinement, enrichment, and clarification of the categories employed in the coding process (Hruschka *et al.*, 2004). Therefore, unlike judge A, judge B categorized all incidents through the use of an improved codebook.

6.8.1.2. Inductive steps

The second phase of the content analysis addressed the second research objective and was inductive in order to allow for patterns, categories, and themes to emerge from the collected data. This phase involved two steps: (a) the examination of whether each type of customer beneficial behaviour triggered a mechanism of reciprocation to the service employees or not (inductive, first level); if there was reciprocation, (b) the assessment of the type of reciprocation in terms of the service employee's subsequent behaviour towards this customer (inductive, second level). In other words, this part of the procedure involved the use of simple, question-specific, dichotomous codes – or otherwise 'themes' or 'categories'. This means that for every critical incident and for every code, each of the coders was required to decide whether the code applied or not to the specific text segment (Hruschka *et al.*, 2004). Consequently, more than one code could be assigned to each critical incident. Again, the results for both inductive stages of the content analysis and prior to negotiation process with both judges are illustrated in Table 6.11.

Table 6.11. Results of intercoder reliability assessment with judge A and judge B prior to negotiation (inductive stages).

Index	Judge A Coefficients		Judge B Coefficients	
	First Level (a)	Second Level (b)	First Level (a)	Second Level (b)
Percent Agreement	0.85	0.89	0.92	0.92
Cohen's Kappa	0.69	0.57	0.83	0.79

Once again, despite the initially low coefficients of intercoder reliability with judge A, the coefficients with judge B were much higher, reaching satisfactory levels prior to negotiation. Therefore, it becomes clear that intercoder reliability was improved with judge B. This outcome that can be attributed to the fact that “intercoder agreement improves substantially following a systematic process to revise and test the codebook” (Hruschka *et al*., 2004, p.309).

6.8.2. Content Analysis for Third Research Objective

The purpose of the third research objective was to investigate whether customers’ beneficial behaviour towards service employees produces a ‘spiral effect’ through which the other customers are also positively affected. In other words, this research objective aimed at evaluating whether a customer’s behaviour towards the service employee has the ability to influence the service employee’s subsequent behaviour in terms of the service provided to the other customers. To explore such an effect, the analysis aimed at identifying those state-like variables that accounted for service employees’ behavioural response. In particular, the following questions were explored in this part of the analysis:

1. What do service employees think and how do they feel following customer beneficial behaviour?
2. How is the service employees’ behaviour affected towards the other customers following customer beneficial behaviour?

As such, the final phase of the content analysis was also inductive and addressed two main themes: (a) the impact of customer beneficial behaviour in terms of the service employee’s experience on an affective and on cognitive level. This stage aimed at revealing those intervening mechanisms that trigger specific service employee behaviours; and (b) the outcome of those incidents involving customer beneficial behaviour in terms of the service employees’ subsequent service behaviour towards all customers. This second stage addressed the potential development of a positive behavioural spiral for all parties involved in the service encounter, at one customer’s initiative.

Apart from one difference relating to the process of intercoder reliability, overall the procedure aiming at exploring the third research objective was identical to the one employed for the inductive analysis for the second research objective. Therefore, once again, a separate codebook was created for this stage of the analysis, which was handed to one of the two coders (Judge B) who participated in the first phase of the analysis. Following appropriate training in order to become familiar with the coding scheme and the operational definitions, the coder independently assessed the critical incidents so as to decide whether the codes applied or not to each critical incident. The intercoder reliability indices employed for this phase of the analysis were the same as the ones previously used for the first two research objectives (*cf.* Table 6.8, p.155). Once again, similarities and disagreements between the coder and the researcher were addressed during a negotiation phase so as to reach a consensus. It is worth noting that a high level of consistency was observed between the researcher and the coder for the third research objective prior to the negotiation. In general, a researcher's experience with qualitative research generally develops his or her relevant understanding and interpretation of a respondent's messages (Wilson, 2011). Therefore, due to the fact that a first content analysis phase preceded the present one, both the researcher and the coder were familiarized with the process, whereas judge B was sufficiently knowledgeable of the research objectives. Consequently, it was considered that the assessment by a second coder would not be necessary.

6.9. Ethical Considerations for Study 1

Research is guided by a statement of principles that constitute the code of ethics or ethical guidelines (Wilson, 2011). This code of ethics is associated with values and issues pertaining to professionalism (Saunders, 2011), and is required to be maintained throughout the research process, thereby forming an essential element of research (Creswell, 2009; Wilson, 2011). In this view, it is necessary for researchers to achieve a balance between the interests of the participants, and the value of generating knowledge through research (Creswell, 2009).

This research corresponded to standard ethical procedures. Specifically, ethical clearance was received from the Department of Marketing, University of Strathclyde, Glasgow, before the implementation of **Study 1**. Furthermore, informed consent was obtained by all participants prior to the interview, through the signing of a consent form (*cf*. **Appendix 2**, p.358). Issues relating to the research purposes, as well as matters of confidentiality and anonymity of data were clearly explained to each participant. Moreover, respondents were informed about the voluntary nature of their participation, and that they reserved the right to withdraw either partially, or completely from the interview process. Finally, all interviews were conducted in private and secure settings, all transcripts were numbered for purposes of anonymity, and participants' responses were treated with strict confidence (DiCicco- Bloom and Crabtree, 2006).

6.10. Summary

Chapter 6 commenced by outlining the diverse philosophical standpoints, with the aims of gaining a philosophical grounding for the present research. Following this documentation, and in line with the researcher's pragmatic worldview, a mixed methods research design was selected and arguments were provided for this choice.

Next, the chapter presented the methodological approach for the first phase of the research, i.e. **Study 1**. The previously discussed literature review, along with the preliminary conceptual development overviewed in **Chapter 5**, pointed to a lack of understanding of the impact of customer beneficial behaviour towards service employees. Therefore, qualitative in-depth interviews were deemed necessary in order to further investigate this phenomenon, and to reveal the variables of interest to be tested through a quantitative phase. As the CIT was selected on the basis of being the most appropriate instrument for addressing the research objectives, an extensive elaboration on the rationale supporting this preference of a method was reported. Moreover, the interview process, along with issues relating to the organization, interpretation, and reliability of the data were reported. A detailed discussion on the results of these interviews relating to all three research objectives constitutes the purpose of the next chapter.

CHAPTER 7

QUALITATIVE ANALYSIS AND RESEARCH FINDINGS

7.1. Introduction

The previous chapter has outlined the philosophical stance for the thesis and has provided a detailed description of the methodology for **Study 1**, an exploratory study based on in-depth interviews. In particular, the purpose of **Study 1** was to determine customer behaviours perceived as beneficial by service employees (**Objective 1**). Once these specific behaviours were established, the study aimed at examining the influence of customer beneficial behaviour on service employees' reciprocal behavioural responses towards the customer (**Objective 2**), and on their behavioural responses towards other customers in the service setting (**Objective 3**).

The present chapter is organized as follows: first, a broad grouping of customer beneficial behaviours revealed through the interviews is presented. This is followed by the results of the deductive analysis reviewing the specific categories of customer beneficial behaviours towards service employees. Next, the inductive process is developed in three stages: first, each incident is examined in order to establish whether respondents made reference to some form of reciprocal behaviour towards their benefactor; secondly, an analysis and classification scheme of favourable reciprocal service employee behaviours is documented; finally, the variables that explain the impact of customer beneficial behaviour in terms of the service employees' experience are identified, along with service employee behavioural responses towards all customers.

7.2. Grouping of Customer Beneficial Behaviours

Prior to documenting the elaborate classification scheme of customer beneficial behaviours resulting from the deductive analysis, a general grouping of these behaviours is described in brief. Specifically, two broad groups of customer beneficial behaviour towards service employees were revealed from the critical incidents: *emotionally beneficial* and *instrumentally beneficial* behaviour. The conceptualization of these two constructs is similar to the notion of social support developed in the field of social psychology. According to the latter, social support refers to the sum of actions directed towards another individual that are either helpful or intended to be helpful (Deelstra *et al.*, 2003; Shumaker and Brownell, 1984). MacGeorge *et al.* (2011, p.317) define support as "verbal and nonverbal behaviour produced with the intention of providing assistance to others perceived as needing that aid", whereas Adelman and Ahuvia (1995) conceptualized social support as verbal and nonverbal communication that facilitates an exchange. In this vein, social support can take various forms such as informational or appraisal support, however, two broad categories of social support are commonly identified (Beehr *et al.*, 2010; Cohen and Wills, 1985; Finfgeld- Connett, 2005): emotional support – also known as esteem support or expressive support – and instrumental support – also known as aid support or tangible support. The former category refers to actions such as showing care and expressing esteem or empathy (Tsai *et al.*, 2007), while the latter involves tangible actions such as assisting another person in solving a problem or in accomplishing a complex task (Fenlason and Beehr, 1994; Semmer *et al.*, 2008). In sum, social support is associated with the provision of benefits from one individual (i.e. the benefactor), to another individual (i.e. the beneficiary) during the interpersonal interaction (Adelman and Ahuvia, 1995), either in the form of instrumental benefits or emotional benefits.

Therefore, as suggested by the findings of the qualitative study and in line with the first research objective, customer beneficial behaviour during the service encounter can be divided into two distinct types: customer behaviour that benefits service employees on an instrumental level, and customer behaviour that benefits service employees on an emotional level. According to Rains *et al.* (2015), similar to the concept of instrumental support, action-facilitating support includes informational support (e.g., proving advice) and tangible support (e.g., providing practical service). Similarly, the exploratory study revealed that instrumental benefits encompass actions performed by customers, which tangibly facilitate the service employees' work-related tasks. For instance, when a customer stacks the plates to speed up the service employee's work, he is providing him with tangible assistance. Likewise, when customers demonstrate patience associated with the service delivery, they support the service employee in providing better service to all customers. Finally, when customers make suggestions with the aim of improving the service offering or delivery, they help the service employee correct any potential problems in practice. Instrumentally beneficial behaviour was mentioned nineteen times by the respondents.

On the other hand, Rains *et al.* (2015) propose that what they label as 'nurturant support' encompasses emotional support (e.g., showing empathy), esteem support (e.g., enhancing one's self worth), and network support (e.g., expanding one's social contacts). Correspondingly, emotional benefits were identified in **Study 1** as being provided by customers when the latter engaged in actions that primarily impacted on the service employees' affective experience. Hence, in these instances customers assist service employees to either cope well with the emotional requirements of their job, or to satisfy their emotional needs. For example, when customers highlight service employees' performance to the management, they provide them with a sense of value, while they also serve as a form of performance feedback (Hackman and Oldham, 1976). In the same way, when customers make use of humour when interacting with service employees, they make their work experience more enjoyable and assist them in coping with service demands (e.g., emotional effort). Likewise, polite and friendly customers have the ability to transfer their positivity to service employees through the mechanism of emotional contagion (Hatfield *et al.*, 1994). These incidents were mentioned more frequently than the ones involving instrumental support – fourty two times out of sixty-one. Table 7.1 presents the number of reported incidents per group of customer beneficial behaviour.

Table 7.1. Types of customer benefits.

Type of Customer Benefit	Frequency
Instrumental	19
Emotional	42
Total	**61**

7.3. First Level of Analysis: Deductive

Having established the two broad categories of customer beneficial behaviour, a deductive analysis was undertaken. The aim of this first level of analysis aimed at identifying specific customer behaviours that benefit service employees during the service encounter, according to **Objective 1**. As already indicated (*cf*. section 6.8.1.1, p.157), six categories of customer citizenship behaviours directed to service personnel (CCB-SP) developed by Garma and Bove (2011) served as a reference at this stage. All incidents corresponded to the categories previously identified in the literature and therefore, the extra category ‘miscellaneous’ was disregarded. An overview of the results produced from the first stage of the analysis is illustrated in Table 7.2. All six categories of behaviour are further elaborated with verbatim examples from the participants of the interview procedure.

Table 7.2. Results of first stage of content analysis (deductive).

Category of Customer Behaviour	Frequency
Assumed Employee Role	15
Advocacy	23
Consultancy	1
Sportsmanship	3
Social Support	7
Courtesy	12
Total	**61**

7.3.1. Assumed Employee Role

Participants mentioned several instances of customers engaging in behaviours that are typically enacted by service employees. Frequent examples of this behaviour reported during the interviews include stacking the plates, picking up after one's child, or making room on the table to assist the employee in accomplishing his work-related tasks. Incidents mentioning customers engaging in 'assumed employee role' were mentioned in fifteen out of sixty-one cases.

Customer behaviours encompassed in the category of 'assumed employee role' essentially help service employees to become more efficient during the service delivery by relieving some of their tangible workload as illustrated in the excerpt below. On this note, the key meanings assigned by the respondents to customer beneficial actions are underscored in each quote. Furthermore, the contextual factors that enhance the respondents' interpretation of customer actions are also highlighted, in case these were mentioned during the interviews:

> *"[It pleases me]…I come with the tray loaded with plates and I need to place them on the table…he makes room and he helps me…the job is made faster"*. – Interview #13 (Male, 34 years: Hotel Restaurant).

This type of behaviour may also contribute to enhancing service employees' emotional well-being as it conveys a meaning of caring, with an underlying potential for relationship building. Care essentially describes the service employee's perception of the customer's real concern for his well-being (Gremler *et al.*, 2001). Moreover, when customers perform acts that are typically among the service employee's duties, especially during circumstances of high busyness at a restaurant when the workload is at its peak, they indicate a form of closeness and solidarity towards service personnel. In addition, a mere perception of effort from the customer can induce employee grateful feelings, regardless of whether they are accompanied by an actual benefit or not (Raggio *et al.*, 2014). For instance:

> *"Many times…when it was very busy and the customers could see us running up and down and we couldn't make it on time sometimes…many customers got up and asked me 'do you want me to take them [the plates] to the*

> *back?'…I liked that. I don't find it insulting…I come closer to the customer. I become a friend with the customer…I think he shows me his affection with what he is doing"*. – Interview #4 (Male, 39 years: Hotel Restaurant).

Such customer behaviour may make an even greater impression to the service employee when enacted in a more formal setting such as an upscale restaurant. The more formalized the context, the more strictly scripted the behaviour between the interacting parties, and therefore not allowing for major deviations from established behavioural norms. One informant working in an upscale restaurant mentioned how a group of customers assisted her in picking up the plates from the table in order to place them on the trolley. This behaviour was very unlikely, as employees perceive a customer paying a distinctly higher price to be more demanding in terms of the expected service (Hyun and Kim, 2014). Therefore, it is not common practice for such customers to engage into the employee's role. As described in the example below, the respondent perceives such behaviour as a form of empathy and care on the part of the customer:

> *"I had a whole trolley to fill up with dirty dishes, to bring the next dish and you could see them…they were putting one plate on top of the other, and the cutlery, and they were smiling and they were helping me. Ok, at that point I was melting...I mean you could see that they were being compassionate about the fact that I had so much to do…they were stacking the plates so that I would finish faster…I mean, you see a person coming to the restaurant, he might pay 100-200 euros and say 'I do whatever I want because I left you that amount of money'…they have demands because they supposedly paid (a lot of) money"*. – Interview #20 (Female, 24 years: Upscale Restaurant).

Furthermore, apart from empathy and care, service employees consider that customer assistance at a task level conveys a sense of being valued and appreciated for their efforts. Especially, the more this type of behaviour is perceived as uncommon and therefore deviates from the expected script, the more the customer stands out and the service employee is impressed. The example that follows demonstrates this instance, while highlighting the fact that simple customer actions can have a significant impact to the service employee's experience:

> "*This type of incident has occurred to me only once in my twenty years of experience. There was this couple with a baby who came to eat at the restaurant…we brought them the [special] chair for the baby and the*

customer took out of her purse a…sort of nylon sheet…and she placed it underneath the seat…so should anything fall, it would fall on the nylon and wouldn't stain [the chair]. She then picked it up, she put it in her bag, and she took it to throw it away herself…of course you appreciate that…[it shows you that] <u>this person recognizes your effort</u>…when you see something like this you think to yourself…this person has some higher quality…<u>is respectful of your hard work</u>. [Because] you need to go through a whole process, to bring the vacuum, to pick up, and so on…<u>it is something very simple however you don't encounter it all that often</u>…easily. I mean it's a rare phenomenon". – Interview #1 (Male, 39 years: Hotel Restaurant).

7.3.2. Advocacy

'Advocacy' refers to customer behaviours that demonstrate commitment to the service employee that are typically communicated through expressions of recommendation or of favour towards service employees. This type of behaviour accounted for the majority of the critical incidents described during the interviews: twenty-three out of sixty-one incidents in total. Common examples revealed from the interviews include highlighting the service employee's performance to the management, congratulating the service employee on his or her performance, repeat patronage, or asking to be served by a specific service employee.

The majority of the incidents fitting into this category of behaviour involved repeat patronage by customers who had already established some sort of relationship with the service employee. This finding comes as no surprise since 'commercial friendships' built through repeat patronage have shown to be beneficial to service personnel. For instance, regular customers have been found to provide service employees with social support, monetary tips, and gifts (Rosenbaum, 2009). In addition, behaviours that resemble close relationships are likely to occur when 'regular' customers interact with long-term employees (Bradley *et al.*, 2013). As such, compared to other types of beneficial behaviour, informants emphasized how repeat customers constitute by far the highest form of reward on an affective level, while these customers implicitly assist service employees in providing better and more cheerful service overall:

> *"The biggest form of help…which essentially is not help, it is a reward for me…it's when people come to the place [the restaurant] and they ask where I work so they can come sit at my post. There is this couple that comes and they ask 'does X [respondent's nickname] work? At which post does he work?' and they want to be seated at a table that I serve…my psychology is boosted immediately. [The flow of work] is more pleasant, more smiling, better mood, which is the ideal…[it is a reward] because it shows me that I did my job well. That they had a good time with me [the last time they visited]… it's entirely psychological…it's like a form of doping".* – Interview #12 (Male, 39 years: Casual Restaurant).

> *"I believe that in this restaurant [customers] honour you with their presence. When they come and they come again it means…they show you – they don't say it out loud – but they show you that 'I am pleased and that is why I keep coming'…it mainly uplifts our psychology…".* – Interview #22 (Male, 44 years: Upscale Restaurant).

Customers may also directly and explicitly express their appreciation for the service received to the service employees through the form of compliments. It has been previously argued that customer compliments constitute an excellent indication that the service employees have performed their job well, and have achieved customer satisfaction (Kraft and Martin, 2001). When such incidents occur, respondents once again declared feeling a boost of energy, which in turn led to an increase in their job performance, but also in their confidence regarding their abilities:

> *"Basically, it uplifts your psychology very much. [When customers] congratulate you about the service, that it was very nice, that they have been to other hotels but it is the first time they receive this kind of service…my job performance increases first of all…I can work with a lot more energy…[it makes me feel] that I am doing my job well".* – Interview #15 (Male, 25 years: Hotel Restaurant).

More importantly, respondents mentioned extreme pleasure derived from customers highlighting their performance to the restaurant management. Once again, the effect of such customer actions directly impacted on service employees' affective state, conferring them with a sense of accomplishment:

> *" The first year I was working here, some couples that I met while serving them…they got up and they went looking for the owner…to thank him for having me work at that specific post which made them have a good time. [I found out about it] on the spot because I was present when it happened. [I felt] very nice…I was very pleased and I felt that I am doing [my job] well,*

that I am contributing to what the restaurant has to offer…this fact…is automatically a reward in its own right". – Interview #19 (Male, 42 years: Upscale Restaurant).

Behaviours encompassed in the category of 'advocacy' were actually perceived at least as equally rewarding as any other type of organizationally provided benefit by service employees. One of the respondents clearly explained why compliments about one's job predominate monetary compensation, as described below:

> *"This [emphasis] is the reward. There is no other. The money you make when working somewhere are the same. The nature of the job is the same. What is your reward? Either the owner giving you some extra money, or a customer telling you 'thank you' [for the service provided]. This is the ultimate form of payment".* – Interview #1 (Male, 39 years: Hotel Restaurant).

Furthermore, customers may oftentimes express their appreciation for the product offered. Despite the fact that the food is not prepared by the waiting personnel in a restaurant, when customers show their delight for the cuisine, as part of a team, employees hold a share of the satisfaction and pride for having contributed to creating a pleasurable experience for their customers. Furthermore, these types of positive experiences transmit a form of optimism to service employees by helping them adopt a more positive outlook. Consequently, their focus is shifted on the pleasant aspects of their job, thereby perceiving it as more enjoyable. As a consequence, respondents described feeling less stressful and therefore more energetic:

> *"When I have a nice dish in my hands and I leave it on the table and you see the customer saying 'wow!' and wants to take a picture. It feels like it's me offering him something nice…even if I am not the one who prepared it. I feel proud for what I am leaving on the table. [Hearing compliments] is essential to me, to lift my mood…for example, if I serve him something nice, [and the customer] says 'wow', takes a picture…I am happy too. Because I think to myself 'oh I am offering enjoyment, he will eat something nice'. That is my favourite part. When I see them happy, at that moment…it relaxes me…to keep working some more. It relaxes me and it fills me and makes me see the good things. So that I won't say to myself 'tomorrow work again'. It's ok, maybe I will meet a good customer and he will make my mood. I like that".* – Interview #20 (Female, 24 years: Upscale Restaurant).

Moreover, service employees may feel that they significantly contribute to customer delight when compliments come as a response to a particular effort made in an attempt to please the customer, or as a result of the service employee's service skills. In fact, customer compliments are likely to be significantly motivated by customer perceptions of service employee effort expended into serving them (Payne *et al.*, 2002). These compliments act as performance feedback, which in turn results in an enhancement of the service employees' confidence regarding their efficacy beliefs (Bradley *et al.*, 2013):

> *"You serve something you recommended him and he [the customer] starts eating and he tells you 'the food is very good, thank you very much', I like it. …I mean,* <u>*I know that I am doing my job well… that gives me immediate gratification at that point*</u>*"*. –Interview #23 (Male, 47 years: Upscale Restaurant).

7.3.3. Consultancy

'Consultancy' refers to customer behaviour that involves providing information to the service employees with the intention of helping them to improve the service offering. Typical examples drawn from the literature include making suggestions for service improvement, or alerting to potential problems (Garma and Bove, 2011). Out of sixty-one critical incidents, only one of them matched the behaviour described by this category. As the service employee mentions in the following excerpt, a young customer helped him improve his service through a lesson that he taught him through his behaviour:

> *"[This boy] amazed me.* <u>*He made it easy for me to learn*</u> *not to ignore anybody. Children are also right…and they can tell you the truth. That the food may not be good. I will listen to them"*. – Interview #9 (Male, 44 years: Casual Restaurant).

The infrequency of such incidents is in line with past research, which suggests that whether politely or impolitely, customers are rather unlikely to voice their concerns (Lerman, 2006). Upon examining why consultancy was not considered a major category of behaviours in this study, the interviews offered the opportunity to identify a potential reason for such a scarcity. It appears that contextual factors such as work tension, stress, or high busyness do not allow for service employees to focus or to appreciate customer efforts to contribute to improving any of the facets of the service offering. However, it is noteworthy that the manner in which a customer suggestion is expressed, i.e. politely, has the ability to catch the service employee's attention. Therefore, the timing and the way of making suggestions affects the service employee's perceived importance of these recommendations. For instance:

> *"It depends on when they tell me. Because if I am busy, I am not concerned about these things. Improvements and the like…The manner and the timing that he tells me. I mean, how I will be at that moment and how busy I will be…everything for me depends on the timing and on what situation I will be in. That is everything for me. [If they are very polite] then I will pay attention to them".* – Interview #14 (Female, 39 years: Hotel Restaurant).

On this note, the way that customers make suggestions is the key element that differentiates what constitutes a constructive recommendation from a reproachful remark. The former does in fact communicate the customer's intention, which is driven by his or her conscious concern to contribute to the development of the service offering. On the contrary, the latter has a rather negative connotation, which implies some form of condescension and criticism from the customer's side, which, may or may not be substantially supported:

> *"A remark and a mistake is one thing…a suggestion is another thing…saying 'maybe you could do it this way' or something…for me the primary role is in the manner that it [the suggestion] is conveyed…it shows me that the customer is here…he has seen the place, he has understood where he is, he knows what he wants…he paid attention".* – Interview #12 (Male, 39 years: Casual Restaurant).

Moreover, another potential explanation for the low results for this type of behaviour can be found in the existing social support literature. Specifically, past research has shown that being over-benefited in informational support, i.e. when individuals receive unwanted advice, they are likely to feel hurt and overwhelmed (McLaren and High, 2015). Consequently, receiving suggestions from customers during high workload can at times be viewed undesirable by employees and is therefore not perceived as being actually beneficial.

7.3.4. Sportsmanship

This category consists of customer behaviours that show flexibility or tolerance associated with the service delivery. According to Garma and Bove (2011), 'sportsmanship' essentially consists of customers behaving as 'good sports' since it typically involves customers sacrificing something of their own (e.g., their priority service) for the benefit of others.

Three incidents associated with this category were mentioned by the respondents, who overall explained how patient customers conveyed them a sense of relief and reduced their stress especially during high restaurant busyness. This fact in turn assisted them in providing better service to all of the customers. This kind of situation is perfectly described by one of the respondents below. Specifically, the service employee contrasts patient customer behaviour to the contagious stressful customer behaviour, in order to highlight the negative impact of the latter on the degree of pleasantness of the service delivered to the other customers:

> *"Many customers just by being patient, that helps me a lot…it helps me because this way he [the customer] helps me calm down, he doesn't stress me by making me think that I need to finish quickly to serve him. I mean when I tell him 'just a minute' and he tells me 'it's ok'…it helps me, I take a breather and I think to myself that I have one more minute to finish…for example…stacking the plates on the tray so that I can serve him…because otherwise we are in a hurry. Then I will not have the patience to talk to the rest of the customers…I will talk to the other [customer] abruptly because I will not be ok, I will be nervous…this way we are all going to be nervous".* – Interview # 14 (Female, 39 years: Hotel Restaurant).

Overall, respondents were appreciative of these behaviours as they communicated a sense of understanding and of being valued from the part of the customers. As such, the participants conjectured that customers who engaged in this type of behaviour had either similar work experiences, or where particularly observant and perceptive of the restaurant busyness – a fact that explained why they were exhibiting consideration towards the service employees' heavy workload:

> *"During the past year…there was a time when it was very busy. And I was the only one working and…it took me a while to take an order from this*

customer. But because he could see – maybe he was an 'insider' – he understood that I was busy and when I went to his table I told him 'I'm sorry' and he said 'I understand'…[I felt] a sense of understanding, that the other person understands what we are going through when it is busy [at the restaurant]". – Interview # 13 (Male, 34 years: Hotel Restaurant).

7.3.5. Social Support

According to the definition provided by Garma and Bove (2011, p.642), 'social support' reflects "customer behaviour that assists service personnel's ability to cope with stressful situations in the workplace or makes their work enjoyable". This core need sought by all individuals is satisfied when interactions are pleasant and are characterized by a 'fun' dimension (Bradley *et al.*, 2013). Despite the fact that all previously mentioned behaviours share similar characteristics with social support (e.g., being patient helps service employees to cope with work demands; compliments make the service delivery more enjoyable), the principal point of difference has to do with the fact that this category of behaviour is expressed through companionship, optimism, humour, encouragement, and vocal empathy/sympathy. Altogether, respondents made reference to seven incidents of social support. This category has shown to diffuse a form of positivity that encourages service employees and helps them manage their work-related tasks, as emphasized below:

> *"[This couple] knows how busy this restaurant is...I don't have any relationship with them outside of work...they change my mood and my mind clears up...because it's not an easy job...you must remember everything...so this way you relax. Just like a power nap – you know, when you sleep for five minutes and then you are all set? It's like that...a good word and a smile and you carry on".* – Interview # 25 (Female, 35 years: Casual Restaurant).

In addition, customers may defend service employees and protect their rights in the occurrence of an excessively demanding customer, or one who is demonstrating inappropriate behaviour. This type of action shares similarities with communal relationships in which individuals offer benefits to others – in this case support – out of concern about their welfare (Clark and Mills, 1979):

> *"It took me a while to take an order from him [one customer] and he started yelling…and the other customers told him to take it easy, that this guy [the respondent] is swamped…[it was one] other customer from the next table*

> *[who said it]…he understands that I was right…he perceives it…he understands and he tells the rest of them [the customers]…'this guy [the respondent] said I am sorry for being late…it's not just you, he has another 200 people to serve, you should be more understanding'…it pleases me because he understands whether I am right or wrong".* – Interview# 13 (Male, 34 years: Hotel Restaurant).

Finally, customers may also express their empathy towards service employees more practically and explicitly by demonstrating behaviour that is more likely to occur between family and friends, rather than in the scripted service environment. In particular, when customers show that they are supportive of the service employees' effort, they also convey the message that their work is being appreciated. The following incident portrays this kind of situation, which, once again points to a behaviour that is characteristic of a communal relationship:

> *"I am serving soup…to this elderly lady…and because the steam from the soup is coming out [of the tureen] and I am sweating all over [because of the steam], she takes her napkin and wipes it off my face…I was smiling. I felt pleased…she was patting my back. Think about it, how nice it is. You think to yourself that she understands that I am exhausted…[it shows you] that the other person is thinking of you, that he understands, he perceives what is going on and the effort that you put into serving him".* – Interview# 10 (Male, 39 years: Hotel Restaurant).

7.3.6. Courtesy

This final type of behaviour was mentioned twelve times in total, making it the third most popular category of customer behaviour among the respondents. Expressions of sociability, friendliness or positive emotion in general by customers towards service employees constitute typical examples of courteous behaviour. Courtesy constitutes a core need desired by all individuals as this commonly indicates that they are being valued, recognized, and treated with dignity (Bradley *et al.*, 2013). As such, service employees express their appreciation when customers put effort to communicate with them in an attempt to break the formal roles that are typically assigned in the service context (Price and Arnould, 1999). This mutual effort to communicate results in both parties coming closer to each other through a form of mutual understanding (Mohr and Bitner, 1991). For example:

> *"When my customers start talking to me…I like it very much when they initiate a conversation with me…because I get to meet people from all over the world…we both try – I speak Greek and he [the customer] speaks another language – and we both try to communicate in English, and we try to understand each other and to interact…it's magic when the customer is nice, I like it very much…you can see that he is trying…because he understands that all I want to do is to please him and so he is also being nice to me, he helps me".* – Interview #20 (Female, 24 years: Upscale Restaurant).

When customers are in a good mood and show a positive disposition towards service employees through their verbal and nonverbal expressions, they communicate a sense of 'openness' to further interaction. Such a finding is analogous to Gabriel *et al.*'s (2015) proposition according to which service employee and customer interactions follow a 'conscious emotional contagion' process due to signaling. Specifically, the authors argued that service employee positive emotional displays signal their intentions towards customers during an encounter (e.g., the will to cooperate). These signals in turn convey information that influences customer cognitive and affective responses. Similarly, it appears that customer affective expressions carry information about their intentions towards service employees (e.g., openness), and such positive intentions are likely to set the tone for the for their ensuing interaction. More importantly, these customer positive behaviours at times appear to be even more vital than monetary tips, as the psychological benefit of an enjoyable interaction constitutes a reward in its own right, as mentioned below:

> *"There was this group of six women from Scandinavia…I didn't do anything particularly special for them…they told me they were on holidays without their husbands and we started talking…they didn't leave a tip but I was satisfied because they were satisfied… They came in a good mood. Because there are some customers who come and they are grumpy…[These customers] uplift you!...If [the customer] is not approachable, no matter how much you try how can you get closer to him…".* – Interview #3 (Female, 37 years: Hotel Restaurant).

Similarly, service employees are positively predisposed towards customers who show politeness, a fact that highlights the reciprocal nature of the service interaction:

> *"It impresses me that some, not many [customers] who…when they see you loaded [with plates, etc.] they step aside. He [the customer] tells you 'after you'…I say 'no, after you'… 'you – he says – you are working…you are loaded'. [It shows me] politeness. That he acknowledges that you should*

> *have priority because you are working. [It predisposes you] in a positive way and it uplifts you".* – Interview #21 (Male, 44 years: Upscale Restaurant).

In addition, customers may contribute to the service encounter simply by enjoying themselves. As described by one of the respondents, service employees are in direct contact with customers due to the contextual proximity of a restaurant, and therefore have the ability to perceive their affective state. At this point, emotional contagion comes into play, since happy customers are likely to transfer this emotion to the service employees, while making them feel valued for having contributed to their experience:

> *"A smiling customer makes you feel pleasant when you serve his table. When you see them enjoying themselves, you enjoy yourself as well. Because you experience what the customer is experiencing at that moment. You feel good about what you are doing...it's a reward".* – Interview #17 (Male, 37 years: Upscale Restaurant).

Finally, affective transfer also takes place when a customer is in a positive mood. When customers perceive the setting's busyness and the service employee's workload, they engage in polite behaviour by adapting their requests accordingly. Due to the fact that a restaurant setting constitutes an openly observable environment to all customers, an enjoyable interaction with one customer can lead to a positive atmosphere for the entire restaurant. More importantly, such positive interactions can occur from customers who are new to the service setting. For example:

> *"You become more cheerful towards everyone. The others see it too and then they tell funny things too, or they smile...[It transfers] from one to another. [It can start] from one single customer, regardless if it's a new customer or not".* – Interview #26 (Female, 44 years: Casual Restaurant).

7.4. Second Level of Analysis: Inductive

As already described in the introductory section of this chapter, the inductive level of the analysis consisted of three phases in order to address **Objectives 2** and **3**: first, an investigation of the incidents mentioning some form of reciprocation from the service employee was performed; second, an examination of the types of reciprocal behaviours was completed; and third, the impact of customer beneficial behaviours for service employees along with the associated behavioural outcomes in terms of the service delivered to the other customers was assessed. The first two phases of analysis addressed **Objective 2**, whereas the third phase focused on addressing **Objective 3**. This section describes the findings for each phase of the inductive content analysis.

7.4.1. First phase: Reciprocation

In order to analyze whether a mechanism of reciprocation took place subsequently to customer beneficial behaviour, each critical incident was thoroughly examined to establish which one of the following two conditions was met:

1) **Yes**: the service employee perceives or recognizes the intended customer benefit (cognitive component), and expresses an intention to return the benefit to the customer (behavioural component).

2) **No**: the service employee perceives or recognizes the intended customer benefit (cognitive component), but does not express an intention to return the benefit to the customer (behavioural component).

In other words, a reciprocal behaviour was viewed as occurring in those instances where respondents explicitly made reference to some behaviour performed with the intention of returning the benefit to the beneficial customer. In sum, thirty-five out of sixty-one incidents involved respondents mentioning engaging into some form of beneficial behaviour towards the customer who initially benefited the service employee.

The following examples illustrate how respondents described (a) that they perceived the customer's beneficial intention and were willing to return the benefit received. As exemplified in the first instance, informants in general acknowledged changing their behaviour, and such a change was stemming from their perception of having been benefited by the customer; or (b) that they didn't intend to provide something to the beneficial customer in return. In the second situation, respondents mentioned that they did not differentiate their behaviour as they perceived this to be inappropriate and/or unfair for the other customers, and therefore beyond the limits of their organizationally prescribed role.

(a) Reciprocation:

> *"[To this kind of customers], I want to give something 'above and beyond'…in any way that I can…apart from myself…in the sense of being more pleasant…anything else I can do to assist them"*. – Interview #2 (Female, 25 years: Hotel Restaurant).

(b) No Reciprocation:

> *"It is wrong to differentiate your behaviour. All customers are equal. Whether they pay five, whether they pay ten, whether they say 'thank you' or not, the service that you offer must be the same"*. – Interview #1 (Male, 39 years: Hotel Restaurant).

A summary of the incidents of reciprocation in relation to the categories of customer beneficial behaviour is presented in Table 7.3 below, followed by a grouping per type of benefit in Table 7.4.

Table 7.3. Results of first phase of inductive analysis per category of customer behaviour.

Category of Customer Behaviour	Reciprocation		Total
	No	Yes	
Assumed Employee Role	8	7	15
Advocacy	9	14	23
Consultancy	1	0	1
Sportsmanship	1	2	3
Social Support	5	2	7
Courtesy	2	10	12
Total	**26**	**35**	**61**

Table 7.4. Results of first phase of inductive analysis per type of customer benefit.

Type of Customer Benefit	Reciprocation		Total
	No	Yes	
Instrumental	10	9	19
Emotional	16	26	42
Total	**26**	**35**	**61**

As can be observed from the two tables, the majority of incidents of reciprocation occurred for the category of ‘advocacy’ and ‘courtesy’, followed by ‘assumed employee role’. This shows that for the most part, respondents mentioned expressing their gratitude by engaging in favourable reciprocal behaviours towards customers who provided them with some type of emotional benefit. As such, and consistent with the nature of emotional labour, this result highlights the emotional component of service work. Specifically, service employees appear to be more frequently appreciative of affective customer resources that help them cope with work facets that are emotionally challenging, compared to other, more tangible resources.

7.4.2. Second Phase: Types of Reciprocal Behaviours

This second stage of the inductive analysis aimed at elucidating the ways that service employees reciprocate customer benefits by exploring the forms of favourable behaviours reported by the interview participants. Therefore, incidents that made reference to some form of reciprocation were included in the analysis. A comprehensive study of the thirty-five critical incidents corresponding to this criterion revealed three broad categories of return of benefits labeled as follows: *functional benefits*, *social benefits* and *special treatment benefits*. These three categories are consistent with the notion of relational benefits mentioned in the literature, which comprise of benefits that customers receive beyond the core service offering, owed to their long-term relationship with a service firm (Bendapudi and Berry, 1997; Gwinner *et al.*, 1998; Reynolds and Beatty, 1999).

That being said, it is noteworthy that as opposed to the previous categories of the analysis, at this stage it was possible for an incident to be classified into more than one category of favourable reciprocal behaviour. For example, there were a few instances where participants mentioned that they provided a combination of two or more benefits to the customer who initially helped them (e.g., providing faster service and offering a complimentary product). An overview of the results regarding the benefits returned by category of customer behaviour and per type of customer benefit is illustrated in Table 7.5 and Table 7.6 respectively.

Table 7.5. Results of second phase of inductive analysis per category of customer behaviour.

Category of Behaviour	Type of Benefit Returned			Total
	Functional	Social	Special Treatment	
Assumed Employee Role	4	5	3	12
Advocacy	9	4	8	21
Consultancy	0	0	0	0
Sportsmanship	1	0	1	2
Social Support	0	1	2	3
Courtesy	4	5	4	13
Total	**18**	**15**	**18**	**51**

Table 7.6. Results of second phase of inductive analysis per type of customer benefit.

Type of Customer Benefit	Type of Benefit Returned			Total
	Functional	Social	Special Treatment	
Instrumental	5	5	4	14
Emotional	13	10	14	37
Total	**18**	**15**	**18**	**51**

Consistent with the findings of the previous section (*cf.* section 7.4.1, p.180), the results confirm that more benefits were returned to customers who engaged into some form of emotionally beneficial behaviour towards service employees, as opposed to instrumentally beneficial behaviour. Overall though, the proportion of the return of benefits is more or less balanced between the three categories, with functional and social benefits accounting for 18 incidents each, while special treatment benefits account for 15 incidents out of 51. Each of the categories of benefits is further elaborated next.

7.4.2.1. Functional benefits

This first category of employee reciprocal behaviour consists of the provision of benefits that enhance the core service offering for customers – essentially involving service employee extra-role customer service. In a way, these types of benefits resemble the conceptualization of 'confidence benefits' (Gwinner *et al.*, 1998) previously identified in the literature (*cf*. section 3.7.2, p.76). In this regard, all incidents included in the category of functional benefits shared a common theme: the extra effort undertaken by service employees, directed towards the customer who benefited them. That being said, the human element encompassed in services is far from flawless; hence, it is not all that unlikely that a service failure might occur at any given point during the service encounter. By investing extra effort, employees aim at avoiding such incidents by personally ensuring that the service offered to beneficial customers is the best one possible. Therefore, in essence, functional benefits refer to the enhanced provision of core tasks resulting in the fulfillment of customer needs (van Dolen *et al.*, 2002). As a result, these functional benefits result in feelings of reduced risk and anxiety for customers. Typical examples revealed from the qualitative findings include speedier service delivery, more attentive service, or making menu recommendations. All these examples suggest the provision of enhanced service to beneficial customers.

Two representative examples of this type of reciprocal behaviour are described in the incidents below. The first one is reported following customer emotionally beneficial behaviour. Specifically, the respondent describes what is meant by 'going the extra mile' during the service, while highlighting the motivation leading him to provide extra care to the customer who benefited him:

> *"The truth is that I look after this customer, no doubt about it. I will go above and beyond…to make sure that his order is ready more quickly, more correctly…I will be more attentive, for sure...to show him that he pleased me"*. – Interview #12 (Male, 39 years: Casual Restaurant).

The second incident illustrates the service employee's response to previously exhibited instrumentally beneficial behaviour. This example clearly shows the informant's perception of the reception of a benefit from a customer who showed patience with the service delivery. As a result, the respondent expresses her willingness to provide superior service by being more attentive and responsive to the customer's requests:

> *"This customer did not pressure me, he did not stress me…and I will do my best to serve him…I approach his table "Is there anything more that you need? Can I get you something? What would you like?"…Whatever they want they will get it right away"*. – Interview #14 (Female, 39 years: Hotel Restaurant).

Respondents in general mentioned that providing better service to their benefactors is the primary way through which they can express their gratitude for the support received. For example, the incident below describes the means that service employees have at their availability in order to reciprocate customer expressed positivity:

> *"By making sure they eat…that's the only way unfortunately. By making sure they eat and enjoy themselves…anything they don't like I will change it right away, I will ask them, I will attend to them, is everything ok, is your food ok, is there anything else you need…unfortunately I cannot offer anything else"*. – Interview #7 (Female, 33 years: Casual Restaurant).

The example below from a respondent working in an upscale restaurant illustrates how faster service, i.e. a functional benefit, is provided to those customers as a means of reciprocating the benefit received:

> *"[Customers stacking plates]…in my turn I will go to the kitchen and because I liked these customers I will say 'come on, come on, faster'. Not because they asked me to do so, but because I want to thank them"*. – Interview #20 (Female, 24 years: Upscale Restaurant).

7.4.2.2. Special treatment benefits

This second category of benefits revealed from the interview procedure refers to those privileges offered by service employees that are typically not available to all customers; rather they are reserved for special customer segments. Hence, conceptually, special treatment benefits share similarities with the benefits offered to customers of loyalty programs typically divided into hard benefits (i.e. rewards), and soft benefits (i.e. recognition) (Drèze and Nunes, 2009), or both (i.e. hybrid benefits containing both concrete and symbolic elements) (Wetzel *et al.*, 2014). As such, special treatment benefits may confer both practical and social value (Liao and Searcy, 2012). For instance, when customers receive priority seating, they are benefited on both a symbolic level (i.e. conferred with a sense of elevated status compared to the rest of the customers), but also on a tangible level (i.e. being served without waiting). Common examples mentioned in the interviews include priority service or priority seating, complimentary product offering, or proactive service delivery.

The following incidents illustrate the thoughts and feelings of service employees related to the provision of special treatment benefits. The first incident described below shows that service employees appreciate instrumental help. As such, potentially due to their contextual inability to provide better service (e.g., due to restaurant busyness), they resort to offering special treatment to these customers in order to demonstrate their thankfulness for the benefit received. The incident that follows noticeably demonstrates this notion of 'preferential treatment', which suggests that the privileges offered to beneficial customers are not accessible to everyone:

> *"When you are extremely busy and you are loaded with dishes and this customer makes room on the table so that you can place the dishes, it's helpful…[I'm thinking] that <u>he understands that right now I cannot serve him as well as I would like to</u>, and he does something to show me that he wants to help me too, that there's no problem, that it's ok…<u>you don't do this for everyone</u>…yes, I could offer him something complimentary".* – Interview #8 (Female, 43 years: Casual Restaurant).

The second incident illustrates how special treatment benefits share similarities with the concepts of 'prosocial rule-breaking' (Morrison, 2006) or 'customer-oriented deviance' (Leo and Russell-Bennett, 2012), whereby service employees defy organizational rules and regulations with the intent of promoting the welfare of an organization or one of its stakeholders. As such, it is possible that at times service employees may suspect, or even be aware of the fact that preferential treatment (a) may not necessarily be approved by organizational policies, or (b) might signify some form of inequity towards the rest of the customers. The following example describes the respondent's understanding of actions that signal preferential treatment. In the informant's view, offering special benefits is something that pleases the customer. Therefore, such employee initiatives are justified on the basis of the positive outcomes they produce as they contribute to customer satisfaction:

> *"To those customers [who complimented the service] – I don't know if it's right or wrong – I show more attention. I mean…I know what the customer likes to drink and I take the drinks to him before he orders. This is something that…delights the customer…and I believe this is something over and above of what is required of me".* – Interview #15 (Male, 25 years: Hotel Restaurant).

The previous incident is complemented by the next one, which once again underscores the respondent's perspective for engaging in preferential actions towards beneficial customers. In his view, such instances of offering special treatment may not be organizationally approved; however they do occur, and they seemingly constitute part of the discretionary role of service employees in terms of their behaviour when providing service:

> *"When this lady told me that I made their holidays…their mood…[you differentiate your behaviour to this kind of table], it's part of the job, of course. Maybe it is not 100% professional but it simply happens…I might offer them a nice treat at the end…to show them my satisfaction…that I was pleased".* – Interview #21 (Male, 33 years: Upscale Restaurant).

7.4.2.3. Social benefits

The final type of favourable reciprocal behaviour comprises of the provision of benefits that lay the foundation for friendship building. According to the qualitative findings, social benefits were mainly provided to customers with whom service employees perceived to have an enjoyable interaction and/or a personal connection

(Gremler and Gwinner, 2000). In these instances, service employees engaged in rapport-building behaviours on two dimensions: common grounding behaviour, where service employees sought to identify similarities with the customer, and connecting behaviour, where the service employee purposely tried to connect with the customer. Examples of this type of reciprocal behaviour mentioned by the participants include maintaining more social conversation, engaging in recreational activities outside of the work context, or making more use of humour. Respondents also explained how they offered these benefits to customers who conveyed them a sense of mutual understanding during the interaction, by showing empathy and appreciation for their efforts.

The following incident clearly demonstrates this type of benefit by reporting the service employee's response following the reception of an instrumental benefit. This first incident shows that service employees are appreciative of customer support, and emphasizes that even though the customer may perform a mundane action, it is the underlying intent and effort – i.e. to help the service employee – that could potentially lead to the development of a relationship (Raggio *et al.*, 2014):

> *"You appreciate it [when a customer picks up something that you dropped]…it's not that you don't appreciate it…<u>it's a small facilitation that can also be the 'key' that will bring you closer to the customer</u>, right? From something like this…to building a relationship. You say "thank you", he responds "my pleasure" for example. And if I have the time, I will ask him what's his name, how are you, what do you do, are you on holidays…<u>it will initiate a conversation</u>".* – Interview #12 (Male, 39 years: Casual Restaurant).

Respondents also made reference to the fact that customer beneficial behaviour makes them feel appreciated by customers for their efforts, or of being valued as individuals. The next two incidents reflect this sense of personal accomplishment, which once again, facilitated the development of a social relationship:

> *"There was this family…an amazing couple…they had four children…and the children were sitting at the table and they made a mess. But you could see that they [the parents] were sitting there cleaning up after them…which basically they had no reason for doing it…it's very positive. <u>Because you think to yourself that what you are doing…has some impact</u>…<u>I will be thinking that there are some customers who look after you too.</u> Yes, you look*

> *after them, but* *they want to take care of you too. Because they don't always necessarily look after you by giving you tips. But by being nice to you too…I told them 'there is no need for you to do that', 'thank you so much', and so on…we kept in touch after that…even now…every now and again we talk [on facebook]".* – Interview #27 (Female, 21 years: Hotel Restaurant).

> *"There was this customer who had come here with a boat…he didn't eat, he just had a beer…but because he was 'cool' and we started talking…he had a great time…we exchanged emails…I took a picture of him and I emailed the picture to him later on..it was something personal, mine, that I did by myself...".* – Interview #17 (Male, 37 years: Upscale Restaurant).

The final incident illustrates how this informant adapts her behaviour by engaging into more social interaction after the reception of an emotional benefit from a customer, in this case, humour. In essence, humour constitutes an element that helps break the ice and create a positive conversation between two individuals (Hyun and Kim, 2014). Therefore, humour is appreciated during the service interaction due to its ability to create an overall pleasant atmosphere (Gremler and Gwinner, 2000), and can contribute to decreasing social distance and to developing rapport between the service employee and the customer (Francis *et al.*, 1999). From the service employees' standpoint, the use of humour signifies bonding and some kind of friendship, appreciation, and affection among themselves and the customers (Ivarsson and Larsson, 2010). This following incident emphasizes the enjoyable interaction component of rapport, which results from the use of humour:

> *"It's the way they ask you for something…I mean you may be swamped…and just because of the way they ask your for something...you differentiate your behaviour [when approaching the customer that cheered you up]. You make more jokes. I mean, while you are on your way to serve another table you go by them, you tell them something, they tell you something back and you laugh…it creates this enjoyable atmosphere".* – Interview #26 (Female, 44 years: Casual Restaurant).

7.4.3. Third phase: Benefits to Other Customers

The third research objective investigated by **Study 1** relates to the assessment of the extent to which customer beneficial behaviours influence service employees' behavioural responses towards other customers in the service setting. In order to complete this stage, each one of the sixty-one critical incidents was thoroughly examined so as to evaluate whether a customer's beneficial behaviour was likely to trigger a 'spiral effect' through which service employees provided enhanced service to all customers. Prior to this investigation, the impact of customer beneficial behaviour for service employees was explored, with the aims of understanding the mediating mechanisms and identifying the variables that produced specific behavioural outcomes. As illustrated in Table 7.7 on the next page, apart from 'consultancy', all types of customer behaviours were associated with some favourable impact in terms of the service employee's experience on a cognitive and on affective level. On this note, a possible explanation for the lack of impact relating to this particular behaviour pertains to the fact that it cannot be perceived as beneficial unless customer suggestions for service improvement have been implemented. In other words, a customer's constructive feedback can be considered impactful during subsequent interactions, once the service has been upgraded.

Furthermore, the results shown in Table 7.7 highlight the fact that the respondents reported that customer beneficial behaviour influenced their affective state more frequently than any other level. Moreover, behaviours encompassed in the category of 'advocacy' were more often associated with some form of impact for service employees. Therefore, for example, it appears that when customers compliment service employees on the service provided, they are likely to enhance their affective state, their perception of performing the service efficiently, while – although to a smaller degree – attenuating the perceived stress associated with their work. With regards to job stress, it stands to reason that customer beneficial behaviours on a more tangible level (e.g., 'assumed employee role') are likely to influence the service employees' experience in terms of their perceived workload.

Table 7.7. Results of third phase of inductive analysis per category of customer behaviour: impact on service employees.

Category of Behaviour	Affective State	Self Efficacy	Job Stress	Total
Assumed Employee Role	2	-	10	12
Advocacy	19	8	2	29
Consultancy	-	-	-	-
Sportsmanship	3	-	3	6
Social Support	5	1	2	8
Courtesy	10	1	1	12
Total	**39**	**10**	**18**	**67**

A grouping of the results by type of customer benefit (i.e. emotional and instrumental) further clarifies these observations, as illustrated in Table 7.8 below:

Table 7.8. Results of third phase of inductive analysis per type of customer benefit: impact on service employees.

Type of Customer Benefit	Affective State	Self Efficacy	Job Stress	Total
Instrumental	5	-	13	18
Emotional	34	10	5	49
Total	**39**	**10**	**18**	**67**

It is noteworthy that respondents did not make reference to any association between instrumentally beneficial customer behaviour and self-efficacy. This finding can be explained by the fact that instrumental benefits, although intended to be helpful, can at times hinder service employees' effort to efficiently deliver the service. Research indicates that under certain circumstances, supportive actions can be relatively ineffective, even to the point of being detrimental to the intended recipient of the help (Beehr *et al.*, 2010). This study's findings come to support this assumption, as it appears that customer instrumental benefits may at times create a perception of inability to the service employees of effectively orchestrating their work-related outcomes. Such a finding can be attributed to the fact that undesired beneficial actions may tap onto an individual's levels of self-esteem (Fisher *et al.*, 1982), thereby creating a sense of incompetence to the beneficiary (Beehr *et al.*, 2010; Peeters *et al.*, 1995). As indicated by the exploratory study, while service employees may be appreciative of customers' willingness to tangibly assist them in accomplishing their work-related tasks, this type of behaviour may actually lead them into questioning their ability to successfully deliver the service. For instance:

> *"…When my customer sees that I am struggling, he returns his plate. That's polite. I don't always like it but there are some customers who do that…and <u>it makes me feel uncomfortable, as if I was not serving them, either because I don't have enough time, or because I am too busy</u>".* – Interview #16 (Female, 28 years: Hotel Restaurant).

Participants' reports on their subsequent behaviour to their customers following an incident involving customer beneficial behaviour are displayed in Table 7.9 on the next page. An analysis of each of the reported incidents revealed that respondents made reference to the provision of either 'better service', or 'more enjoyable' service to their customers following a positive critical incident. Similar to the distinction of customer beneficial behaviour in two dimensions – emotional and instrumental – (*cf.* section 7.2, p.165), the qualitative study revealed that when service employees felt benefited on some level, they enhanced their performance towards all customers either on an instrumental (i.e. 'better service' dimension) or on an affective level (i.e. 'more enjoyable service' dimension). For instance, respondents employed terms such as being 'more efficient' or 'faster' following customer beneficial behaviour (i.e. providing better service), while at the same time referred to being 'more cheerful' or 'more smiling' (i.e. enjoying providing service) towards all customers. Having said this, in a broad sense, these types of service employee behaviours share similarities with the construct of *customer-orientation,* which, at the individual level, can be defined as an employee's willingness to focus on customer needs ('needs' dimension) and the degree of enjoyment derived from such a focus ('enjoyment' dimension) (Brown *et al.*, 2002).

Table 7.9. Results of third phase of inductive analysis per category of customer behaviour: service employee behavioural outcomes.

Category of Behaviour	Better Service	Enjoyable Service	Total
Assumed Employee Role	-	1	1
Advocacy	4	4	8
Consultancy	1	-	1
Sportsmanship	3	1	4
Social Support	2	-	2
Courtesy	-	2	2
Total	**10**	**8**	**18**

In particular, respondents made reference to the fact that customer beneficial behaviour assisted them in providing ‘better’ service to the other customers. Either by tangibly reducing their workload (e.g., stacking the plates), by providing them with a word of encouragement which impacted on their affective state, or by complimenting them on their service which served as a form of positive feedback, they succeeded in contributing to their effort in serving the other customer needs more efficiently. For instance, this type of positive feedback influencing the service employee’s perceived self-efficacy is exemplified in the respondent’s words below:

> *“…This [complimenting the service]…increases my job performance first of all…I can work with more vigour…it makes me feel that I am doing my job well”.* – Interview #15 (Male, 25 years: Hotel Restaurant).

Similarly, the following incident showcases the effect of self-efficacy on the service employee’s performance:

> *“I like it [customer complimenting] because it rewards my food at that point – because I see it as my own food when that happens…I know that I can please even the most demanding customers…you feel more at ease, you work more nicely”.* – Interview #23 (Male, 47 years: Upscale Restaurant).

The impact of customer beneficial behaviour on service employees’ affective state is uncontestable. In this regard, a significant number of informants referred to the fact that customer positive actions towards them offered them with a psychological boost, translated into a cheerful and positive attitude towards all customers. As such, the service delivered to them was even more enhanced. For example:

> *"…My customers, after 5-6 years [of repeat visit] did not go to the reception to get a room…[instead] they came with their suitcase at my post, they found me, they arranged for the table they would be sitting at [during their stay] and then they went to the reception. That to me is the best thing imaginable…you fly…you come to work with a better spirit. With a lot of energy…I feel that I perform better…that I am more beneficial to the customer".* – Interview #4 (Male, 39 years: Hotel Restaurant).

Similarly, the respondent below underscores the 'undoing effect of positive emotions' (Fredrickson *et al.*, 2000, p.237), according to which "positive emotions reliably alter people's thinking and actions". As such, he describes how one beneficial customer has the ability to reverse his negative mood at work, which in turn results in more efficient service towards all customers. Moreover, this informant further elaborates on the outcomes of customer beneficial behaviour, by highlighting how positive mood induced by one customer can enhance his view and approach of other customers:

> *"There is this day that let's say is not good for me...and I encounter old customers who have arrived. Repeaters. It makes up you mood. You fly at your work…it is amazing. Your spirits are boosted, you are faster, more efficient…and the rest of the customers get to benefit also, even the ones with whom you didn't have any chemistry before…if you are more smiling?…don't you become more communicative?".* – Interview #10 (Male, 39 years: Hotel Restaurant).

Likewise, the next informant explains how commonplace, yet kind customer actions, can effectively alter the service employees' mood and attitudes, as they communicate them with a sense of recognition for their efforts:

> "*There are customers who with a kind word or a smile uplift you…just a 'thank you' is the best'…I mean for me, that makes my day…I mean, I didn't come here for me, it's for them [the customers] that we are putting this effort…I feel happy, satisfied…we interact with people, you are uplifted, you are even better afterwards".* – Interview #14 (Female, 39 years: Hotel Restaurant).

On a related note, when service employees received some form of benefit by customers, they perceived their work tasks (i.e. providing service to customers), in a more positive light. Hence, their job was experienced as being more enjoyable. As a result, the negative effects of emotion regulation associated with surface acting were reduced as service employees mentioned finding it easier to smile authentically at their customers. Stated simply, customer beneficial contributions succeed in relieving part of the affective workload of the service delivery. For example, the respondent below describes the impact and the outcome of customer emotionally beneficial behaviour:

> *"It was so nice…it made up my mood, very much…[it makes my job] much easier...<u>it feels like the time goes by faster, more pleasantly</u>…<u>I am more in the mood to interact with the rest of the customers afterwards, I am smiling more</u>, and maybe sometimes things turn up…like 'oh! Look how this happened…it was done more effortlessly'...I don't know, <u>everything flows faster and more easily</u> if you are pleasant".* – Interview #20 (Female, 24 years: Upscale Restaurant).

Beneficial, supportive customer actions also positively affected the service employees' level of job stress. As such, respondents mentioned that patient behaviours or tangibly helpful customer actions practically helped relieve some of the service employees' levels of stress associated with performing their work. Moreover, such reduced levels of job stress favourably affected the efficiency of the service delivered to all customers, as indicated by the respondents below:

> *"When I am calm and I say 'just a minute' and he [the customer] smiles back at me I know that…he is giving me a minute. <u>So I serve this customer and the other customer better</u>".* – Interview #14 (Female, 39 years: Hotel Restaurant).
>
> *"It pleases me…because he understands…I'm coming with the tray full of plates and everything to serve…<u>he's making room [on the table] and he's helping me</u>…<u>the job is made faster</u>".* – Interview #13 (Male, 34 years: Hotel Restaurant).

The impact of customer behaviour on service employee job stress was particularly highlighted by several informants who contrasted positive customer behaviour to demanding customer behaviour, with the aims of revealing the respective outcomes of both types of customer behaviours. The next example illustrates how negative customer behaviour adversely affects service employees by creating some sort of ‘blockage’ in them. As a result, when service employees are unable to function due to heightened levels of stress, they require some time to recuperate, whereas, service failures are also more likely. Hence, the flow of the service is disrupted and the service delivered to all customers – the demanding one included – is poorer than it would have been if no such negative incident had occurred:

> *“A customer was asking for “Coffee!!!Coffee!!!” and I went to him [with the coffee pot] and it was empty…so I had to go back to the kitchen to fill it up… “Coffee!!!Coffee!!!”…<u>That makes me nervous and then I might do something wrong in my job</u>…because of him stressing me I broke a glass. And I had to clean it up….<u>had he been a bit more patient, maybe I would have been faster</u>. Or maybe I would have thought of something else, I don’t know…maybe I would have seen how full his cup was and I would have served him earlier…<u>it blocks me</u>…<u>some understanding...just that, so that everything flows well</u>…the truth is that I try to forget it and to go to the next customer happy, cheerful and smiling. So as to not show him…<u>maybe I will need to go to the kitchen so that I can calm down for three minutes</u>…”.* – Interview # 28 (Female, 22 years: Hotel Restaurant).

Furthermore, once again as can be seen in Table 7.9 (*cf*. p.193), the category of ‘advocacy’ was more often associated with some form of enhanced service delivery to the rest of the customers, followed by the category of ‘sportsmanship’. These results are not surprising given that, on the one hand, advocacy was frequently associated with participants’ uplifted mood, which in turn fosters extra-role behaviours (e.g., George, 1991). Therefore, it can clearly result in more cheerful service delivery. On the other hand, flexible customers represented by the category of ‘sportsmanship’, allow more time for service employees to cater to the other customers’ needs (i.e. better service), while helping them maintain their affective state (i.e. enjoyable service). A grouping of the types of customer beneficial behaviour into instrumentally and emotionally beneficially categories provides interesting insights as illustrated in Table 7.10 that follows.

Table 7.10. Results of third phase of inductive analysis per type of customer benefit: service employee behavioural outcomes.

Type of Customer Benefit	Better Service	More Enjoyable Service	Total
Instrumental	4	2	6
Emotional	6	6	12
Total	**10**	**8**	**18**

As illustrated, emotionally beneficial customer behaviour was found to be more often associated with some form of enhanced service provided to the other customers, compared to instrumentally beneficial behaviour. This finding is consistent with past research which has suggested that receiving emotional support is more strongly associated with positive outcomes compared to instrumental help (Zimmermann *et al.*, 2011).

Following the foregoing results, this section concludes by offering a summary of the qualitative study's findings. Specifically, Table 7.11 that follows presents the types of customer beneficial behaviour, the benefits as perceived by the respondents, and the outcomes in terms of the service employees' subsequent behaviour towards their benefactor but also the other customers in the service setting.

Table 7.11. Categories of customer beneficial behaviours directed to service employees and associated outcomes.

Categories and associated behaviours	Number of incidents	Expressed benefits to service employees	Subsequent benefits to benefactors	Subsequent benefits to the other customers
Assumed Employee Role				
Helping to speed up the service, cleaning up after children, stacking plates, making room on the table.	15	Empathy, sense of communality, positive mood, job satisfaction, reduced workload, gratitude, perceived social worth.	Faster service, small extras, proactive service, thanking, more attentive service, complimentary offering, social conversation.	Faster service.
Advocacy				
Direct compliments, indirect compliments to management, positive feedback, expressions of thankfulness/ appreciation, asking to be served by a particular service employee.	23	Self-efficacy, positive mood, reduced stress, sense of communality, perceived social worth, less surface acting, job satisfaction, gratitude, perceived job impact.	Better service, more attentive service, faster service, more efficient service, more often interaction, personal gifts, social conversation, recreational activities outside of work context, complimentary offering, proactive service, menu recommendations, accommodating special needs.	More effort in service delivery, more pleasant service delivery, more smiling, increased job performance, more efficient service delivery, more communicative, more authentic affective display.
Consultancy				
Making recommendations about the service.	1	Personal accomplishment.		

Table 7.11. (*continued*)

Categories and associated behaviours	Number of incidents	Expressed benefits to service employees	Subsequent benefits to benefactors	Subsequent benefits to the other customers
Sportsmanship				
Tolerance associated with service delay, patience.	3	Perceived social worth, positive mood, reduced job stress, empathy, gratitude.	Priority service, more attentive service, better service, more pleasant service, complimentary offering.	More enjoyable service delivery, more smiling, improved service delivery.
Social Support				
Expressions of empathy and care, personal gifts, encouragement, monetary tips, job offer, defending service employee to other customers, humour.	7	Perceived social worth, reduced job stress, positive mood, gratitude, job satisfaction, perceived job impact.	Complimentary offering, more pleasant service, humour, better service.	More focused service delivery.
Courtesy				
Positive nonverbal expressions, greeting, eye-contact, positivity towards service employees, social conversation, politeness.	12	Perceived enjoyable interaction, positive mood, sense of communality, reduced workload, gratitude, perceived job impact, perceived social worth, job satisfaction, self-efficacy.	More pleasant service, helping customer get served, small extras, social conversation, better service, personal gift, complimentary offering, accommodating special needs, priority service, humour.	More enjoyable service delivery, smiling, more pleasant service, more vigour.
Total Incidents	**61**			

7.5. Model Development

Having outlined the ways that customers can benefit service employees during the service encounter through their behaviour, three key findings were brought to light by **Study 1**: (a) customers may engage in instrumentally and/or emotionally beneficial behaviours towards service employees during the service encounter; (b) service employees are likely to engage in some form of reciprocal behaviour towards the customers who benefited them, and (c) service employees tend to provide better service to all customers through heightened levels of performance on a functional and on an affective level. Furthermore, the study revealed that when customers deviate from the service script in a positive way, they tend to catch the service employees' attention, since such behaviours have an effect on several levels of their experience (e.g., affective state, self-efficacy). Although exploratory in nature, the study has offered some preliminary evidence that customers can in fact contribute to the service encounter through their behaviour by enhancing (a) their own experience, as they are likely to reap favourable reciprocal behaviours from service employees; (b) the service employees' experience, as they positively impact on several levels of their well-being; and (c) the other customers' experience, as the improvement of the service employees' state is likely to lead to augmented service behaviours.

Having completed the analysis of the exploratory study, this section describes the development of a number of hypotheses that draw on both the qualitative findings and the existing literature. These hypotheses lead to the development of the final theoretical model, tested through **Study 2**, in order to address the broad research aim:

Research aim**:** *To investigate how customer behaviours contribute positively to the service encounter through their impact on service employee behavioural responses.*

In particular, having established customer behaviours that are perceived as beneficial by service employees (**Objective 1**) through **Study 1**, the purpose of **Study 2** is to address the second and third research objectives, i.e.:

Objective 2: To examine the influence of a customer's beneficial behaviour on service employees' reciprocal behavioural responses towards the customer.

Objective 3: To assess the extent to which customer beneficial behaviours influence service employees' behavioural responses towards other customers in the service setting.

Therefore, the model addresses the impact of customer behaviour for service employees, and their associated behavioural response towards their benefactor and towards other customers in the service setting.

7.5.1. Independent Variables

As previously described and in line with Whetten's (1989) recommendations, **Study 1** served as a basis for exploring an initial conceptual model through a qualitative approach, with a primary focus on comprehensiveness and parsimony, thereby aiming at identifying the pertinent variables to the context of the research. At this stage, the initial theoretical model developed in **Chapter 5** is revisited in order to be refined through the inclusion of the variables of interest revealed during **Study 1**. The theoretical model is subsequently developed into a series of testable hypotheses, which were developed and derived primarily from the qualitative results.

Recalling from **Chapter 4** (*cf*. section 4.4, p.93), customers can contribute in different ways to the service encounter through their behaviour. As such, consistent with existing literature (i.e. Garma and Bove, 2011), the findings revealed that customers can in fact behave in a way that benefits service employees. These behaviours are conceptualized as extra-role, in the sense that they exceed service employee expectations in terms of the customer's role, while being voluntary and therefore not required to receive service. In this vein, Goodwin (1996) for example contends that customers may engage in nonessential helping behaviours that are not related to the purchasing act of the core service. As such, customers and service employees may "do favours for one another" (Goodwin, 1996, p.393). Similarly, Zimmermann *et al*. (2011, p.37) define what they label 'customer-initiated support' as "instrumental and emotional behaviour that customers direct towards employees during the customer contact, making it easier to cope with service demands". Therefore, they contend that customers can contribute to the service encounter in five different ways: behaviourally, emotionally, by providing information, through feedback, and by exhibiting personal attachment to the service employee. According to Fliess *et al*. (2014), customer contribution may be conceptualized along three dimensions: physical (i.e. customer labour and provision of tangibles), mental (i.e. mental labour and information sharing), and emotional contribution (i.e. emotional labour). Likewise, Stock *et al*. (2014) suggest that customers may provide emotional support to service employees, which essentially refers to the degree to which the latter perceive interactions with their customers as a source of energy on an emotional level. Furthermore, they may provide cognitive support, relating to the level of information and feedback that is perceived as valuable by service employees.

In considering these prior views on customer inputs, the conceptualization of the notion of ‘behaviour’ for this thesis (*cf*. p.21), and the qualitative findings, which brought to light the customer behaviours that are perceived as beneficial or disrupting by service employees, two definitions of customer behaviour are adopted from this point forward. Specifically, ***customer positive behaviour** (**CPB**) towards service employees* is defined as *the sum of behaviours, benevolently performed by customers towards service employees during the service encounter, and which are actually perceived as beneficial and resourceful by the recipients on an emotional and/or instrumental level*. Typically, this behaviour encompasses a combination of emotionally and/or instrumentally supportive activities. Apart from engaging in positive behaviours, customers may also behave in a negative way towards service employees. Therefore, for the purposes of this thesis ***customer negative behaviour** (**CNB**) towards service employees* is defined as *the sum of behaviours, inconsiderately performed by customers towards service employees during the service encounter, and which are actually perceived as disrupting and disturbing by the recipients on an emotional and/or instrumental level*. Typically, this behaviour encompasses a combination of emotionally and/or instrumentally hindering activities. Consequently, the independent variable introduced to the research with the aims of being tested in the quantitative phase is ***Valence of Customer Behaviour*** (***VCB***), which comprises of two levels: positive and negative customer behaviour. A note is made at this point to highlight that in the present thesis, the terms ‘beneficial’, ‘supportive’, ‘helpful’, or other comparable terms referring to customer behaviour are to be regarded as interchangeable with ‘positive’ to denote CPB.

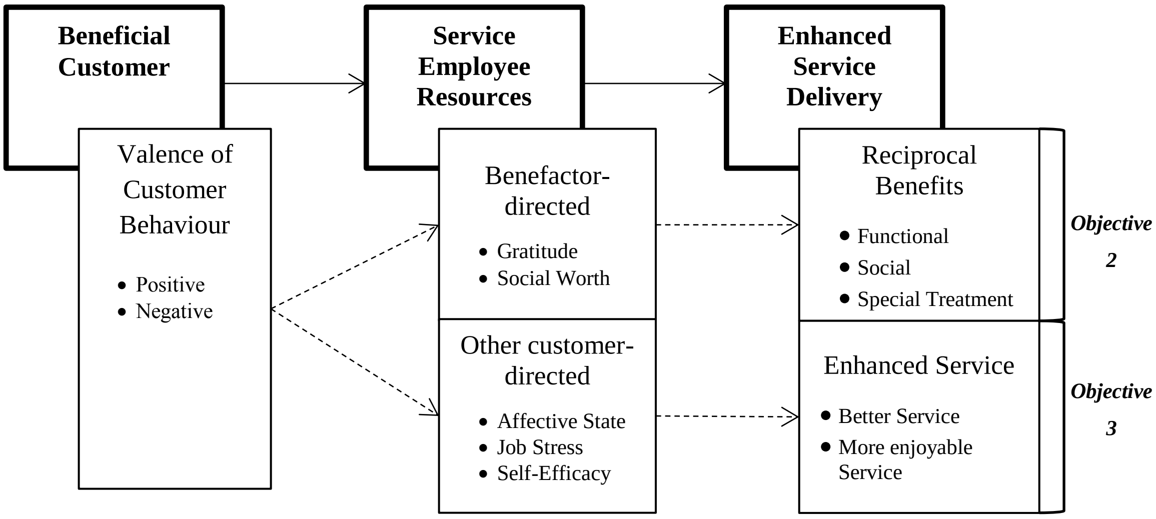
Having established the independent variables, the next step involves the incorporation of the mediating and dependent variables identified through the exploratory study into the final theoretical model. To this end, the following section discusses the stages leading to the final theoretical model, developed according to the findings of **Study 1,** and supported by the existing literature.

7.5.2. Revisiting the Initial Conceptual Model

The initial conceptual model to be explored through the qualitative study was outlined in **Chapter 5**. Specifically, the underlying logic of the model argued that customer behaviour (i.e. independent variable), would have a potential impact on the service employees' subsequent behaviours (i.e. dependent variable), through its influence on service employee resources (i.e. mediating variable). As previously noted and in line with Whetten's (1989) recommendations, the exploratory study was undertaken with the aims of ensuring parsimony and comprehensiveness, and therefore, the factors relevant to the research objectives were identified. Consequently, **Study 1** has contributed thematically to the development of the final theoretical concepts of the research topic to be tested through the quantitative phase of the research.

In particular, the exploratory study has generated information on how employee behaviour is affected by customer behaviour, and has offered insights on the underlying mechanisms that explain why such employee behavioural responses occur. Figure 7.1 illustrates a refinement of the initial conceptual model consistent with the qualitative findings, prior to presenting the revised, final theoretical model.

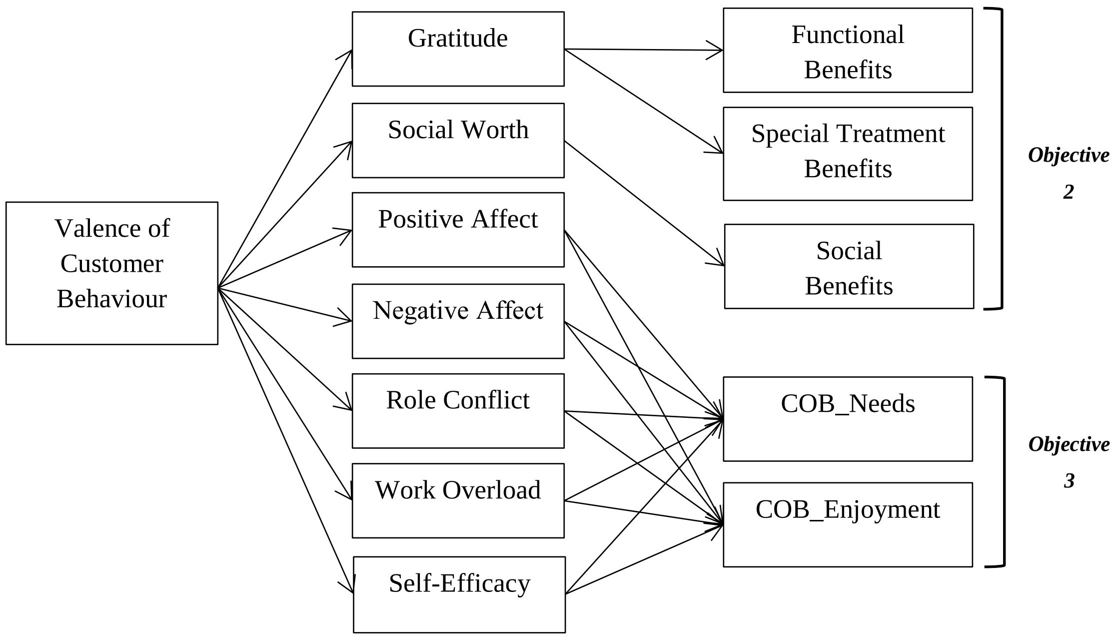
Figure 7.1. Refinement of initial conceptual model.



As shown in the figure, **Study 1** has shed light on the processes that link customer behaviour to employee behavioural responses. Specifically, the informants of the first phase of the research indicated that customers may behave in both a beneficial or in an unhelpful manner during the service encounter (i.e. VCB). Service employee resources previously included in the initial conceptual model are currently conceptualized as 'benefactor-directed' and 'other-customer directed' since the exploratory study has indicated that different variables account for distinctive employee responses. These responses involve reciprocal benefits towards their benefactors (**Objective 2**), and enhanced service to the other customers (**Objective 3**).

Following the revised theoretical model, the results from the first phase of the research were used to inform the development of more specific and quantifiable hypotheses for the second phase of the research. In particular, recalling from the previous sections, the qualitative findings revealed five dependent variables that ought to be tested in the quantitative phase of the research: (a) functional benefits, special treatment benefits, and social benefits for **Objective 2**; and (b) customer-oriented behaviour on two dimensions (needs and enjoyment) for **Objective 3**. In addition, the exploratory study highlighted seven primary mediating variables that serve as potential mediators explaining the relationship between the independent and the dependent variables (gratitude, social worth, PA, NA, role conflict, work overload, and self-efficacy). Figure 7.2 offers a graphical representation of the revised theoretical model to be tested in **Study 2**.

Figure 7.2. Revised theoretical model.



As shown in the figure and consistent with the qualitative study, the model hypothesizes that VCB (i.e. CPB or CNB) impacts on seven levels of the service employees' experience: their experienced gratitude, their social worth, their positive and negative affect, their level of perceived workload and role conflict, and finally, their perceived self-efficacy. Each of these mediating variables is associated with the dependent variables. As such, regarding **Objective 2** (a) gratitude explains the relationship between VCB and functional and special treatment benefits, and (b) service employee perceived social worth accounts for the amount of social benefits provided to customers. On the lower part of the model, and with regards to **Objective 3**, positive and negative affect, role conflict, work overload, and self-efficacy are hypothesized to explain the relationship between VCB and service employees' (i) focus on customer need satisfaction, and (ii) enjoyment derived from such a focus. Recalling from an earlier discussion (*cf.* section 2.6.1, p.35), it is noted that affective state is represented here by two distinct, independent dimensions: positive affect and negative affect (Crawford and Henry, 2004). Therefore, in sum, the model hypothesizes that VCB differentially impacts on service employees' behavioural responses, and these responses are contingent upon the relative impact of each type of customer behaviour on the service employees' experience.

The next sections discuss the rationale for the proposed theoretical model and develop a series of hypotheses supported primarily by the previous findings of the exploratory study and in line with extant literature.

7.5.3. Hypotheses Development

The theoretical model illustrated in Figure 7.2 outlines the hypothesized paths to be tested through **Study 2**. In particular, the model suggests that seven intervening variables account for the relationship between VCB and service employee subsequent behaviour. Hence, the findings from the exploratory research and the previous literature review chapters provided the study with a basis for developing a series of hypotheses.

Specifically, for the second phase of the research, and in line with the findings of **Study 1**, it is assumed that the reception of a benefit from a customer will urge service employees to sense a form of internal obligation to reciprocate by engaging in similar behaviour towards their benefactor. In other words, as it is maintained by the theoretical background of this thesis on Social Exchange (Blau, 1964), service employees will direct their reciprocation efforts towards the source of the benefit received. While several studies have shown that positive mood may mediate employee engagement in prosocial behaviour (e.g., George, 1991; Kelley and Hoffman, 1997; Zimmermann *et al.*, 2011), the qualitative findings revealed that a discrete positive emotion termed gratitude (Tsang, 2006) urges service employees to act prosocially towards their benefactor. As such, the findings from **Study 1** illustrated how feelings of employee gratitude can arise in the context of customer-employee interactions.

In this vein, scholars argue that when individuals perceive that another person has acted in a way to intentionally benefit them, they tend to experience a sense of thankfulness expressed through gratitude (Blau, 1964; Fredrickson, 2004; Grant and Gino, 2010; McCullough *et al.*, 2001; Spence *et al.*, 2014). According to relevant literature, of the basic premises of gratitude is the fact that it is other-directed, and that it originates from a perception that one has received a benefit from another individual, which has resulted from this individual’s good intentions (Emmons *et al.*, 2003;

Tsang, 2006). In particular, the actual experience of gratitude – termed ‘state gratitude’ – is conceptualized as a momentary condition consisting of an isolated phenomenon, which is episodic in nature – as opposed to ‘trait gratitude’ which refers to a person’s predisposition to feel grateful (Spence *et al.*, 2014). Regardless of the value of a benefit as perceived by the beneficiaries, “the intention behind the gift is critical to the activation of gratitude” (Fazal-e-Hasan *et al.*, 2014, p.794). Furthermore, it should be noted that gratitude is differentiated from the construct of ‘indebtedness’: while gratitude is internally generated and derives from the beneficiary’s perception of having been benefited (i.e. internal assessment), indebtedness is a result of the beneficiary’s attempt to comply with societal norms (i.e. external obligation) (Raggio *et al.*, 2014). Specifically, there is a distinction between ‘gratitude of exchange’ and ‘gratitude of caring’ (Buck, 2004): while the former refers to an exchange process where issues of equity and obligation are relevant, the latter stems from an individual’s perception of being cared for. Moreover, gratitude has been conceptualized as a tripartite construct consisting of the following dimensions: a cognitive component (i.e. recognition of the benefit offered by the benefactor), an affective component (i.e. appreciation for the benefit received), and a behavioural component (i.e. propensity to reciprocate) (Bock *et al.*, 2016; Raggio *et al.*, 2014). In this vein, while it is possible for a person to express gratitude (behavioural component) without actually experiencing it, it is the affective facet of gratitude that differentiates the construct from other underlying mechanisms explaining reciprocal behaviours. Hence, the recognition of having been benefited (i.e. cognitive component) is a necessary yet insufficient condition for actual gratitude to exist. Therefore, for the present research, the affective component is essential.

That said, several respondents from **Study 1** explained how they perceived the customers’ engagement in supportive actions as deriving from their genuinely benevolent and considerate intentions. As a result, service employees experienced feelings of thankfulness and gratitude, rather than a sense of an externally-imposed obligation to reciprocate with similar behaviour. Therefore, overall the exploratory findings demonstrated that when service employees perceive or recognize the intended customer benefit, they experience appreciation (affective component), and they engage in favourable reciprocal behaviours (behavioural component) towards their benefactor. The qualitative findings pointed to three types of benefits that can be provided from service employees to customers: confidence functional, social, and special treatment benefits. Specifically, gratitude constitutes the mechanism that explains the provision of *functional* and *special treatment benefits* to customers that have exhibited positive behaviour towards service employees.

As already mentioned, functional benefits are conceptualized as concrete benefits that enhance the core service offering. Recalling from the qualitative findings (*cf*. section 7.4.2.1, p.184), the discretion to provide superior service to beneficial customers constitutes the primary privilege that service employees enjoy, and which allows them to express their gratitude to their benefactors. For example:

> *"Always to those who treat me better than the rest [of the customers], of course I will give them something more. I will be more attentive to them, I will be on their beck and call until they leave".* – Interview #19 (Male, 42 years: Upscale Restaurant).

Furthermore, special treatment benefits, which consist of both concrete and symbolic benefits not available to all customer segments, constitute the second approach adopted by service employees with the aims of showing their gratitude to customers who benefited them. Several respondents from **Study 1** such as the one below described how they are likely to offer little extras to customers who treated them nicely:

> *"Definitely…when the customer behaves nicely we will be better too…if I say [this is a good customer] we will do everything possible for him. We will offer extra services".* – Interview #17 (Male, 37 years: Upscale Restaurant).

Study 1 also revealed that at times, service employees may resort to providing special treatment to certain customers due to contextual factors (e.g., store busyness), which do not allow them to invest time and effort (i.e. functional benefits) in order to offer them superior service. Special treatment benefits (e.g., complimentary desert), involve actions that do not call for extra time and effort from service employees. However, they do convey employee feelings of gratitude towards their benefactors.

Therefore it is proposed that:

***H*$_1$**: *CPB will be associated with participants reporting greater provision of functional benefits through higher levels of gratitude compared to CNB.*

***H*$_2$**: *CPB will be associated with participants reporting greater provision of special treatment benefits through higher levels of gratitude compared to CNB.*

The findings from **Study 1** also suggest that service employees are likely to engage in further social interaction with the customers who exhibited some form of positive behaviour towards them. Notably, several informants mentioned how relationships developed with their customers following customer-initiated positive behaviours. These friendships resulted primarily from service employees' feelings of warmth resulting from CPBs:

> *"[Some customers] are in a cheerful mood and when you go to serve them they start dancing with you…isn't it great? Knowing that you have made new friends…they hug you, they thank you, 'nice to meet you, see you again' and so on…it gives me so much pleasure…".* – Interview #26 (Female, 44 years: Casual Restaurant).

In other words, the exploratory findings indicated that CPBs resulted in feelings of closeness and friendliness between the interacting parties. In line with the literature, individuals sense the need to feel connected to and valued by others (Grant and Gino, 2010) – a fundamental human motivation termed *social worth*. Research has shown that reassurance of one's worth provided in the form of support constitutes a significant benefit for individuals (Russell *et al.*, 1987). Specifically, individuals experience social worth when they feel that their efforts are appreciated by others (Payne *et al.*, 2002), which signifies the development of a positive relationship, or an interpersonal bond with the individuals who valued their actions (Grant and Gino, 2010). More importantly, social worth constitutes a communal mechanism through which individuals sense a form of comfort with others (Keyes, 1998), of having been treated in a warm and personal way (Metcalf *et al.*, 1992).

Moreover, the exploratory findings indicated that such feelings of warmth result in employees engaging in further interaction with customers who expressed some form of positive behaviour towards them. As explained in the example that follows, service employees are likely to come closer to these customers either by seeking to spend more time with them, or by connecting with them on a more social level:

> *"<u>You exchange smiles. You go there [to their table]…when you get two minutes of time off</u>…and you tell them 'so this is it…we are done for today'…I mean <u>you share [what is happening] with them</u>…".* – Interview #26 (Female, 44 years: Casual Restaurant).

In a sense, service employees perceive customers who are well-intended towards them as likeable (Doney and Cannon, 1997), and the exploratory study has shown that they are willing to engage in approach behaviours towards these customers. Social worth constitutes a benefit that service employees reap from their relationships with customers, as positive interactions provide them with a sense of accomplishment and a perception of a richer life and job (Beatty *et al.*, 1996). Hence, it is argued that the experience of social worth contributes to the development of communality between the service employee and the customer by reducing the social distance that is typically present during a service exchange (Czepiel, 1990). Such instances, can occur through conversational interchanges on topics unrelated to the service provision (Goodwin, 1996), as illustrated in the previous example.

In contrast, the informants from **Study 1** described how CNBs made them feel unappreciated for their efforts, while being demeaning on a social level. As a result, and in comparison to CPB, service employees mentioned how they engaged in avoidance or inauthentic behaviours towards these customers. Such an incident is exemplified below:

> *"It upset me that they were talking to me like…ok, I am the waitress, and they are the ones with the money. I don't care, you cannot talk to me like I'm your servant...Because I am trying to make you have a good time…don't talk to me like that….[then] <u>I don't want to serve them and I will send someone else at the table…I avoid it</u>…I mean no matter how much money he [the customer] has, if he talks to me like that, I cannot respect him. <u>So I wear a fake smile to serve him</u>, so that he can get out of here!".* – Interview #20 (Female, 24 years: Upscale Restaurant).

As such it is hypothesized that:

***H*$_3$**: *CPB will be associated with participants reporting greater provision of social benefits through higher levels of social worth compared to CNB.*

Furthermore, the findings from **Study 1** offered some preliminary evidence indicating that CPB is associated with employee PA. In contrast, several respondents described how CNB was mainly related to the experience of NA. For instance, the informant below expresses how compliments constitute a primary customer behaviour that defines her mood:

> *"[Compliments] <u>are vital for me…so that I can be in a good mood</u>.".* – Interview #20 (Female, 24 years: Upscale Restaurant).

Consistent with the qualitative findings, existing literature maintains that when customers direct their supportive behaviour towards service employees during the service interaction, they produce a change in the affective state of the other party. Zimmermann *et al*. (2011) empirically confirmed that customer-initiated support produces an increase to employees' positive affect. Furthermore, customer helping behaviour can elicit service employees' positive affect, while the reception of support expressed through compassion in the workplace triggers employees' positive moods (Chu, 2014; Kiffin-Petersen *et al.*, 2012; Lilius *et al.*, 2008). Therefore, overall, there is evidence that informal interactions originating from customers are likely to induce service employees' positive mood (Goodwin, 1996). The phenomenon of emotional contagion (Hatfield *et al.*, 1994; Hsee *et al.*, 1991) and AET (Weiss and Cropanzano, 1996) can help understand the effect of CPB on service employees' affective state. Specifically, recalling from **Chapter 2**, emotional contagion suggests that people are inclined to unconsciously imitate another person's facial expressions, gestures or other emotionally driven behaviours that results in experiencing the same emotions themselves. Likewise, Parkinson (1996) states that the expression of one person's affective state through verbal and nonverbal behaviour commonly leads to the experience and expression of a similar affective state to the other person. Furthermore, AET (Weiss and Cropanzano, 1996) proposes that workplace events have the ability to instigate affective reactions that drive work attitudes and behaviours, suggesting that positive interactions with customers are likely to produce a positive affective reaction to service employees. Hareli and Rafaeli's (2008) discussion on 'emotion cycles' suggests that during an interaction, one party's affective state is likely to influence the other party's affective experience. Conversely, CNB has been associated with the experience of negative affect by service employees (Groth and Grandey, 2012; Huang and Miao, 2016). In sum, and as indicated by the exploratory findings, when customers demonstrate positive (negative) behaviour, they have the ability to induce a positive (negative) affective state to service employees as well.

Service employee affective state offers a plausible explanation for the reported willingness of the respondents' of **Study 1** to provide better service to their customers following customer beneficial behaviour. In particular, several informants acknowledged that customer-induced positive mood accounted for their engagement in delivering superior service overall. This finding is also supported by the literature. For instance, in terms of customer service roles, positive moods have shown to result in the enhancement of service employees' in-role performance through a belief that their efforts will lead to positive outcomes (Chu, 2014). More importantly, George (1991) has empirically demonstrated that positive mood at work fosters prosocial organizational behaviours among service workers, both role-prescribed and extra-role. As such, according to the typology on customer behaviour developed by Podsakoff and MacKenzie (1997), customer-oriented behaviour is viewed as a form of service employee extra-role behaviour directed towards customers. Consistent with the qualitative findings, customer-oriented behaviour in the present study is conceptualized along two dimensions previously developed by Brown *et al.* (2002). In particular, customer-oriented behaviour refers to a state-like psychological variable that reflects the service employee's ability to concentrate on customer need satisfaction (COB_Needs dimension) and the enjoyment derived from such a focus (COB_Enjoyment dimension). In line with the qualitative findings, affective state as a work state can urge service employees to engage in extra-role behaviours towards other customers by expressing customer-oriented behaviours, either through higher levels of PA, or through lower levels of NA. Conversely, a negative affective state could account for lower levels of employee willingness to engage in COBs. The qualitative findings offered insights on how service employees' customer-induced affective state can impact on their subsequent performance. In particular, the informant below describes how a single customer's undesirable behaviour can negatively affect the service employee's level of enjoyment when serving the rest of the customers:

> *"This customer was arrogant…he wasn't respectful…[inside] I was boiling up…[it has an impact] on the other tables because when you get upset you have to put on a fake smile…you transfer that…I mean the other customer may be having a good time with you before this one [bad] customer shows up…and he has ruined it for you for a while…it can be for ten minutes, it can be for half an hour…you are not who you are supposed to be".* – Interview #19 (Male, 42 years: Upscale Restaurant).

The same informant also explained how a negative affective state may interfere with the employees' level of task performance by diverting their attention from serving other customers 'needs:

> *"[More mistakes happen when I get upset] such as the timing of serving the food to the customer…it gets served faster than it is supposed to…because you lose your patience…this here is [supposed to be] slow food…subconsciously [you think] 'come on, let's get this over with, give this, give that…it is not right for the rest [of the customers]".* – Interview #19 (Male, 42 years: Upscale Restaurant).

Hence:

***H*$_4$**: *CPB will be associated with participants reporting greater ability to concentrate on customer need satisfaction (COB_Needs dimension) through higher levels of positive affect compared to CNB.*

***H*$_5$**: *CPB will be associated with participants reporting greater ability to concentrate on customer need satisfaction (COB_Needs dimension) through lower levels of negative affect compared to CNB.*

***H*$_6$**: *CPB will be associated with participants reporting greater enjoyment derived from the concentration on the customer's needs (COB_Enjoyment dimension) through higher levels of positive affect compared CNB.*

H$_7$: *CPB will be associated with participants reporting greater enjoyment derived from the concentration on the customer's needs (COB_Enjoyment dimension) through lower levels of negative affect compared to CNB.*

Additionally, in line with the exploratory findings of **Study 1**, employee job stress was found to be one of the variables affected by customer behaviour. Job stress is a concept that essentially refers to the detrimental impact on service employees' psychological and physical well-being, which occurs due to a discrepancy between job requirements and needs, abilities or resources. Moreover, job stress can be the product of several factors, among which are included face-to-face interactions with customers (Parish *et al.*, 2008). Consistent with the qualitative findings, the construct of job stress for the present study was measured along two dimensions: *role conflict* and *work overload*. Role conflict may arise when customers express unexpected demands and hold unclear expectations from the service delivery that may be incompatible with service employees' role scripts (Chan *et al.*, 2010). For example, service employees typically need to face customers demanding attention and service quality on the one end, and the service firm demanding efficiency and productivity at the other end (Singh, 2000). Work overload results when customer demands exceed the service employee's ability to practically perform their job efficiently (Singh, 1998).

During the qualitative study, several informants mentioned how patient, supportive customers relieved some of the service employees' job stress either on a practical, or on a affective level. Such an impact resulted in better service delivered to all customers on a task level, but also in terms of the enjoyment derived from the activity. Previous studies corroborate these results as they have demonstrated that job stress tends to reduce the service employees' job performance in general (Bettencourt and Brown, 2003), and their capacity to engage in extra-role performance in particular (Bakker *et al.*, 2004). Furthermore, role conflict adversely affects service employees' customer orientation (Bettencourt and Brown, 2003; Knight *et al.*, 2007). On the contrary, the absence of role conflict is likely to increase service employee customer-oriented behaviour (Hennig-Thurau and Thurau, 2003), while cooperative customer behaviours have the ability to reduce service employee workload (Mills *et al.*, 1983).

These outcomes can be explained by Conservation of Resources theory (COR) (Hobfoll, 1989), which essentially postulates that stress experienced by individuals can be understood in association with potential or actual resource loss. In other words, the theory proposes that stressful incidents at work generate resource losses while positive experiences lead to resource gains (Dewe *et al.*, 2012). Therefore, when customers engage in positive behaviour towards service employees during the service interaction, they help them maintain their well-being by preventing a loss of resources during the service interaction (Zimmermann *et al.*, 2011). Past research has shown that customer participation behaviour can actually reduce or substitute for some of the work tasks performed by service employees (Bendapudi and Leone, 2003; Lovelock and Young, 1979; Rodie and Kleine, 2000). Consequently, the more service employees' tasks are transferred to customers, the more time they have available to engage in serving the rest of the customers (Yi *et al.*, 2011). Consequently, since lower levels of job stress constitute a potential underlying factor leading to an increase in service employees' extra-role performance in the scenario examined for the present research it is proposed that:

H_8: *CPB will be associated with participants reporting greater ability to concentrate on customer need satisfaction (COB_Needs dimension) through lower levels of role conflict compared to CNB.*

H_9: *CPB will be associated with participants reporting greater enjoyment derived from the concentration on the customer's needs (COB_Enjoyment dimension) through lower levels of role conflict compared CNB.*

H_{10}: *CPB will be associated with participants reporting greater ability to concentrate on customer need satisfaction (COB_Needs dimension) through lower levels of work overload compared to CNB.*

H_{11}: *CPB will be associated with participants reporting greater enjoyment derived from the concentration on the customer's needs (COB_Enjoyment dimension) through lower levels of work overload compared to CNB.*

Finally, the qualitative study highlighted a job resource that accounts for service employees' subsequent motivation to invest more effort into their work, i.e. self-efficacy. In other words, the provision of support by customers seems to enhance the service employees' feelings of being capable of effectively performing their role, resulting thus in providing enhanced service. The JD-R model (Demerouti *et al.*, 2001) helps shed light on the fact that customer beneficial behaviour might influence service employees' subsequent performance. Specifically, as already outlined, the model proposes that job resources act as a 'buffer' to the impact of job demands. This means that customer beneficial behaviour reduces the service employees' job demands while increasing their job resources, affecting thus employee in-role and extra-role performance (Bakker *et al.*, 2004). As such, customers' instrumental and emotional benefits may act as performance feedback; this concept refers to "the degree to which carrying out the work activities required by the job results in the individual obtaining direct and clear information about the effectiveness of his or her performance" (Hackman and Oldham, 1976, p.258). Service employees sense the need to feel competent, useful and efficacious by perceiving that they have been able to perform their required tasks in a particular encounter and, more importantly, that their behaviour and their efforts have produced the desired effect (Bradley *et al.*, 2013). Therefore, it is conjectured that CPB impacts on service employees' level of perceived self-efficacy, i.e. their perception of being capable of managing the outcome of their actions (Bandura, 1977; Gist, 1987). For instance, as shown in **Study 1**, CPB directed towards service employees includes behaviours such as clearly expressing one's appreciation for the quality of the service. This is in line with the theory on the development of self-efficacy, according to which individuals are convinced of their ability to perform a task through verbal persuasion (Bandura, 1982). Therefore, CPB that is verbally communicated during the service encounter, is able to transmit a positive message to the service employees regarding their ability to effectively deliver a pleasant experience to their customers.

Study 1 offered insights in terms of the outcomes associated with self efficacy. Specifically, the preliminary findings pointed to employee increased performance due their sense of feeling competent for achieving customer satisfaction. In this vein, self-efficacy plays a central role in terms of the service employees' subsequent work-related performance (Stajkovic and Luthans, 1998). That is to say, the higher the individuals' expectations of personal efficacy, the more effort they are likely to expend on a specific task (Bandura, 1977), which in turn leads to increased performance (Bandura, 1982; Hartline and Ferrell, 1996). In a way, this sense of competence has been found to constitute an intrinsic reward for service employees that renders their work more enjoyable, while motivating them to engage in extra effort when serving customers (Lee and Ok, 2013). As such, and in support to the qualitative findings, there exists some indication that self-efficacy might constitute an explanation for individuals engaging in prosocial behaviours (George and Jones, 1997; Zellars and Tepper, 2003).

As customer-oriented behaviour is a form of extra-role behaviour, it is suggested that:

H_{12}: *CPB will be associated with participants reporting greater ability to concentrate on customer need satisfaction (COB_Needs dimension) through higher levels of self-efficacy compared CNB.*

H_{13}: *CPB will be associated with participants reporting greater enjoyment derived from the concentration on the customer's needs (COB_Enjoyment dimension) through higher levels of self-efficacy compared to CNB.*

This last section concludes the present chapter by having identified the independent, mediating, and dependent variables along with their respective temporal order, graphically represented in a final theoretical model. Recapitulating the initially developed theoretical model, and further to the research hypotheses, the relationships to be tested through **Study 2** are developed in the next chapter.

7.6. Summary

Chapter 7 commenced by reporting the findings from **Study 1**, with the objective of exploring the major emerging themes that were revealed during the interview process described in **Chapter 6**. Overall, these exploratory findings contribute to elucidating the variables relating to the research objectives. Specifically, the purpose of the chapter was (a) to provide insights into the area of customer positive behaviour towards service employees, and (b) to explore the most relevant variables to be incorporated into the study's theoretical framework with the aims of being subsequently tested through the quantitative phase of the research.

In technical terms, the analysis of the exploratory study consisted of two stages: a deductive and an inductive one, broken down into three levels. The results of each stage of the content analysis were thoroughly described, supported by participants' verbatim answers, and examined in contrast to prior research. Overall, the study confirmed the initial theoretical thinking and revealed that (a) customers can engage into either instrumentally or emotionally beneficial behaviours towards service employees; (b) service employees are likely to engage into favourable reciprocal behaviours towards their benefactor; and (c) customer supportive behaviour benefits the service employees' on several levels (e.g., affective state), which in turn influences the service delivered to all customers. Next, the qualitative findings were combined with the existing literature and a series of hypotheses were developed leading into a final theoretical model.

Having completed the exploratory stage of the research, and consistent with a mixed-method research design, the next chapter presents the procedure followed for **Study 2**, which aims at validating the exploratory findings at an aggregate level. In particular, the second phase of the research implements the proposed theoretical model and tests the hypothesized relationships through a survey design distributed to the population of interest. Therefore, **Chapter 8** begins by providing a detailed report of this design and by providing a comprehensive review of the development of the quantitative phase of this research.

CHAPTER 8

PART II: STUDY 2 METHODOLOGY

8.1. Introduction

This chapter presents the methodological approach for **Study 2**, which employs a survey design that builds on the qualitative findings revealed from **Study 1**. In particular, the second phase of the mixed-method approach calls for a scenario-based experimental survey design, which was implemented in order to account for the effects of valence of customer behaviour towards service personnel. The rationale behind the selection of this particular type of research method lies in the fact that customer positive and negative behaviours are discrete; therefore, they do not necessarily occur during every service interaction. In light of this fact, it was decided that an experimental approach would allow gaining insights that could not have been attained through other means. Furthermore, it was decided to draw on the respondents' stories from **Study 1** in order to create hypothetical scenarios involving different types of customer behaviour. Following this, the subsequent impact of these behaviours for service employees was measured through the implementation of an online questionnaire.

As such, **Chapter 8** provides a thorough description of the steps involved in the development of the questionnaire by documenting the specification of the experimental design, the creation of the stimuli, the procedure followed for the design of the measurement instrument, and the technicalities concerning the distribution of the survey to the population of interest.

8.2. Specification of the Experimental Design

The quantitative study was designed in a way that would permit the examination of the outcomes associated with customer beneficial behaviour. However, it was decided that the development of the survey instrument should also allow for a comparison between the outcomes related to customer positive behaviour and to the ones related to customer negative behaviour. Specifically, it was deemed that such a contrast would yield additional insights in terms of the effects of an opposite valence of customer behaviour. Therefore, the inclusion of customer negative behaviour into the research design was considered to be a necessary approach that would weigh the relative impact of alternate customer behaviours on service employees, along with their subsequent behavioural responses.

In this view, a scenario-based experimental survey was implemented for **Study 2**. Experimental studies are distinguished from other forms of research as they allow the researchers to control over the experimental conditions and manipulated variables (Wilson, 2011). The specification of the experimental design for this study involved the selection of the independent variable to be included, a process that was guided by the research objectives. The independent variable was varied using the 'scenario technique' – or judgment technique – (Aronson *et al.*, 1998), where participants are presented with the description of an incident that they are asked to imagine they have experienced. It has been previously argued that feigned scenarios are associated with low levels of involvement, which in turn calls into question the authenticity with which participants have the ability to 'imagine' behaving in a particular way (Fisk *et al.*, 2010). Moreover, the written scenario-approach has been criticized as lacking verisimilitude (Swinyard, 2003). However, written scenarios have also shown to successfully produce interesting insights related to the service setting. Therefore, scenario-based approaches have received extensive scholarly support in terms of being suitable for studies in marketing, as they garner fascinating insights into various forms of behaviour (e.g., Bitner, 1990; Dabholkar, 1994; Fisk *et al.*, 2010; Swinyard, 2003). Finally, a main advantage of text-based scenarios relates to the fact that they allow for a systematic manipulation of variables and incidents that are difficult to investigate in a real-life setting (e.g., customer discretionary behaviour) (Söderlund and Rosengren, 2008). Hence, the experimental approach at this stage of the research included the implementation of scenarios involving hypothetical service encounters in written form, evolving on the description of customer behaviours towards service personnel. Further details on the development of the scenarios are provided in the next section.

8.3. The Stimuli

A rule of thumb in experimental research recommends the inclusion of an independent variable that essentially consists of a stimulus variable (Sani and Todman, 2008), which in this case was a written scenario describing a particular work situation. As previously noted (*cf*. section 7.5.1, p.201), one nominal scaled independent variable was selected to be manipulated between subjects, namely the valence of customer behaviour (VCB). Following the definition of the variable, the next step involved the determination of the number of levels for the independent variable. This study involved the inclusion of two levels for the treatment factor: customer positive and negative behaviour, i.e. also referred to as CPB and CNB respectively.

In order to enhance realism, four hypothetical scenarios were developed after careful consideration of the participants' verbatim responses from the qualitative study. Two of the scenarios pertained to CPB while two varied between different types of CNB. This number of scenarios allowed the inclusion of all types of customer behaviours mentioned during the interview process, while allowing for the descriptions to remain brief and realistic. For example, it was considered that the respondents would not perceive one single scenario involving all CPBs as truthful to a possible encounter. Furthermore, despite the fact that CNBs do not constitute the primary objective of this thesis, as already indicated (*cf*. section 6.6, p.139), these were recorded during the interview process with the aims of providing further insights, explanations, and comparisons with CPBs, but also in view of being included in the quantitative study. Having said this, all scenarios described hypothetical service encounters at a restaurant setting that could occur to the respondents on a regular day at work. The rationale behind the scenario development for all customer behaviours is described in **Appendix 3** (p.359).

With regards to the selection of the type of design for the present study, a repeated-measures (or within-subjects) design (Gravetter and Wallnau, 2013) was implemented. In particular, in repeated-measures designs participants are exposed to all experimental conditions and therefore two sets of data are yielded from the same group of participants (Gravetter and Wallnau, 2013; Koschate-Fischer and Schandelmeier, 2014). In line with this approach, participants were randomly exposed in this study to both levels of the independent variable, i.e. CPB and CNB.

Specifically, participants were asked to imagine themselves in the role of a member of the waiting personnel during their encounter with one particular customer. To create scenarios where customer behaviour could be varied in a plausible manner, service encounters were presented to be occurring during rush hour at a restaurant, where the service employee is supposedly faced with several straining conditions, including high restaurant busyness associated with demanding customers. Customer behaviour was manipulated by varying VCB towards the service employee. In the positive scenarios, the customer acted in a way that presumably enhanced the service employee's experience, i.e. engaged in a combination of positive behaviours such as advocacy, courtesy and social support. In contrast, the negative scenarios involved the customer behaving in a way that would seemingly adversely affect the service employee. Hence, the questionnaire consisted of two parts divided by the two alternative scenarios. Each participant was randomly introduced with a scenario highlighting either a positive or a negative valence. Following this, participants were presented with the measuring items. As this study employed a crossover design, depending on the first scenario, respondents were presented with a second scenario of the opposite valence, along with the same measurement items.

That being said, scholars advise that researchers be prudent for potential carryover effects in experimental designs. Carryover effects (or order effects) refer to those instances where a participant's experiences in one experimental condition are likely to influence his or her response on the subsequent experimental condition (Christensen, 2001; Koschate-Fischer and Schandelmeier, 2014; Sani and Todman, 2008). In other words, this situation can be problematic as respondents' answers on the dependent variables in each experimental condition may be contingent on which condition is presented first and which one is presented second. This situation applies in a within-subjects design and therefore, as the present study was designed as such, care was taken in order to minimize the potential carryover effects through the method of counterbalancing. This method consists of presenting the two conditions of the experiment to two randomly assigned halves of the participants and in different orders (Sani and Todman, 2008). Specifically, the aim of this technique is to counterbalance the sequence of the experimental conditions (Christensen, 2001), thereby reducing the eventuality of systematic differences across each experimental condition (Khan, 2011; Perdue and Summers, 1986). Consistent with this method, as this study consisted of two distinct experimental conditions, these were randomly assigned in different orders to two halves of the participants. An overview of the method of counterbalancing as used in this study is shown in Table 8.1.

Table 8.1. Schematic representation of counterbalancing.

Randomly Selected Groups	**Times for repeated presentations of conditions to participants**	
	Time 1	**Time 2**
Group 1	Positive condition	Negative condition
Group 2	Negative condition	Positive condition

Source: adapted from Sani and Todman (2008).

Note: Group = randomly selected half of participants.

Having outlined the issues considered in the development of the stimuli, the next section describes the process relating to the development of the main body of the questionnaire.

8.4. Development of the Questionnaire

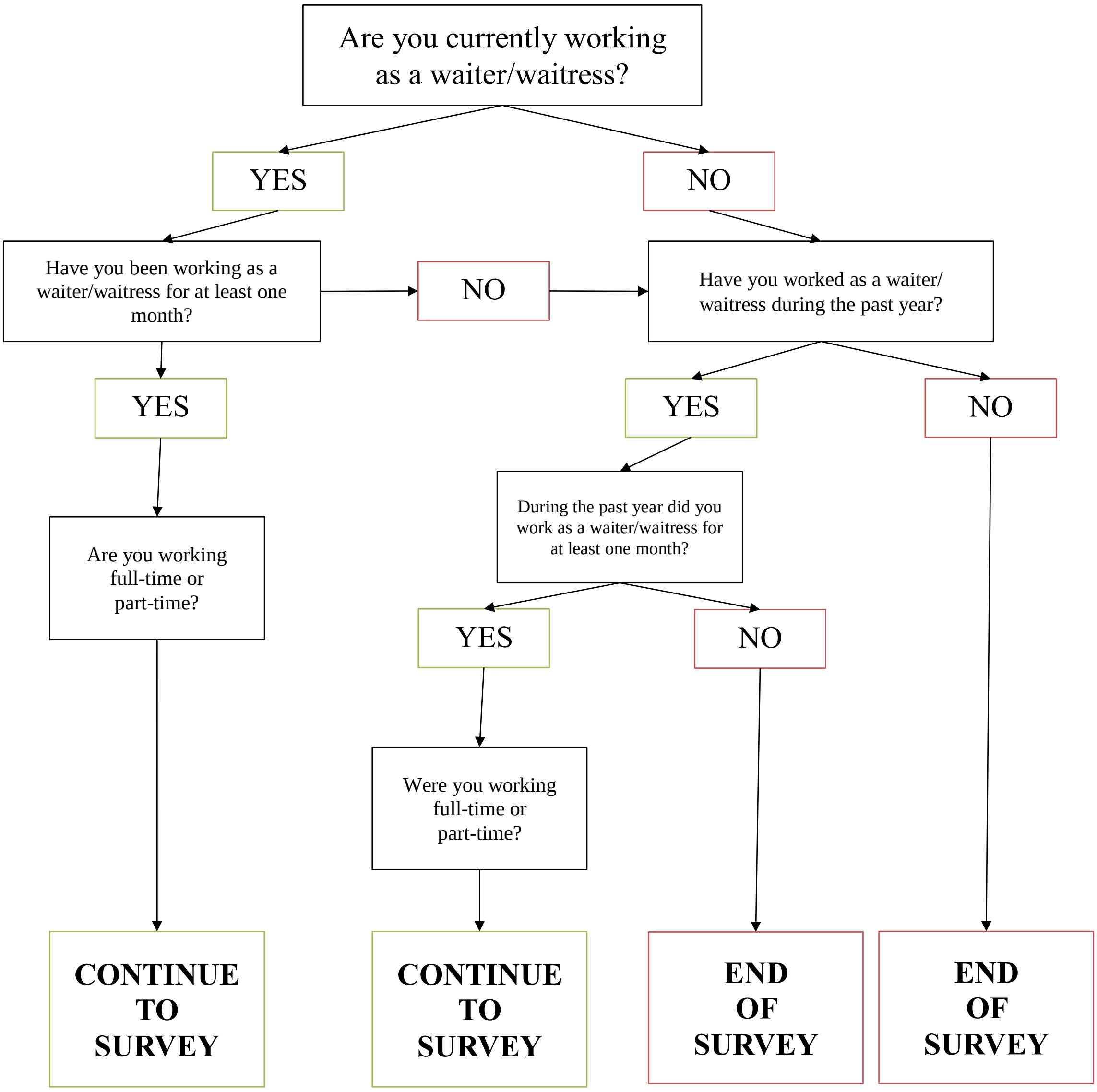
The design of a questionnaire constitutes an extremely important process that requires careful consideration of several factors (Wilson, 2011). As such, the design of the measurement instrument involved the reflection on several development principles and scholarly recommendations (e.g., Albaum, 1997; Brace, 2008; Churchill and Iacobucci, 2010; Wilson, 2011) in order to create a reliable and valid measurement instrument. For instance, care was taken in developing a questionnaire that would be succinct and accurate, as this tactic offers several advantages (Parasuraman *et al.*, 2006). First of all, shorter questionnaires are likely to increase response rate by reducing completing time, while also moderating the possibility for nonresponse bias. Secondly, attention was paid to the wording employed, as poor questioning can be misinterpreted and can therefore create confusion and ambiguity to the participants (Wilson, 2011). Likewise, the sequence of the questions was thoroughly considered in order to create a flow that would be perceived as logical by the respondents (Saunders, 2011). Also, the inclusion of more simple questions was preferred over fewer complex ones in order to secure content validity, whereas the measurement scales employed in the questionnaire have been previously and repeatedly confirmed in terms of their validity and reliability (Churchill and Iacobucci, 2010). The specific characteristics of the population of interest were also taken into consideration in the development process of the questionnaire. In particular, **Study 1** offered valuable insights with regards to this issue by revealing that the nature of service work at a restaurant is associated with the use of specific words and expressions by the people in the industry, which refer to certain elements or conditions of the restaurant environment. Therefore, terms were borrowed from the responses given in the qualitative study in order to ensure that the phrasing of the questions was relevant and familiar to the participants of the survey.

Regarding the format of the responses, Likert scales were chosen for the present study. Likert scales are particularly popular when measuring opinions, beliefs, or attitudes (DeVellis, 2012). This scale involves respondents being asked to outline their level of agreement with a number of statements on a scale ranging from '*strongly agree*' to '*strongly disagree*'. Empirical studies generally concur that scale reliability and validity are improved by the use of 7-point scales instead of coarser ones (e.g., Beal and Dawson, 2007; Friedman and Amoo, 1999). Therefore, with the exception of items pertaining to respondents' demographic characteristics, all items were measured on 7-point Likert ranging from '*strongly disagree*' to '*strongly agree*', asking thus participants to denote their level of agreement with a pool of statements.

An additional issue pertaining to the internal validity of an experimental procedure relates to demand characteristics (Sani and Todman, 2008). These effects refer to participants in an experiment behaving in a way that will please the experimenter and therefore, they are more likely to adapt their responses in a way that will confirm the study's hypotheses. In order to reduce this threat to validity, a cover story was developed for the introduction of the questionnaire. Specifically, participants were told that the study was about the ways that customers can contribute to creating a positive experience for themselves and the service employees through their behaviour, rather than about the impact of customer behaviour in terms of service employees' subsequent behaviour. A further threat to the internal validity of experiments relates to what is called experimenter expectancy (Sani and Todman, 2008), according to which researchers construct experiments in a way that will support their hypotheses. Preventing the researcher from interacting with the participants can minimize this type of threat, a condition that, apart from very few cases during the initial tryout of the questionnaire, was satisfied for the present study.

In order to ensure that the respondents would consist of individuals from the sample of interest, and therefore would qualify to answer the survey, screening questions were also implemented at the beginning of the questionnaire (Wilson, 2011). These screening (or filter) questions distinguished between those participants who were eligible to proceed with the questionnaire from those who did not correspond to the predefined criteria (Saunders, 2011). As such, only candidates with a certain amount of experience, i.e. over one month, and who were recently employed as waiting personnel, i.e. during the past year, were included in the study. These filters were applied in order to ensure that participants would have sufficient recent experience in the restaurant industry, so that they would be able to relate to the experimental scenarios presented to them. This flow of the screening questions is illustrated in Figure 8.1.

Figure 8.1. Flow of screening questions.

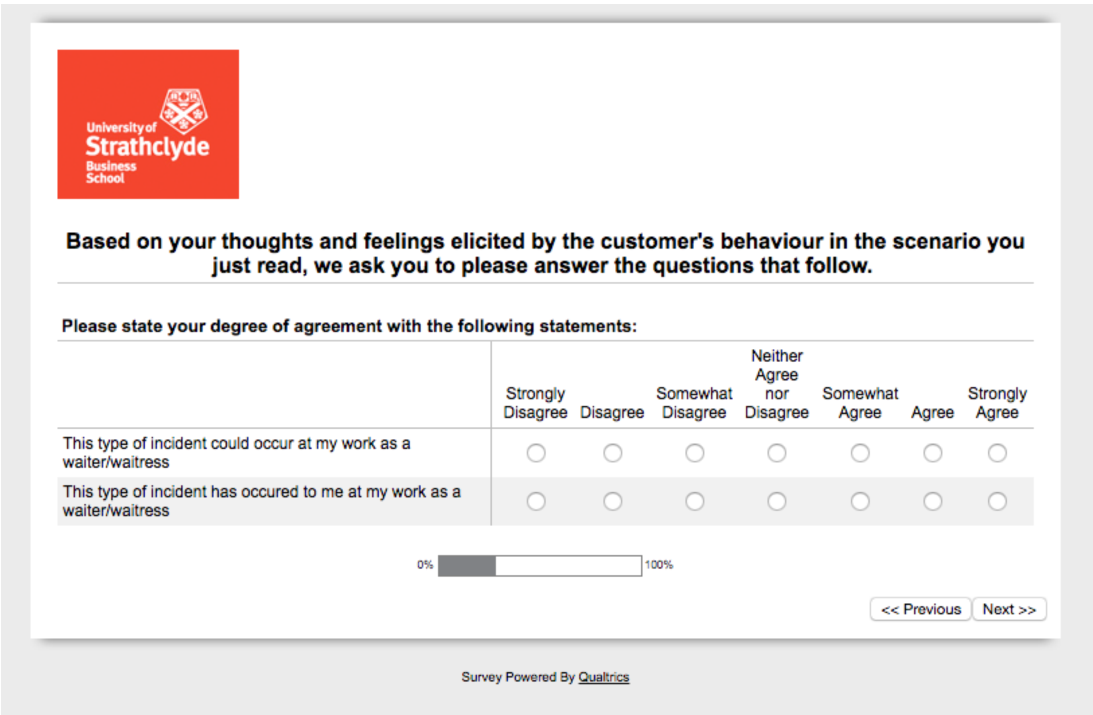


In terms of the respondents' classification questions (i.e. personal or demographic characteristics) (Wilson, 2011), aside from the aforementioned filter questions, the following information was collected: gender, age, and years of experience as waiting personnel. Furthermore, information was gathered regarding the restaurant where the participants worked. Therefore, type of restaurant, restaurant ownership, and meal price range were included. Apart from the screening questions placed at the start of the questionnaire, all classification questions were located at the end of the questionnaire (Wilson, 2011). On this note, due to the lack of a formal typology of restaurants in Greece, the responses pertaining to restaurant information were implemented following the consultation and the guidelines provided by a food, beverage, and restaurant expert-educator in Greece.

Last but not least, the layout and the appearance of the questionnaire were carefully designed. In this view, it was deemed prudent to create a layout that would be perceived as attractive, uncluttered and easy to understand, as these elements are likely to increase the response rates, especially in the case of self-administered questionnaires, such as the one used in this study (Wilson, 2011). Furthermore, the questionnaire was created and administered through ‘Qualtrics’, an online software tool. Survey design and analysis software in general is helpful in developing a professional looking questionnaire, as it provides users with a series of style templates for typefaces, colours and page layout (Saunders, 2011). Figure 8.2 illustrates two examples of the layout of the questionnaire, which, as shown, grouped questions and topics into separate pages.

Figure 8.2. Examples of questionnaire layout.

Example 1



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Based on your thoughts and feelings elicited by the customer's behaviour in the scenario you just read, we ask you to please answer the questions that follow.

Please state your degree of agreement with the following statements:

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
This type of incident could occur at my work as a waiter/waitress	○	○	○	○	○	○	○
This type of incident has occured to me at my work as a waiter/waitress	○	○	○	○	○	○	○

0% 100%

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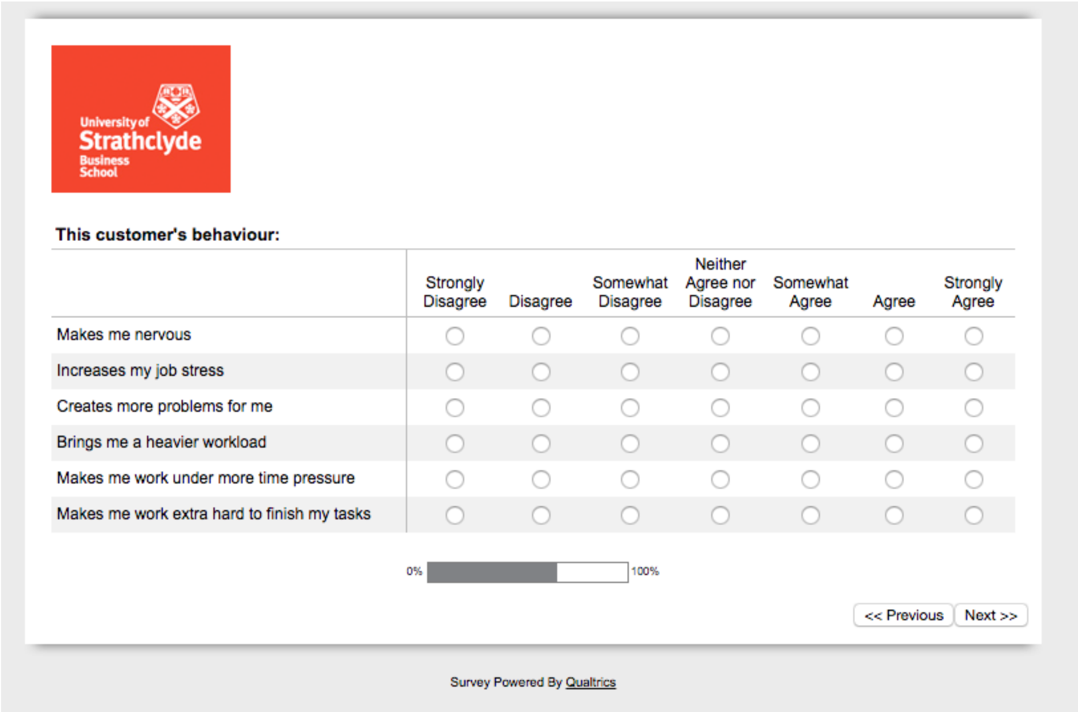
Survey Powered By Qualtrics

Example 2



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This customer's behaviour:

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
Makes me nervous	○	○	○	○	○	○	○
Increases my job stress	○	○	○	○	○	○	○
Creates more problems for me	○	○	○	○	○	○	○
Brings me a heavier workload	○	○	○	○	○	○	○
Makes me work under more time pressure	○	○	○	○	○	○	○
Makes me work extra hard to finish my tasks	○	○	○	○	○	○	○

0% 100%

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Survey Powered By Qualtrics

8.5. Measurement Scales

In order to measure the constructs for this second phase of the research, previously developed scales were employed on the basis of three main criteria: (a) they should have demonstrated high degree of validity in prior studies; (b) they should be relevant to the aims of the study; and (c) they should be based on the respondents' verbatim answers from **Study 1**. Moreover, modifications where made where necessary, in order to match the wording of the scales to the context of the study. There were nine constructs in total measured in this phase of the research: gratitude, social worth, affective state, job stress, self-efficacy, functional, social, special treatment benefits, and finally customer-oriented behaviour.

Gratitude: The level of service employees' experienced gratitude following customer behaviour was measured by the scale suggested by Spence *et al.* (2014). This scale essentially measures the degree to which service employees experienced a sense of gratefulness and thankfulness towards the customer. Fazal-e-Hasan *et al.* (2017) maintained that these two components (i.e. gratefulness and thankfulness) constitute the modalities of the expressions of gratitude. It was deemed necessary to measure the affective aspect of gratitude in this study as, it is possible for an individual to feel grateful without expressing it (Fazal-e-Hasan *et al.*, 2017), or to express gratitude without actually feeling it (Raggio *et al.*, 2014). As such, out of the initial pool of five items, four were retained due to their relatedness to the present study.

Social Worth: The interviews conducted for **Study 1** indicated that CPB significantly tapped into service employees' sense of feeling appreciated for their efforts, and of being valued as individuals. A three-item scale previously employed by Grant (2008) and Grant and Gino (2010) fully captured this construct, and was therefore implemented in **Study 2**. Specifically, the construct aimed at assessing the degree to which service employees perceived that customers valued their contributions and effort put into serving them. That being said, as the items were originally used in a different context, they were adapted in order to fit the context of service employee-customer interaction relating to the present study.

Affective State: This variable was measured by the most widely used scale for assessing individuals' affective state (Crawford and Henry, 2004; Seo *et al.*, 2008; Tuccitto *et al.*, 2009). In particular, developed by Watson *et al.* (1988), the Positive and Negative Affect Schedule (PANAS) was employed in this study as it is proclaimed to provide independent measures of positive and negative affect. Despite the existence of an equally robust alternative model of affect, i.e. the popular 'valence/arousal circumplex model of affect' (Russell, 1980), the choice for this particular scale over another is due to mainly two reasons: firstly, the PANAS is deemed suitable for self-report ratings of mood (Seo *et al.*, 2008), as is the case for **Study 2**. Secondly, the qualitative analysis revealed a correspondence between the participants' responses with regards to their affective state and the PANAS items. In other words, it was clear that the measuring items of the PANAS dimensions captured the types of affective states that service employees typically experience during their interactions with customers. As such, affective state was viewed as a two-dimensional construct and the scale measured an individual's level of experience of twenty discrete emotions, ten out of which reflect positive affect (PA) while the remaining ten represent negative affect (NA). The PANAS views affect both as a state and as a trait and therefore can be administered in both formats (Tuccitto *et al.*, 2009). Following the findings from the qualitative study, ten out of the original twenty measuring items were employed in the quantitative study on the basis of their relevance to the respondents' affective states following customer behaviour. In addition, it is argued that the scale does not entirely capture individuals' hedonic affective states and therefore, consistent with the qualitative findings and prior research (Tsai *et al.,* 2007), four additional terms were added in substitute to the original ones: cheerful, delighted, happy and joyful.

Job Stress: Service employees' perception of job stress was measured using the scale reported by Chan *et al.* (2010). According to the authors, three dimensions represent this construct. The measuring items were originally employed in the authors' study to measure the extent to which customers' participation impacted on service employees' perceived workload, role conflict and role ambiguity. As the findings from the qualitative study did not signal any significant impact of customers' behaviour on the level of role ambiguity experienced by service employees, only the remaining two dimensions of the construct were retained: perceived workload and role conflict, each measured by three items. Role conflict in this case reflected service employees' perceived incompatibility between two or more of their work requirements, whereas work overload represented their perception of role demands exceeding their abilities or motivation to perform their tasks (Chan *et al.*, 2010). For example, and consistent with the findings from the qualitative study, a customer expressing his or her satisfaction by complimenting the service is likely to decrease the service employee's role conflict – in this case, service employees satisfy both the requirements of the customer, and those of the service firm. Likewise, informants from the qualitative study revealed that customers substituting for some of the employees' work-related tasks were likely to reduce their perceived workload.

Self-Efficacy: This variable measured the extent to which service employees perceived themselves as being capable and competent of performing effectively in order to manage their work-related tasks. During the first phase of the research, informants referred to the fact that CPB enhanced their perception of being capable of successfully delivering the service to their customers. Once again, the verbatim phrases employed by respondents to describe their perception of self-efficacy served as a guide for selecting the appropriate scale that would capture the construct of interest. Therefore, in order to measure 'self-efficacy', three items previously employed by Grant and Gino (2010) in the context of assessing the antecedents of prosocial behaviour were included in the study.

Functional Benefits: These benefits are conceptualized in the present research as service employee behaviours that enhance the core service offering. These behaviours essentially result in higher levels of trust and comfort for customers towards service employees. This conceptualization is best captured by the scale developed by Bettencourt and Brown (1997), which aimed at assessing service employees' extra-role customer service. According to the authors, extra-role customer service comprises of voluntary behaviours of service employees directed towards customers, and that extend beyond formal requirements. For example, similar to the findings from **Study 1** on functional benefits, providing extra attention or exceptional service that delights customers constitute typical examples of extra-role customer service. For this reason, all five items from the original scale were adapted for the context of this study.

Special Treatment Benefits: Respondents' willingness to provide special treatment benefits – i.e. services that are not available to all of the customers in the service setting – was measured by an adaptation of the relational benefits scale developed by Gwinner *et al.* (1998). Specifically, the adjusted scale employed by Lacey *et al.* (2007) fully captured respondents' view of preferential treatment in **Study 1**. As such, the scale measured the extent to which service employees give "selective customers elevated social status recognition and/or additional or enhanced products and services above and beyond standard firm value propositions and customer service practices" (Lacey *et al.*, 2007, p.242-243). Consequently all original five items of the scale were included in the questionnaire.

Social Benefits: The degree of service employees' willingness to provide social benefits to their benefactors was measured by four items previously employed in a study conducted by Hyun and Kim (2014). In particular, the authors' study was undertaken in a relevant context such as the present one (i.e. luxury restaurant), and aimed at identifying rapport building behaviours practiced by service employees in order to induce customers' emotional attachment to a luxury restaurant. The items suitable for measuring social benefits were selected on the basis of being pertinent to friendly behaviours involving conversation that is irrelevant to the core service transaction (Goodwin, 1996). Therefore, out of all items measuring all five types of rapport building behaviours previously identified in the literature – i.e., uncommonly attentive behaviour, common grounding behaviour, courteous behaviour, connecting behaviour and information sharing behaviour (Gremler and Gwinner, 2008) – only two items relating to common grounding behaviour and two items associated with connecting behaviour were retained in the questionnaire for **Study 2**.

Customer-oriented behaviour: This construct is treated in the literature both as a trait and as a state (Grizzle *et al.*, 2009). According to the state-like conceptualization, COB consists of two facets: the first one representing the degree to which a person has the ability to focus on the satisfaction of customers' needs ('needs' dimension) and the second one reflecting the enjoyment derived from such a focus ('enjoyment' dimension) (Brown *et al.*, 2002). The exploratory study findings revealed that following CPB, service employees direct more of their efforts towards serving customers, while drawing more pleasure from such an effort. Therefore, and in accordance with these findings, COB for the present study was operationalized as a state-like two-dimensional variable that is likely to affect service employees' performance. Eight out of twelve items in total, originally employed by Brown *et al.* (2002) and subsequently implemented by Grizzle *et al.* (2009) to capture the state-like construct of COB were retained in the questionnaire; four of the items measured the needs dimension, and four were associated with the enjoyment dimension.

An overview of the scales discussed and employed for **Study 2** is presented in Table 8.2 on the next page.

Table 8.2. Overview of scales and measuring items employed in questionnaire.

Author(s)	Construct	Definition	Adapted Items
Watson, Clark and Tellegen (1988) **Tsai et *al*. (2007)**	**State Affect** **Positive and Negative Affect Schedule (PANAS)**	Measures positive and negative affective state.	This customer's behaviour makes me feel: Proud Distressed Cheerful Upset Delighted Nervous Happy Jittery Joyful Guilty
Bettencourt and Brown (1997)	**Extra-Role Customer Service** (*Functional Benefits*)	Measures the extent to which service employees engage in behaviours that extend beyond formal role requirements when serving customers.	• I will voluntarily assist this customer even if it means going beyond job requirements • I will help this customer with problems beyond what is expected or required • I will go above and beyond the call of duty when serving this customer • I will willingly go out of my way to make this customer satisfied • I will go out my way to help this customer
Brown *et al.* (2002)	**Customer Oriented Behaviour**	Measures service employee behaviours that are focused on engendering customer satisfaction.	*Enjoyment Dimension* • I will find it easy to smile at the rest of my customers • I will enjoy responding quickly to the rest of my customers' requests • I will get satisfaction from making my customers happy • I will enjoy serving the rest of my customers *Needs dimension* • I will try to help the rest of my customers get what they want • I will get the rest of my customers to talk about their needs with me • I will keep the best interests of the rest of my customers in mind • I will be able to answer the rest of my customers' questions correctly

Table 8.1. *(continued).*

Author(s)	Construct	Definition	Adapted Items
Lacey et *al*. (2007)	**Preferential Treatment** (*Special Treatment Benefits*)	Measures the extent to which service employees give selective customers' elevated social status recognition and/ or additional or enhanced products and services above and beyond standard firm value propositions.	• I will do things for this customer that I don't do for most customers • I will place this customer higher on the priority list when dealing with other customers • I will give this customer faster service than most customers get • I will give this customer better treatment than most customers get • I will give this customer special things that most customers don't get
Chan *et al.* (2010)	**Job Stress**	Measures the extent to which customers' participation impacts on service employees' perceived workload and role conflict.	This customer's behaviour: • Makes me nervous • Increases my job stress • Creates more problems for me • Brings me a heavier workload • Makes me work under more time pressure • Makes me work extra hard to finish my tasks
Grant and Gino (2010)	**Self-Efficacy**	Measures the extent to which the individual feels capable and competent to act effectively to orchestrate an outcome.	This customer's behaviour makes me feel: • Capable of doing my job • Competent of doing my job • Able to do my job
Grant and Gino (2010)	**Social Worth**	Measures the extent to which the individual feels he/she is valued by others.	This customer's behaviour makes me feel: • Valued as a person • Appreciated as an individual • That I have made a positive difference to his experience

Table 8.1. *(continued).*

Author(s)	Construct	Definition	Adapted Items
Hyun and Kim (2014)	**Service Providers' Rapport Development Behaviours** (*Social Benefits*)	Measures the extent to service employees engage in rapport building behaviours with their customers.	<u>*Common grounding behaviour*</u> • I will try to find common interests with this customer to make an initial connection and keep the conversation flowing • I will try to identify other things we have in common besides interests <u>*Connecting behaviour*</u> • I will attempt to make a connection with him through the use of humour • I will initiate a humorous conversation with this customer
Spence et *al*. (2014)	**Gratitude**	Measures the degree to which individuals experience a sense of thankfulness.	This customer's behaviour makes me feel: • Grateful • Happy to have been helped by him • That I have benefited from his goodwill • That I have been treated with generosity

Table 8.3 that follows offers an illustration of the rationale for the selection of the aforementioned scales to be employed in the context of the present research. In particular, the table underscores the linkages between the verbatim responses from **Study 1**, to the items included in each scale implemented in the questionnaire for **Study 2**, justifying thus their choice over others, as well as highlighting the contribution of the qualitative study to the quantitative one.

Table 8.3. Examples of links between qualitative findings and measurement items for Study 2.

Scales	Sample Scale Item	Informants' Verbatim Example
Positive Affect	Happy	*"[I]f I serve him something nice, [and the customer] says 'wow', takes a picture…I am happy too. Because I think to myself 'oh I am offering enjoyment, he will eat something nice."*
Negative Affect	Upset	*"It upset me that they were talking to me like..ok, I am the waitress and they are the ones with the money."*
Extra-Role Customer Service (*Functional Benefits*)	I will go above and beyond the call of duty when serving this customer	*"The truth is that I look after this customer, no doubt about it. I will go above and beyond."*
COB *Enjoyment Dimension*	I will enjoy serving the rest of my customers	*"[The flow of work] is more pleasant, more smiling, better mood, which is the ideal."*
COB *Needs Dimension*	I will be able to answer the rest of my customers' questions correctly	*"I was even better afterwards…more correct [at my job]."*
Preferential Treatment (*Special Treatment Benefits*)	I will give this customer faster service than most customers get	*"To those customers…I show more attention. I mean…I know what the customer likes to drink and I take the drinks to him before he orders."*
Role Conflict	Nervous	*"It makes me nervous…[when I have to deal with a bad customer]."*
Work Overload	Work under more pressure	*"You go to the table, you say 'good evening, would you like to order now?'…He answers 'no, give us a couple of minutes'…And you go again, and again, and again, and…it takes you like 10 minutes to get an order…it tires me very much. It messes the flow of work."*
Self-efficacy	Feel capable of doing my job	*"[I] was very pleased and I felt that I am doing [my job] well."*
Social Worth	Feel appreciated as an individual	*"Because he appreciates that I am doing everything possible so that he can have a good time. I mean he appreciates that."*
Service Providers' Rapport Development Behaviours (*Social Benefits*)	I will attempt to make a connection with him through the use of humour	*"You make more jokes. I mean, while you are on your way to serve another table you go by them, you tell them something, they tell you something back and you laugh."*
Gratitude	Feel happy to have been helped by him	*"I will be more attentive to him…I will offer him something…to show him that I was pleased."*

As already indicated, the survey instrument was designed and used to collect data through an online survey administration tool (www.qualtrics.com). Prior to its implementation, the measurement instrument underwent three rounds of pretesting. In the first round, the questionnaire was reviewed by faculty members of the Marketing Department of the University of Strathclyde Business School, who commented on the clarity of the content and on the overall organization of the survey instrument.

As the present study used scales previously employed in studies of English speakers, the questionnaire was initially developed in English. Therefore, all measuring items were independently translated into Greek and subsequently back-translated by a second bilingual speaker in order to confirm semantic equivalence. No significant inconsistencies were observed in this translation process for any of the items included in the questionnaire. Hence, the second round of pretesting involved running the questionnaire through Greek native speakers from various fields. This was undertaken in order to assess the comprehensibility of the wording of the measuring items, as well as to resolve any potential issues pertaining to the form and to the length of the questionnaire. This stage also incorporated the measurement of the time required for completion.

The third and final round of pretesting involved a pilot test with the population of interest. According to Perdue and Summers (1986), it is advised that any experiment should be subject to pilot testing prior to proceeding to the main experiment, in order reduce the chances of a launch characterized by poor manipulation. Following these guidelines, one month prior to the official launch all four scenarios along with their respective items were checked with a pilot sample of thirteen individuals working as waiting personnel in Greece. This procedure aimed at establishing that the manipulations were successful and that the measuring items were clear and unambiguous within the population under study. Participants were debriefed after reading the scenarios and prior to proceeding on with the main questionnaire so as to establish whether the manipulation created the desired perception, as well as to assess any areas of confusion. The same procedure was followed with the measuring items. Overall, the comments received during these three rounds were evaluated and, when appropriate, the questionnaire was modified accordingly.

As already indicated, it was also decided to include participants who had sufficient experience (> 1 month) in the industry during the past year, so as to minimize the effects of the retrospective data collection method, but also in order to ensure that respondents would be able to relate to the hypothetical scenarios. As previously noted, in order to increase response variance and reliability, all measures employed a seven-point Likert-type scale anchored at 1 = strongly disagree and 7 = strongly agree (Daunt and Harris, 2013). Care was also taken in order to ensure that one same respondent did not complete the questionnaire more than once in order to prevent multiple submissions from the same participant. This feature can be implemented in web-based surveys (Yun and Trumbo, 2000) and therefore, the 'prevent from ballot box stuffing' option was selected on the survey platform. In addition, the survey could not be accessed through web search engines as the 'prevent indexing' checkbox was chosen.

Lastly, in order to control for common method variance, i.e. the variance that is associated with the measurement instrument rather than the measuring items themselves, the procedural recommendations by Podsakoff *et al.* (2003) were followed. Specifically, as questionnaires are significantly prone to common method effects, the authors suggest that these effects can be treated prior to the actual research through the implementation of a design that reduces the eventual occurrence of such instances. In consideration of these suggestions, respondents in the present survey were informed about the anonymity of their responses and were assured that there were no right or wrong answers. In this view, they were also encouraged to answer questions openly and truthfully, as this procedure reduces respondents' tendency to provide socially desirable answers (Podsakoff *et al.*, 2003). Furthermore, question order randomization constitutes a robust technique that controls for priming effects (i.e. salience of some questions over others) and other context-induced variables. This recommendation was followed in the design of the survey instrument and therefore, questions were presented interchangeably to the respondents. Moreover, the questionnaire consisted of scales previously employed in relevant research, ensuring thus the quality of the items. Finally, the questionnaire was pilot-tested with individuals fulfilling the sample criteria prior to its launch, in order to warrant that the questions were unambiguous and non-confusing to the respondents. These procedures enhance the avoidance of common method effects in practice. Following the aforementioned three-stage testing process, along with the final checks performed on the questionnaire, the survey was ready to be distributed to the population of interest, a process that is described next. A copy of the final questionnaire is included in **Appendix 4** (p.374).

8.6. Recruitment of Participants and Survey Distribution

The sample for **Study 2** consisted of waiting personnel of full-service restaurants in Greece. This consistency of the sample helped to ensure that participants would share a fair number of similar characteristics. Homogeneity of the sample constitutes a significant element especially in experimental designs in terms of augmenting the generalizability of the findings, but also in terms of reducing the error variance (Koschate-Fischer and Schandelmeier, 2014).

The survey instrument was implemented using an online survey tool and, as already mentioned, 'Qualtrics' software was employed. One of the main advantages of web-based surveys is the fact that they constitute cost-effective solutions, while achieving quick distribution (Andrews *et al.*, 2003; Kokkinou and Cranage, 2011). However, online research has also been the object of criticism due to the fact that, compared to other forms of survey (e.g., mail), it offers limited assurances regarding the authorship of the data, whereas the truthfulness and accuracy of respondents' recall ability can be questioned (Fisk *et al.*, 2010). In addition, the fact that the sample could be biased towards more specific individuals was taken into consideration. For instance, it is possible that service employees characterized by their inherent helpfulness showed an interest in completing the survey, compared to others who did not. Therefore, undeniably, online self-report measurements are contaminated by biases of their subjective nature. Nevertheless, these subjective biases were substantially reduced during the development process and the distribution of the questionnaire. For instance, the validity of the answers provided was enhanced by the use of anonymity. As such, respondents' motivation for self-presentation was curtailed. Furthermore, purposive sampling was used for the distribution of the survey in order to ensure that the sample was representative of the population of interest (Wilson, 2011). Hence, restaurants were contacted and waiting personnel was recruited through face-to-face, e-mail and telephone contact. A significant advantage of this use of multiple contact modes for recruitment is the fact that it results in a more effective communication with potential respondents, thereby increasing the response rate (Dillman *et al.*, 2014). Lastly, it can be argued that online surveys have the disadvantage of being directed towards a sample that is skilled in the use of the Internet, thereby suggesting that some respondents could be excluded from the survey. However, in considering the benefits and drawbacks of online surveys, along with the requirements of the research (i.e. experimental scenarios), it was decided that it would be most effective to proceed with this method of data collection.

The data collection process was launched in May 2015 and was concluded in September 2015. The length of this time can be fully justified on the basis of the fact that the data collection period coincided with the opening of the tourism season in specific Greek destinations such as the islands. This period is particularly characterized by high busyness for service firms in the hospitality industry. Therefore, both restaurant managers/owners and waiting personnel were fully active and their availability was limited. Furthermore, the month of August traditionally corresponds with the month of annual holidays for restaurants in larger metropolitan areas (e.g., Athens, Thessaloniki), a fact that further rendered the data collection process time-consuming.

8.7. Ethical Considerations for Study 2

As with the qualitative study, the quantitative study also corresponded to standard ethical procedures. Hence, ethical clearance was received from the Department of Marketing, University of Strathclyde, Glasgow, for **Study 2**, prior to proceeding with the distribution of the survey. In addition, the online questionnaire included an introductory page (*cf*. **Appendix 4**, p.374). The purpose of this introduction was to inform participants about the aims of the study and about its voluntary nature, while offering a brief description of what would be required of them. Issues of anonymity and confidentiality were also covered in the introduction, while participant consent was required in order to proceed to the scenarios and to the main body of the questionnaire.

8.8. Validity of the Experimental Procedures

The survey incorporated two items in order to assess the degree of believability and relevance of the situation described in the scenarios to the specific population (Bendapudi and Leone, 2003; Mohr and Bitner, 1995). In particular, the participants in both treatments were asked to indicate their degree of agreement regarding (a) the likelihood of encountering similar situations such as the one described at work, and (b) whether they had previously encountered a similar situation such as the one described at work. Respondents answered on a seven-point Likert scale with 1 representing "Totally Disagree" and 7 representing "Totally Agree". In this regard, a noteworthy assumption linked to the generalizability of the results of experimental research is related to the degree to which the experimental condition is perceived as natural and familiar by the participants, and therefore achieves the intended outcome (Aronson *et al.*, 1998; Koschate-Fischer and Schandelmeier, 2014). In simple terms, experiments involving the scenario technique can be effective on condition that they refer to a situation, which is relevant and common to the participants. This condition was satisfied in the present study as the analysis stage revealed that participants found the scenarios both realistic and plausible as illustrated in Table 8.4.

Table 8.4. Results for the validity of the experimental procedures.

(a) *This type of incident could occur at my work as a waiter/waitress.*

Scenario	N	Mean	SD
Positive	338	6.35	1.032
Negative	338	6.28	1.025

(b) This type of incident has occurred to me at my work as a waiter/waitress.

Scenario	N	Mean	SD
Positive	338	6.27	1.202
Negative	338	5.82	1.538

Note: Cronbach's alpha = 0.709; $M_{composite\ score}$ = 6.18; SD = 1.079.

8.9. Manipulations and Manipulation Checks

As previously mentioned, a repeated-measures design was employed in the present study and therefore the independent variable of *valence of customer behaviour* (VCB) was manipulated on two levels: (a) customer positive behaviour, and (b) customer negative behaviour. Manipulation checks were performed in order to confirm that the respondents perceived the manipulations of the treatment factors as intended. The purpose of manipulation checks is to assess whether the treatment influenced the theoretically relevant construct. Therefore, these checks are required in experimental studies in the field of marketing in instances where latent variables are employed and therefore need to be manipulated indirectly by altering specific areas of the subjects' context (Perdue and Summers, 1986). Manipulation checks therefore assess the effectiveness of the variation of the independent variable.

The manipulation effectiveness for VCB was assessed with two statements: (a) "this customer's behaviour uplifts me" and (b) "this customer's behaviour makes it easier for me to do my job". Respondents were asked to rate each statement on a seven-point Likert scale with 1 representing "Totally Disagree" and 7 representing "Totally Agree" (α = 0.931). A one-way repeated measures analysis of variance (ANOVA) was conducted to compare the effect of the experimental manipulation on perceived supportive customer behaviour in the positive and in the negative condition. An examination of the composite score demonstrated the effectiveness of the manipulation of customer behaviour ($M_{positive}$ = 5.82, $M_{negative}$ = 2.20; $F(1, 676)$ = 431.834, p = 0.00). Hence, all scenarios were perceived as intended by the respondents.

8.10. Summary

Chapter 8 discussed the methodological approach for **Study 2** of the research. The use of an online survey with the implementation of a scenario-based experiment was deemed to be the most appropriate method of data collection with the aims of testing and establishing relationships between the previously identified variables from **Study 1**. The chapter outlined the procedure relating to the design of the questionnaire, including the specification of the experimental design, the development of the stimuli, the description of the measuring items, and the rationale for the distribution of the survey. The chapter also described how a screening process ensured that all participants had sufficient recent experience as waiting personnel in full-service restaurants in Greece, prior to proceeding with the completion of the questionnaire. Pilot testing was also performed in order to check for reliability and validity issues of the questionnaire. Finally, the chapter concluded with an overview of the analytical procedures undertaken in order to ensure the validity of the scenarios employed in the experimental survey design.

Having completed the stage of the survey design, the following chapter proceeds by documenting the core of the quantitative analysis and by introducing the research findings. To this end, topics such as data preparation, sample descriptive analysis, reliability analysis, confirmatory factor analysis and finally, mediation analysis are among the main issues covered in **Chapter 9**.

CHAPTER 9

QUANTITATIVE ANALYSIS AND RESEARCH FINDINGS

9.1. Introduction

Chapter 9 introduces the analytical approach adopted in pursuit of addressing the research objectives. In particular, the chapter begins with an overview of the data preparation process, followed by the measure validation and the assessment of the psychometric properties of each measuring item. This assessment was performed through Confirmatory Factor Analysis (CFA) using the Maximum Likelihood Estimators (MLE) method, and the estimation of relative fit and reliability indices. The main part of the quantitative analysis relating to the previously stated research hypotheses involved the implementation of a series of mediation analyses. This approach was chosen in order to establish whether there were any causal mechanisms between the variables of interest. As such, the proposed relationships between the variables were tested and compared for both groups (CPB and CNB). The results are presented in order to fuel further discussion and conclusions.

9.2. Sample Characteristics

A total of 338 questionnaires were fully completed by individuals working as waiting personnel for **Study 2**. The sample characteristics were analyzed with frequency distributions and results are shown in Table 9.1. As illustrated, the number of male respondents was slightly higher than their female counterparts (62% and 38% respectively). About half of the respondents were less than 30 years old (55%), whereas only a small number was between 50-59 years old (4%). No respondents were 60 years old or over. This proportion can be explained by the fact that the survey instrument was distributed electronically, which suggests that younger individuals are more skilled and confident in using technological mediums.

Table 9.1. Sample characteristics.

Demographics	**Percentage (%)**
Gender	
Male	62
Female	38
Age Group	
18 – 24	27
25 – 29	27
30 - 39	31
40 - 49	11
50 - 59	4
Work Basis	
Full-time	77
Part-time	23
Years of Experience	
Less than one year	6
1 – 5 years	37
6 – 10 years	28
11 years and over	29
Restaurant Ownership	
Private ownership	77
Chain/Franchise/Group	6
Hotel	17
Type of Restaurant	
Casual	29
Moderate-Upscale	43
Café-Bar-Restaurant	28
Type of Hotel Restaurant	
Table d'hôte	35
À la carte	54
Both	11
Meal Price Range	
Less than 20€/person	47
From 20€ to 40€/person	41
Over 40€/person	12

Also, over three quarters of the respondents were employed on a full-time basis and worked for a privately owned restaurant (77%). Moreover, the vast majority had over one year of experience in the industry (94%), leaving only a small portion of the respondents with less than a year of experience (6%). This suggests that participants in the study had sufficient experience in the restaurant sector. Regarding the type of restaurant, the greater part of the respondents worked for moderate-upscale restaurants (43%) while the remaining part (57%) was almost equally divided between casual restaurants (29%) and café-bar-restaurants (28%). As for the types of hotel restaurants, more than half of the respondents declared working in hotel restaurants using the 'à la carte' menu (54%), while the rest of them either worked in restaurants using the 'table d'hôte' menu (35%) or had experience in both types (11%). This information suggests that the majority of the respondents working in hotel restaurants had experience in full-service restaurants with a variety of choices in the menu, which – as mentioned by informants in **Study 1** – allows for ample interaction with customers. In contrast, the 'table d'hôte' menu employs a set menu with limited, if any, choices. Hence, the interaction with customers is not as enhanced. With regards to the meal price range, the greater part of the respondents stated working in a restaurant where price was up to 40 euros per person (88%), while the remaining (12%) was working in restaurants offering meals at a price higher than 40 euros per person.

Having overviewed the sample characteristics, Table 9.2 next presents the mean values of each variable per VCB measured on 7-point Likert ranging from '*strongly disagree*' (1) to '*strongly agree*' (7).

Table 9.2. Mean values of variables per VCB (N=676).

Variable	Positive (N= 338)		Negative (N=338)	
	Mean	SD	Mean	SD
Gratitude	5.37	1.33	1.99	1.11
Social Worth	5.20	1.47	2.31	1.26
Positive Affect	5.43	1.40	2.45	1.20
Negative Affect	2.13	1.13	4.13	1.44
Job Stress	2.16	1.24	4.88	1.38
Role Conflict	1.93	1.21	4.82	1.54
Work Overload	2.38	1.47	4.93	1.54
Self Efficacy	5.59	1.36	4.20	1.95
Functional Benefits	5.47	1.25	4.37	1.63
Special Treatment Benefits	3.62	1.76	2.85	1.46
Social Benefits	4.66	1.60	3.68	1.67
Customer-Oriented Behaviour	5.77	1.16	4.71	1.56
Enjoyment Dimension	5.76	1.22	4.47	1.67
Needs Dimension	5.79	1.23	4.96	1.63

9.3. Data screening

Prior to proceeding with the data analysis, the collected data were screened for any potential errors including missing data or cases of outliers as well as for the assessment of data normality (Bagozzi and Yi, 2012; Kline, 2012). The software employed for data cleaning was SPSS 20. As the survey instrument setup required a question response for all items before allowing the respondents to further continue with the questionnaire (‘force response’ option), only fully completed questionnaires were retained, and therefore cases of dropout containing missing data were omitted from the analysis.

A thorough examination of means and frequencies of each measuring item was also conducted in order to detect any outliers (Tabachnick and Fidell, 2001). A few cases of extreme answers were identified. However, a closer inspection of the total responses of these cases revealed that the answers were truthful and were not submitted in an inattentive fashion. In particular, as the respondents were exposed to both positive and negative scenarios interchangeably, the respective answers of cases of outliers were contrasted in order to establish the validity of the given responses, a procedure that resulted in the confirmation of the soundness of the data. Also, similar to the case of negatively worded items, the order of the scale items measuring the respondents' affective state alternated between items of positive and negative affect for all ten items. Such a setup aimed at reducing the potential effects of response pattern biases. The logic underlying the use of such a technique is that these items serve as "cognitive speed bumps" (Podsakoff *et al.*, 2003, p.884), and therefore require the respondents' attentive processing. This setup ultimately served to further assess the reliability of the potential outliers' answers.

Moreover, an important element in a model employing the MLE method is the assumption of data normality, which is divided into univariate and multivariate normality (Hair *et al.*, 2010). One of the ways for assessing univariate normal distribution of the data is by examining the values of skewness and kurtosis. Table 9.3 that follows on the next page provides an overview of the absolute values of skewness and kurtosis for each of the 48 variables. Even though there exists no clear consensus regarding the accepted values for the skew index and the kurtosis index, a rule of thumb suggests that absolute values higher than ±7.0 for kurtosis, and higher than ±3.0 for skewness signify extremity in the distribution of the data (Byrne, 2010; Chou and Bentler, 1995; Curran *et al.*, 1996; Muthén *et al.*, 1987). Despite the fact that the critical ratios of skewness and kurtosis can also be inspected in order to determine data normality – calculated by dividing either skewness or kurtosis by their respective standard error – it is argued that these standard errors tend to become smaller for large sample sizes and therefore, this method may produce results indicating non-normality of the data even if this is not the case in reality.

Table 9.3. Values of skewness index and kurtosis index.

Variable	Skewness	Kurtosis	Variable	Skewness	Kurtosis
JobStress1	.391	-1.346	SelfEff2	-.677	-.639
JobStress2	.296	-1.404	SelfEff3	-.834	-.372
JobStress3	.390	-1.364	COB1	-.720	-.549
JobStress4	.276	-1.459	COB2	-.840	-.228
JobStress5	.151	-1.515	COB3	-1.059	.298
JobStress6	.011	-1.472	COB4	-.903	-.081
PA1	.011	-1.583	COB5	-1.177	.764
PA2	.115	-1.170	COB6	-.947	.076
PA3	.055	-1.419	COB7	-1.132	.630
PA4	-.021	-1.402	COB8	-1.079	.490
PA5	.056	-1.418	FunBen1	-.821	-.374
NA1	.267	-1.289	FunBen2	-.537	-.854
NA2	.338	-1.264	FunBen3	-.335	-1.050
NA3	.436	-1.114	FunBen4	-.827	-.281
NA4	.599	-.874	FunBen5	-1.298	1.046
NA5	1.012	.031	SocBen1	-.016	-1.141
Grat1	.130	-1.477	SocBen2	.144	-1.144
Grat2	.038	-1.559	SocBen3	-.607	-.758
Grat3	.167	-1.508	SocBen4	-.409	-1.048
Grat4	.383	-1.264	SpecBen1	.298	-1.112
SocWo1	.230	-1.387	SpecBen2	.486	-.871
SocWo2	.275	-1.333	SpecBen3	.401	-.978
SocWo3	-.155	-1.330	SpecBen4	.575	-.804
SelfEff1	-.694	-.584			

Multivariate normality was assessed using Mardia's coefficient (Mardia's coefficient $< p(p+2)$, where p equals the number of observed variables) (Teo *et al.*, 2013). For this dataset, the number of observed variables is 48, and Mardia's coefficient is equal to 896.583. Therefore the value to be compared to this coefficient equals: 48(48+2) = 2.352> 896.583. Hence, the data is deemed multivariate normal.

The data were also examined for issues of multicollinearity, as such an occurrence can be problematic in multivariate techniques by increasing the likelihood of Type II errors (Grewal *et al.*, 2004). In addition, large intercorrelation between the intervening variables in a multiple mediator model is not advisory as it can weaken the significance of specific indirect effects (Hayes, 2013; Preacher and Hayes, 2008). In order to assess the degree of multicollinearity between the predictor variables, researchers can choose between examining the correlation matrix, or computing the variance inflation factor (VIF) (Hoyle, 2012). Both techniques of assessment were used in this study.

Therefore, as a key indicator for assessing possible collinearity, the correlation matrix was examined. In this view, the highest correlation identified between the predictor variables was 0.885 (GRA-SW). This coefficient is close but does not exceed the recommended cut-off value of 0.90, suggesting that all of the predictor variables constitute distinct constructs (Nadiri and Tanova, 2010; Pallant, 2013). Table 9.4 next presents the correlation matrix.

Table 9.4. Correlation matrix of predictor variables.

Construct	RC	WO	NA	PA	GRA	SE	SW
Role Conflict (RC)	1						
Work Overload (WO)	.807**	1					
Negative Affect (NA)	.798**	.707**	1				
Positive Affect (PA)	-.721**	-.620**	-.674**	1			
Gratitude (GRA)	-.736**	-.643**	-.631**	.847**	1		
Self-efficacy (SE)	-.444**	-.355**	-.457**	.593**	.507**	1	
Social Worth (SW)	-.676**	-.575**	-.603**	.828**	.885**	.618**	1

Note: **Correlation in significant at the 0.01 level (2-tailed).

In addition, in instances of high pairwise correlation among the predictor variables, it is advisory that researchers compute the variance inflation factor (VIF), as this technique constitutes an excellent indicator of multicollinearity (Craney and Surles, 2002). Therefore, the VIF was computed for each predictor variable in the study. As a rule of thumb, VIF values over 10 signal the presence of multicollinearity (Hair *et al.*, 2010; Meyers *et al.*, 2005). The VIF values for all the calculated variables were well below the cut-off point of 10, indicating inconsequential collinearity. Based upon these tests, it was concluded that issues of multicollinearity should have limited or no effects on the interpretation of the study results (Hair *et al.*, 2010).

Finally, regarding the recommended number of observations for performing CFA, the issue remains debatable as various scholarly approaches have been proposed (Hair *et al.*, 2010; Jackson, 2003). For example, smaller samples are said to perform well (Iacobucci, 2010), while a minimum threshold of 200 cases is employed in most studies and is therefore deemed adequate (Jackson, 2003). A more sophisticated approach equates the required sample size to the number of parameters to be calculated according to the *N:q* rule, where (N) equals the number of cases and (q) equals the number of parameters to be estimated (e.g., Bentler and Chou, 1987; Kline, 2012). In this view, Kline (2012) suggests that (a) a ratio of 20:1 is acceptable; (b) a ratio of 10:1 to be adequate and; (c) a ratio of 5:1 to be reasonable. Generally speaking, the larger the sample size, the more robust the solutions produced (Hair *et al.*, 2010). In considering these standpoints and given that the sample for study two consisted of 338 cases, this size is viewed as sufficient in order to proceed with further analysis of the data.

9.4. Reliability

DeVellis (2012, p.31) suggests that a reliable scale "is one that performs in consistent, predictable ways". This means that an instrument can be accepted as reliable only when it can consistently replicate the latent variable that it is measuring. Therefore, as an important step prior to proceeding with any further analysis, a reliability assessment was performed on the indicators of each of the constructs employed in the questionnaire as a means of assessing construct reliability, i.e. "the degree of agreement between a set of measures of a single construct" (Bagozzi and Yi, 2012, p.18). Overall, the aim of such an analysis is the assessment of the scales' internal consistency, which refers to the degree of inter-correlation between the items of a scale (DeVellis, 2012; Schmitt, 1996).

That said, the internal consistency of a scale is generally strongly associated with Cronbach's (1951) alpha (α) coefficient (DeVellis, 2012). In theoretical terms, the value of the alpha coefficient can range from 0.0 to 1.0 and several levels of acceptable values are documented in the literature (DeVellis, 2012; Nunnally and Bernstein, 1994; Tavakol and Dennick, 2011). In this regard, a rule of thumb suggests that a coefficient of value equal to 0.7 or higher is deemed satisfactory in order to proceed with further analysis (Nunnally and Bernstein, 1994). However, even though the closer Cronbach's alpha coefficient is to 1.0, the better the internal consistency, one should be cautious of the fact that a high alpha coefficient does not necessarily signify high internal consistency of the scale (Green *et al.*, 1977; Panayides, 2013; Tavakol and Dennick, 2011). Hair *et al.* (2010) argue that Cronbach's alpha coefficient is sensitive to the length of a scale and therefore it is positively biased by a large number of items. Stated differently, the higher the number of items in a scale, the higher the value of the coefficient. Hence, in order to thoroughly assess the internal consistency of a scale, it is advised to examine both the correlation coefficient of each item to the total scale, along with the inter-item correlation coefficients. In general, the item-to-total correlation should exceed 0.5, whereas the inter-item correlation coefficient should be greater than the minimum value of 0.3 (Hair *et al.*, 2010; Robinson *et al.*, 1991). Overall, the reliability analysis revealed a satisfactory level of internal consistency for all scales and subscales for all scenarios employed in the questionnaire, and generated coefficient alphas exceeding the recommended threshold value of 0.7 as illustrated in Table 9.5 on the next page.

In addition, Confirmatory Factor Analysis (CFA) was also performed. It is generally maintained that the use of CFA makes the computation of other reliability measures (e.g., Cronbach's alpha) redundant (Bagozzi and Yi, 2012), as among its several advantages and uses, CFA has the ability to serve as a measure of reliability in a way that outperforms more classical methods (Brown, 2006; Gerbing and Anderson, 1988). Nevertheless, it is common practice to report other reliability measures as a means of presenting explicit evidence of reliability in a traditional sense (Bagozzi and

Yi, 2012). The CFA procedure is reported at a later section (see section 9.6, p.255). Prior to this, the assessment of common method variance was undertaken, described in the section that follows.

Table 9.5. Cronbach's coefficient alpha (α).

Construct (No. of items)	Negative Scenarios	Positive Scenarios
Gratitude (4 items)	0.909	0.860
Social Worth (3 items)	0.811	0.878
Positive Affect (5 items)	0.876	0.923
Negative Affect (5 items)	0.854	0.861
Job Stress (6 items)	0.861	0.895
Role Conflict (3 items)	0.812	0.901
Work Overload (3 items)	0.830	0.823
Self Efficacy (3 items)	0.965	0.944
Functional Benefits (5 items)	0.910	0.887
Special Treatment Benefits (5 items)	0.898	0.941
Social Benefits (4 items)	0.893	0.922
Customer-Oriented Behaviour (8 items)	0.952	0.944
Enjoyment Dimension (4 items)	0.919	0.914
Needs Dimension (4 items)	0.950	0.923

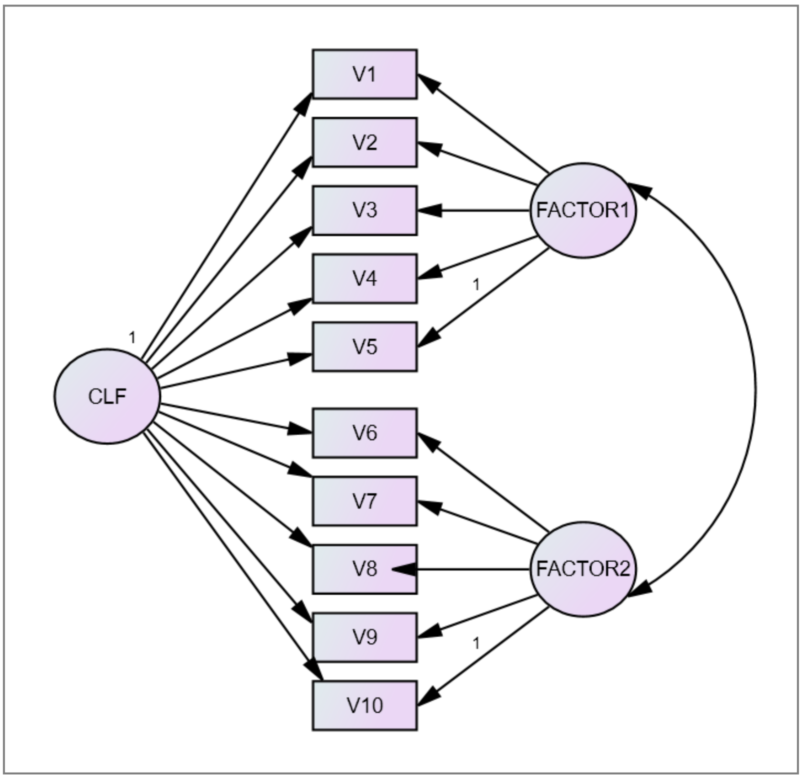
9.5. Assessment of Common Method Variance

Common method bias essentially describes the "variance that is attributable to the measurement method rather than to the constructs the measures represent" (Podsakoff *et al.*, 2003, p.879). In this view, in order to reduce the sources of common method variance, researchers are advised to employ both procedural and statistical remedies. Therefore, care was taken in terms of the research procedure by implementing a survey design that allowed for avoiding the occurrence of common method variance (e.g., stating in the questionnaire introduction that there are no right or wrong answers, protection of respondents' anonymity, question randomization, survey pretest, proper identification of the sample frame). In terms of statistical procedure, the use of CFA involved an assessment of the potential occurrence of common method variance. Several other techniques have also been proposed for the examination of common method bias all of which are associated with their respective advantages and drawbacks. A description of all approaches for avoiding such instances goes beyond the scope of this thesis; however, a relevant detailed review is available in existing scholarly articles such as the work by Podsakoff *et al.* (2003).

For the purposes of the present study, common method variance was assessed by controlling for the effects of a single (bias) factor (Podsakoff *et al.*, 2003). A primary limitation associated with this method is that it does not allow for the identification of the source of the method variance, however it does account for measurement error (Eichhorn, 2014; Podsakoff *et al.*, 2003). Also, given the specific research context, where all measures were obtained from the same source in the same context, this single-common-method-factor approach is considered appropriate (Podsakoff *et al.*, 2003). This technique involves the specification of a method bias model, in which all indicators load on both their theoretical constructs and on one bias factor. All paths from the indicators to the common latent factor are constrained to be equal and the variance of the common factor is constrained to be one. The recommended threshold of the common variance is set to 50% (Eichhorn, 2014), and its value equals the square of the common latent factor of each path before standardization. An example of the common latent factor model in Amos is illustrated in Figure 9.1 on the next page.

As such, a common method bias model was specified and run in Amos 20.0 software following the aforementioned guidelines. Results showed that CLF value = 0.49 for all variables, which is further computed as $0.49^2 = 0.24$, suggesting that common method effects do not explain a large amount of variance in the data, since the calculated variance (24%) is well below the cut-off value of 50%.

Figure 9.1. Example of common latent factor method in Amos.



CLF: Common latent factor

Having confirmed that common method bias was not a feature of the present dataset, a confirmatory factor analysis (CFA) was conducted for all measurement items, described next.

9.6. Confirmatory Factor Analysis

Confirmatory factor analysis (CFA) is considered to be one of the most commonly preferred analytic tools in applied research, which examines the relationships between latent and observed variables (Brown, 2006; Raykov and Marcoulides, 2006). Latent variables – constructs or factors – reflect explanatory variables that cannot be directly measured or observed, and are therefore inferred from a group of observed variables – manifest variables or indicators – which have been actually measured (Kline, 2012; Raykov and Marcoulides, 2006; Schumacker and Lomax, 2010). The following sections further elaborate on a few key aspects of CFA and further develop the stages of CFA undertaken for the present study.

9.6.1. CFA and EFA

CFA is one of the two main types of analyses which are based on the common factor model, according to which "each indicator in a set of observed measures is a linear function of one or more common factors and one unique factor" (Brown and Moore 2012, p.362). The common factor model is a tool suitable for the evaluation of the psychometric properties of a measurement instrument but also for data reduction. Besides CFA, the second type of analysis based on the common factor model is exploratory factor analysis (EFA). While both methods share the same objective, which is to replicate the relationships between a set of observed measures with a smaller group of factors, they differ radically by the number and the approach of the a priori conditions and constraints placed on the factor model. Therefore, EFA is data-driven and exploratory in nature, and does not specify either the number of latent variables, or the relationships between the observed measures and the factor loadings (Byrne, 2010).

In contrast, CFA entails a strong theoretical or empirical background, and is employed as a confirmatory test of how measured variables logically represent constructs included in a theoretical model (Hair *et al*., 2010). Therefore, CFA provides a prespecified hypothesized structure, which is tested statistically and assessed in terms of the robustness of the covariation among a set of observed measures (Bagozzi and Yi, 2012; Brown, 2006; Byrne, 2010; Raykov and Marcoulides, 2006). The use of CFA in questionnaire designs aims at validating the number of underlying dimensions or *factors* of the survey instrument, and the model of the relationships between the items and the factors, i.e. the *factor loadings*. In particular, CFA assesses the covariance structure of a set of each construct, and explains the relationships between those variables in relation to a smaller number of unobserved latent variables (Byrne, 2010).

According to Hair *et al.* (2010), one the primary objectives of CFA is to evaluate the construct validity of a proposed measurement theory. Construct validity refers to "the extent to which indicators of a construct measure what they are purported to measure" (Bagozzi and Yi, 2012, p.18) and addresses two issues (a) the degree of agreement between the indicators measuring a specific construct (i.e. convergent validity), and

(b) the distinction between these indicators and the indicators of one or more separate constructs (i.e. discriminant validity). In other words, convergent validity demonstrates that multiple measures of a construct are related, whereas discriminant validity establishes that these measures are more related to each other than to measures of other constructs (Campbell and Fiske, 1959). In this view, CFA serves as an indicator of convergent and discriminant validity and was performed to all multi-item measures employed in the survey. The rationale for this approach was to ensure that conclusions emanating from further analysis would be drawn from a group of measurement instruments with required and acceptable psychometric properties (Fazal-e-Hasan *et al.*, 2017), thereby evidencing that the measurement model is valid (Hair et *al*., 2010). This analysis is developed at a later section (*cf*. section 9.6.4, p.261). Firstly, and in line with Hair *et al.* (2010), the overall model fit was assessed prior to proceeding with further diagnostic analysis of the measures.

9.6.2. Assessing Fit of the Measurement Model

For the purposes of the present research, Amos 20.0 software was utilized to complete the CFA. In order to assess the overall fit between the model and the observed data, a number of competing fit indices are available for evaluation. In this view, even though the determination of a pertinent classification structure of fit indices has produced significant scholarly debate, there appears to be an overall consensus for a three-classification scheme: absolute fit, incremental fit and parsimonious fit (Meyers *et al.*, 2005). Absolute fit indices strictly evaluate the hypothesis that the observed data match the hypothesized model, without assessing fit in relation to more restricted solutions. The most commonly used absolute fit indices include the chi-square (χ^2), the goodness-of-fit index (GFI), the Adjusted Goodness of Fit Index (AGFI) (Hooper *et al.*, 2008), the root mean square error of approximation (RMSEA), and the standardized root mean square residual (SRMR). It is worth noting that the sole use of the chi-square statistic is not recommended, as it is sensitive to sample size. Therefore, its appropriateness is undermined by the fact that it tends to create a spurious increase of the likelihood of conducting Type II error (Bentler, 1990). Incremental fit indices (also known as comparative or relative fit indices) assess model fit in comparison to a restricted baseline model. Most commonly reported indices of this category include the Comparative Fit Index (CFI; Bentler, 1990), the

Tucker-Lewis Index (TLI; Tucker and Lewis, 1973) and the Normed-Fit Index (NFI; Bentler and Bonett, 1980). Finally, commonly reported parsimony fit indices include the Parsimony Goodness-of-Fit Index (PGFI) and the Parsimonious Normed Fit Index (PNFI) (Mulaik *et al.*, 1989). Parsimony fit indices comprise of incremental fit indices that penalize model complexity while favouring simple theoretical processes. Nevertheless, as there exists no typically recommended level for these indices, their interpretation remains problematic and subjective (Hooper *et al.*, 2008; Schumacker and Lomax, 2010). That being said, in evaluating goodness-of-fit for a model, it is advised to examine at least one index from each category of indices (Brown, 2006).

However, Hu and Bentler (1999) suggest a two-index presentation strategy, which essentially consists of the examination of a combination of absolute fit and incremental fit indices, typically SRMR and a comparative fit index (Tabachnick and Fidell, 2001); this strategy is deemed sufficient to assess appropriate model fit. For the purposes of the present study however, it was considered significant to go beyond the authors' approach and to therefore report a wider range of indices so as to achieve greater confidence in the adequate model fit. As such, the following indices are reported: (a) absolute model fit is assessed by the χ^2, the GFI, the AGFI, the RMSEA and the SRMR, and (b) incremental fit is assessed by the CFI, the NFI and the TLI. With regards to the cut-off criteria suggested by several authors, different thresholds have been recommended for each index. For instance, Hu and Bentler (1999) recommend a stringent value of .60 for RMSEA, whereas Meyers *et al.* (2005) classify model-fit of RMSEA according to three criteria: (a) < .05 indicates good fit, (b) 0.08 – 1 signifies moderate fit, and (c) >1 shows poor model fit. With regards to incremental fit, although a level of >.90 has traditionally been considered as an indicator of good model-fit (Byrne, 2010), this value has been revised and set to >.95 as representative of a well-fitting model (Hu and Bentler, 1999).

Even though Hu and Bentler's (1999) suggestions for the cut-off criteria of fit indices are taken into consideration, the present study includes viewpoints and recommendations from other researchers as well. An overview of the model-fit indices that served as a guide for the decision of adequate fit for the present study along with their respective preferred fit values is presented in Table 9.6.

Table 9.6. Absolute and incremental fit indices.

Absolute		Incremental	
Indices	**Upper Limit**	**Indices**	**Upper Limit**
χ^2	$p > 0.05$	CFI	> .90
GFI	> .90	NFI	> .90
AGFI	>. 80	TLI	> .90
RMSEA	< .08		
SRMR	< .08		

In order to obtain estimates for each parameter of the measurement model and therefore to produce a population variance-covariance matrix (Σ) that is as similar as possible to the sample variance-covariance matrix (S), maximum likelihood (ML) estimation was employed. The purpose of any estimation method is to minimize the difference between Σ and S through a particular mathematical operation. ML aims at establishing the parameter values that increase the likelihood of the observed data to match the proposed model (Meyers *et al.*, 2005), and has been shown to perform best in comparison to other estimation methods (Brown, 2006; Iacobucci, 2010). Finally, modifications were allowed in those cases where such an approach would be reasonable and theoretically suitable. For instance, error covariances pointing to an underlying common measurement factor were allowed.

As such, CFA was performed individually on all of the measurement scales. *Affective state*, *job stress*, and *customer-oriented behaviour* were treated as second-order factors. Table 9.7 provides a synthesis of the final model-fit indices for each scale, which were all found to be acceptable for further analysis. Prior to assessing construct validity, an assessment of fit for the overall model was performed, described next.

Table 9.7. Fit-indices for the factorial validity of each scale.

Scale	χ^2	CFI	TLI	RMSEA	GFI	AGFI	NFI	SRMR
GRAT	12.840	.996	.977	.132	.991	.907	.996	.0063
AS	161.292	.981	.974	.076	.956	.926	.976	.0288
JS	51.451	.988	.970	.106	.975	.911	.987	.0194
SW	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
SE	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
FB	14.106	.996	.990	.060	.992	.969	.994	.0147
STB	9.105	.998	.995	.043	.995	.980	.997	.0086
SB	4.285	.998	.991	.070	.997	.968	.998	.0053
COB	165.124	.974	.957	.114	.940	.873	.971	.0280

9.6.3. Overall Measurement Model

An assessment of the overall model produced moderate fit to the data: χ^2 (1014, N = 676) = 3694.770, ($p < .05$), *CFI* = .928, *TLI* = .919, *RMSEA* = .063, *GFI* = .808, *AGFI* = .777, *NFI* = .903, and *SRMR* = .0487. Therefore, a subsequent examination of the modification indices resulted in a revision of the initial model by permitting the previously identified errors to covary. This process resulted in an acceptable overall model fit: χ^2 (1005, N = 676) = 3022.066, ($p < .05$), *CFI* = .946, *TLI* = .939, *RMSEA* = .055, *GFI* = .839, *AGFI* = .812, *NFI* = .921, and *SRMR* = .0484.

With regards to the values of these indices compared to the recommended levels, it is noteworthy highlighting that: (a) it is advised to not use solely the chi-square value when judging for overall model fit as this index is sensitive to sample size (Bentler, 1990); (b) despite the fact that not all indices are greater than the stringent cut-off values, Hu and Bentler (1999) have argued that the SRMR is the index that is most sensitive to model misspecifications which in this case was acceptable; and (c) according to Hu and Bentler’s (1999) two-index presentation strategy, the examination of one absolute fit (e.g., SRMR) and one incremental fit index (e.g., CFI) is satisfactory in order to assess goodness-of-fit for a model – a condition that was satisfied in the present study.

Despite the fact that the global measures of fit point to a satisfactory measurement model, they do not explicitly offer evidence as to the nature of individual parameters or other properties of the internal structure of the present model (Bagozzi and Yi, 1988). To this end, the issues relating to construct validity are developed in the section that follows.

9.6.4. Construct Validity

According to Hair *et al*. (2010), construct validity consists of the extent to which a set of measured items truly represents the theoretical latent construct that these particular items are intended to measure, and refers to the measurement of the relationships between the items and the constructs of interest. The assessment of construct validity is an essential procedure in order to ensure the accuracy of measurement in terms of representing the actual true score that exists in the population.

Specifically, in line with Hair *et al*. (2010), the first component of construct validity appropriate for CFA is *convergent validity*, according to which the indicators of a particular construct should converge. One of the ways for estimating convergent validity is through the estimation of factor loadings, which should be at least 0.5 (ideally 0.7) and statistically significant. Table 9.8 that follows summarizes the results of the analyses performed on all scales and their respective items. As shown in the table, all factor loadings were found to be statistically significant. However, as statistical significance alone does not suggest that the item performs adequately, the values of all loadings were examined. As shown in the table, all item loadings exceeded the recommended minimum threshold of 0.5 apart from one item. In particular, one of the estimates measuring '*negative affect*' ('guilty') fell below the 0.5 cutoff, making it a prime candidate for deletion. Three more factor loadings were also found to be lower than the conservative 0.7 cutoff (one from '*work overload*', one from '*functional benefits*' and one from '*social benefits*'). However, although lower than preferred, they were higher than the less stringent minimum threshold of 0.5.

Further analysis was performed in order to compute individual indicator reliabilities prior to computing composite reliabilities (i.e. the reliabilities of all the items of a factor). It is noted at this point that according to Bagozzi and Yi (2012, p.17) “there are no universally accepted standards as to what minimally acceptable indicator and composite reliabilities should be”. Individual item reliabilities capture the share of variance in the measurement items explained by the latent factors, and therefore represent how well an item measures a construct (Hair *et al*., 2010). Bagozzi and Yi (2012) maintain that achieving an item reliability of 0.50 is ideal. Nevertheless, the authors also point to the fact that cutoff values should be taken with some leeway in mind, as it is possible for low loadings to occur within the context of an overall satisfactory fitting overall model. As such, they argue that more attention should be paid to the assessment of composite reliability. As illustrated in Table 9.8, four individual item reliabilities were lower than the cutoff value of 0.5: one from ‘*work overload*’, one from ‘*negative affect’*, one from ‘*functional benefits’*, and one from ‘*social benefits’*. However, in considering the associated low factor loading of the item (i.e., 0.492) for negative affect, which fell below the less conservative score of 0.5, only the one item appeared to be problematic and was therefore removed from further analysis. The CFA process was repeated after removal of the problematic item and the results demonstrated an acceptable fit of the model to the data: χ^2 (959, N = 676) = 2898.102, ($p < .05$), *CFI* = .947, *TLI* = .941, *RMSEA* = .055, *GFI* = .841, *AGFI* = .814, *NFI* = .923, and *SRMR* = .0466.

The next step for assessing construct validity involves the calculation of *construct reliability* (or composite reliability) (Hair *et al*., 2010). Although the previously calculated (*cf*. section 9.4, p.251) coefficient *alpha* (Cronbach, 1951) remains a commonly applied estimate, it has been criticized on the basis of understating reliability (Hair *et al*., 2010; Peterson and Kim, 2013). As such, the structural equation modeling approach is preferred to overcome some of the assumptions of the *alpha* coefficient for estimating reliability (Peterson and Kim, 2013), and it involves the computation of composite reliability (CR), which was calculated and evaluated for the present study. A minimum threshold of .70 for CR has been suggested by Bagozzi and Yi (2012), while the authors suggest that this limit should be assessed with some flexibility in mind. Similarly, Hair *et al*. (2010) maintain that CR between 0.6 and 0.7 is deemed acceptable. As shown in Table 9.8, all reliability scores were found to be well above the recommended minimum of 0.6 and higher than the threshold of 0.7. In particular, the lowest score of CR was 0.874 for the construct of '*work overload*', supporting that the measures consistently represent the same latent construct, thereby evidencing their internal consistency.

In addition, (Fornell and Larcker, 1981, p.45) maintain that neither item nor construct reliability measure "the amount of variance that is captured by the construct in relation to the amount of variance due to measurement error". This information is provided through the calculation of the average variance extracted (AVE). Specifically, AVE reflects the average variation that a latent construct can explain in the indicators while accounting for measurement error, constituting an additional indicator of convergence that should be computed for all latent constructs in the measurement model (Hair *et al*., 2010). A generally accepted limit for the average variance extracted by a latent construct is at least 0.50, and preferably >0.50 (Bagozzi and Yi, 2012; Fornell and Larcker, 1981; Hair *et al*., 2010). Table 9.8 reports the results for the AVEs for all constructs employed in the survey, which were all found to exceed the recommended cutoff of 0.50.

Having completed the assessment of convergent validity, the final step involves the establishment of the *discriminant validity* of the measures. According to Farrell and Rudd (2009, p.2) "discriminant validity is the extent to which latent variable A discriminates from other latent variables (e.g., B, C, D)". Therefore, discriminant validity suggests that a latent variable can explain more variance in the observed variables associated with it than a) measurement error or related extraneous, unmeasured influences; or b) further constructs included in the framework. In simple terms, discriminant validity represents the extent to which a construct is actually unique and distinct from other constructs (Hair *et al*., 2010). This step is of particular importance in experimental studies such as the present one, since "a lack of discriminant validity calls into question whether a significant mediator-dependent variable path is just an empirical artifact of measuring the same variable twice" (Voorhees *et al*., 2016, p.120).

Table 9.8. Construct Validity.

Construct	Items	Factor Loading	Item Reliability >0.5	Construct Reliability >0.6	Average Variance Extracted >0.5	Standard Error
Role Conflict	Makes me nervous	.873**	.762	.914	.779	.238
	Increases my job stress	.855**	.731			.269
	Creates more problems for me	.919**	.845			.155
Work Overload	Brings me a heavier workload	.939**	.882	.874	.703	.118
	Makes me work under more time pressure	.889**	.790			.210
	Makes me work extra hard to finish my tasks	.660**	.436			.564
Positive Affect	Proud	.946**	.895	.951	.794	.105
	Cheerful	.794**	.630			.370
	Delighted	.896**	.803			.197
	Happy	.896**	.803			.197
	Joyful	.916**	.839			.161
Negative Affect	Distressed	.810**	.656	.906	.668	.344
	Upset	.888**	.789			.211
	Nervous	.900**	.810			.190
	Jittery	.919**	.845			.155
	Guilty	.492**	.242			.758

Note: ** Correlation is significant at the 0.01 level (2-tailed).

Table 9.8. (*continued).*

Construct	Items	Factor Loading	Item Reliability >0.5	Construct Reliability >0.6	Average Variance Extracted >0.5	Standard Error
Gratitude	Grateful	.934**	.872	.957	.848	.128
	Happy to have been helped by him	.928**	.861			.139
	That I have benedited from his goodwill	.938**	.880			.120
	That I have been treated with generosity	.883**	.780			.220
Social Worth	Valued as a person	.964**	.929	.935	.828	.071
	Appreciated as an individual	.960**	.922			.078
	That I have made a positive difference to his experience	.796**	.634			.366
Self Efficacy	Capable of doing my job	.955**	.912	.964	.900	.088
	Competent of doing my job	.953**	.908			.092
	Able to do my job	.938**	.880			.120
Functional Benefits	Voluntarily assist this customer even if it means going beyond job requirements	.841**	.707	.910	.670	.293
	Help this customer with problems beyond what is expected or required of me	.924**	.854			.146
	Go above and beyond the call of duty when serving this customer	.874**	.764			.236
	Willingly go out of my way to make this customer satisfied	.757**	.573			.427
	Go out of my way to help this customer	.674**	.454			.546

Note: ** Correlation is significant at the 0.01 level (2-tailed).

Table 9.8. (*continued).*

Construct	Items	Factor Loading	Item Reliability >0.5	Construct Reliability >0.6	Average Variance Extracted >0.5	Standard Error
Special Treatment Benefits	Do things for this customer that I don't do for most customers	.804**	.646	.921	.700	.354
	Place this customer higher on the priority list when dealing with other customers	.831**	.691			.309
	Give this customer faster service than most customers get	.812**	.659			.341
	Give this customer better treatment than most customers get	.887**	.787			.213
	Give this customer special things that most customers don't get	.846**	.716			.284
Social Benefits	Try to find common interests with this customer to make an initial connection and keep the conversation flowing	.931**	.867	.905	.707	.133
	Try to identify other things we have in common besides interests	.914**	.835			.165
	Attempt to make a connection with him through the use of humour	.688**	.473			.688
	Initiate a humorous conversation with this customer	.807**	.651			.807

Note: ** Correlation is significant at the 0.01 level (2-tailed).

Table 9.8. (*continued).*

Construct	Items	Factor Loading	Item Reliability >0.5	Construct Reliability >0.6	Average Variance Extracted >0.5	Standard Error
COB Enjoyment	Find it easy to smile at the rest of my customers	.808**	.653	.927	.760	.347
	Enjoy responding quickly to the rest of my customers' requests	.866**	.785			.215
	Get satisfaction from making my customers happy	.899**	.808			.192
	Enjoy serving the rest of my customers	.891**	.794			.206
COB Needs	Try to help the rest of my customers get what they want	.922**	.850	.940	.797	.150
	Get the rest f my customers to talk about their needs with me	.887**	.787			.213
	Keep the best interests of the rest of my customers in mind	.896**	.803			.197
	Able to answer the rest of my customers' questions correctly	.864**	.746			.254

Note: ** Correlation is significant at the 0.01 level (2-tailed).

The most rigorous approach to assessing discriminant validity involves the comparison of the AVE for each construct with the shared variance between constructs (Hair *et al*., 2010; Voorhees *et al*., 2016). Shared variance "is the amount of variance that a variable (construct) is able to explain in another variable (construct)" (Farrell and Rudd, 2009, p.3), and is expressed by the square of the correlation between any two variables. According to this method discriminant validity is supported if the AVE for each construct is greater than its shared variance with any other construct. Table 9.9 illustrates that discriminant validity was supported for all constructs, since upon examining all pairs of constructs, both of their respective AVEs were found to be greater than the shared variance between the pair of constructs.

Table 9.9. Discriminant Validity.

	RC	WO	PA	NA	GRA	SW	SE	COB_E	COB_N	FUNBEN	STBEN	SOCBEN
RC	0.00											
WO	0.651	0.00										
PA	0.520	0.384	0.00									
NA	0.637	0.500	0.454	0.00								
GRA	0.542	0.413	0.717	0.398	0.00							
SW	0.457	0.331	0.686	0.364	0.783	0.00						
SE	0.197	0.126	0.352	0.209	0.257	0.382	0.00					
COB_E	0.189	0.110	0.315	0.182	0.295	0.301	0.222	0.00				
COB_N	0.089	0.043	0.172	0.082	0.172	0.189	0.166	0.648	0.00			
FUNBEN	0.144	0.085	0.213	0.123	0.230	0.241	0.147	0.266	0.331	0.00		
STBEN	0.036	0.037	0.093	0.024	0.118	0.115	0.036	0.106	0.100	0.251	0.00	
SOCBEN	0.086	0.054	0.165	0.071	0.176	0.196	0.110	0.223	0.279	0.387	0.241	0.00
Max shared correlation	0.651	0.651	0.717	0.637	0.783	0.783	0.382	0.648	0.648	0.387	0.251	0.387
AVE	0.779	0.703	0.794	0.668	0.848	0.828	0.900	0.760	0.797	0.670	0.700	0.707
CFA Criteria	**fulfills**	**fulfills**	**fulfills**	**fulfills**	**fulfills**	**fulfills**	**fulfills**	**fulfills**	**fulfills**	**fulfills**	**fulfills**	**fulfills**

Having completed the assessment of construct validity, the next section develops the main part of the analysis, which addresses the research hypotheses through mediation analysis.

9.7. Mediation Analysis

Mediation analysis consists of “a popular statistical procedure for testing hypotheses about the *mechanisms* by which a causal effect operates” (Hayes *et al.*, 2017, p.76, italics in original). Therefore, in order to establish whether any causal mechanisms existed between the variables under study, as well as to test the hypothesized relationships (*cf.* section 7.5.3, p.206), a series of mediation analyses were conducted. Mediation analysis is an extremely popular method for examining the mechanism by which one variable transmits its effect on another one through a third mediating variable (Hayes, 2013) in experimental studies (Shrout and Bolger, 2002).

In particular, mediation along with moderation analysis constitute two of the most extensively used statistical methods in several fields, such as business, or the behavioural and social sciences (Hayes, 2013). On the one hand, moderation analysis essentially answers questions of 'when' (Baron And Kenny, 1986; Hayes, 2012), and seeks to specify whether the size or sign of the effect of an independent variable on an outcome variable depends in one way or another on a moderator variable or variables (Hayes, 2013). In other words, moderation is employed in those instances where the researcher is interested in examining whether the magnitude and/or direction of one variable's effect on an outcome variable is contingent on a third variable or a number of variables (Aquinas *et al.*, 2017; Hayes, 2012). On the other hand, mediation analysis typically involves answering questions of 'how' (Hayes, 2012). On a conceptual level, Hayes (2013, p. 89) maintains that it is essential that researchers "keep in mind that mediation is ultimately a causal explanation". As such, mediators provide explanations of how external events lead to specific outcomes (Baron and Kenny, 1986). In particular, the goal of mediation analysis is to determine the extent to which some causal variable affects a particular outcome through one or more mediator variables (Hayes, 2013). In sum, "moderation refers to the conditions under which an effect varies in size, whereas mediation refers to underlying mechanisms and processes that connect antecedents and outcomes (Aguinis *et al.*, 2017, p.2).

Recalling the previously stated research objectives, it is clear that **Study 2** calls for an analytical approach that establishes *how* customer beneficial behaviour influences the service employees' reciprocal behavioural responses towards their benefactor (**Objective 2**) as well as *how* customer beneficial behaviour affects the service employees' behavioural responses towards other customers in the service setting (**Objective 3**). In other words, the research objectives seek to establish a causal link between the independent variable (i.e. customer behaviour) and several outcome variables (i.e. service employee behavioural responses). Undoubtedly, moderation analysis does not constitute an appropriate analytical approach that would help shed light on the research objectives. In particular, the focal area of interest lies in revealing the underlying mechanisms that produce specific responses to service employees (i.e. mediator variables) following customer behaviour, rather than on the variables that affect the direction and/or strength of the relationship between customer behaviour and employee behaviour (i.e. moderator variables). To set an example in support to the previous argument, a moderation approach would be most suitable in the event that the present research investigated whether the causal relation between customer behaviour and employee behaviour *changes as a function* of gratitude, as opposed to gratitude *accounting for* the relation between customer and employee behaviour. In simple terms, "moderator variables are typically introduced when there exists an unexpectedly weak or inconsistent relation between a predictor and a criterion variable…[M]ediation, on the other hand, is best done in the case of a strong relation between the predictor and the criterion variable" (Baron and Kenny, 1986, p.1178). In light of the foregoing discussion, and following the qualitative findings, which pointed to a potent relationship between customer behaviour and specific employee behavioural responses, it becomes evident that mediation analysis constitutes the appropriate analytical approach that best addresses the present research questions.

Specifically, mediation is said to occur when a causal effect of one predictor variable *X* – or initial variable (Kenny *et al.*, 1998) – on an outcome variable *Y* is transmitted through a third intervening (or process) variable *M* (e.g., Hayes, 2009, 2013; Kenny *et al.*, 1998; MacKinnon *et al.*, 2007; Shrout and Bolger, 2002). Although mediation analysis cannot establish definite causal links, it can offer evidence on the plausibility of one mediation pattern over another one, thereby revealing potential causal mechanisms (Shrout and Bolger, 2002).

Figure 9.2 presents the components of the mediation analysis originally proposed by Baron and Kenny (1986). As illustrated in Figure 9.2a, variable *X*, which can be experimentally manipulated – i.e. valence of customer behaviour in the present study – constitutes the hypothesized cause of variable *Y*. As such, for a given sample, the *total effect* of *X* on *Y* is denoted as *c* and is translated as the presumed amount by which two instances that differ by one unit on *X* are presumed to differ on *Y*.

Figure 9.2. Path models of the total effect and mediated effect of *X* on *Y*.

Figure 9.2a. Path model of the total effect.

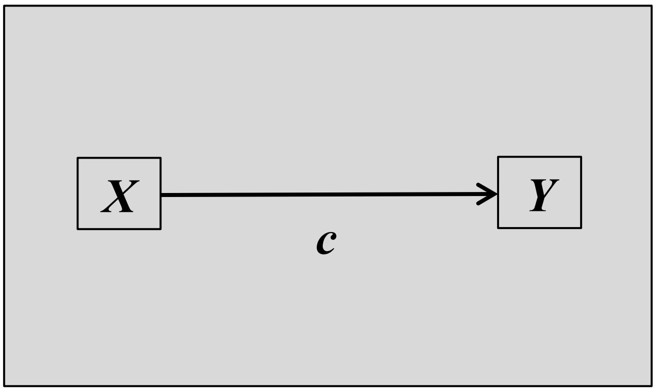
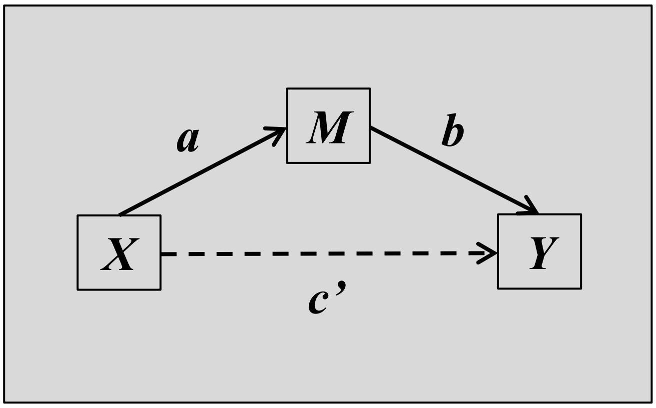


Figure 9.2b. Simple mediation model.

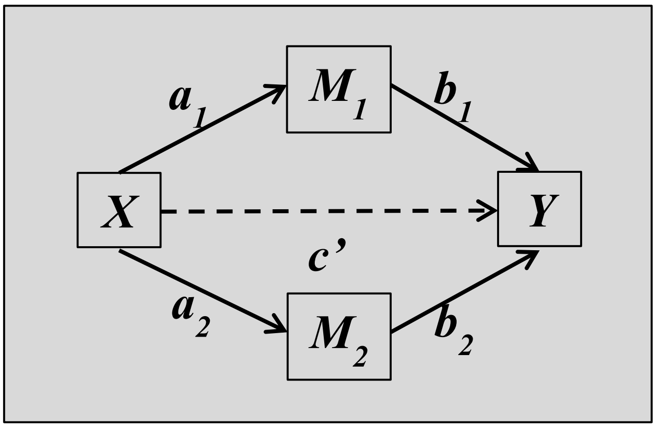


In a simple mediation model, which constitutes the most basic of all intervening variable models, as the one illustrated in Figure 9.2b, *a* represents the coefficient predicting *M* (mediator) from *X*, the product of *a* and *b* represents the *indirect effect* of *X* on *Y* through *M*, while *c'* represents the *direct effect* of *X* on *Y*, i.e. the amount of the effect of *X* on *Y* having partialled out the pathway through *M*. In mathematical terms this is equal to $c = c' + ab$.

In simple terms, for the present study the *direct effect* (*c'*) suggests that two cases that differ by one unit on valence of customer behaviour (X_1=0=negative customer behaviour and X_2=1=positive customer behaviour) but are equal on the proposed mediator (*M*) are estimated to differ by *c'* units on the outcome variable (*Y*).

Figure 9.2c depicts a more complex model in which two intervening variables are taken into consideration (M_1 and M_2). In such instances the same rules apply as in the case of the simple mediation model (i.e. $c = c' + a_1 b_1 + a_2 b_2$); however, the indirect effect through a specific intervening variable is known as a *specific indirect effect*, while the total of the specific indirect effects is known as the *total indirect effect* of *X*. Multiple mediator models are especially popular in cases where different theories are contrasted against each other in one model in order to compare specific indirect effects. Having said this, in the occurrence of full mediation, the *c'* path in a mediation model is smaller than the *c* path in absolute value (MacKinnon *et al.*, 2007), while becoming non-significant. In addition, while it is possible to test each mediator separately, the inclusion of multiple mediators offers the possibility of assessing whether the mediation is independent of the impact of the rest of the other mediators (Hayes, 2013; MacKinnon *et al.*, 2007). Parallel multiple mediator models specifically assess the impact of an independent variable *X* directly on the dependent variable *Y*, but also indirectly through two or more mediators. Moreover, the estimation of indirect effects in a parallel model with several competing mediators allows for a simultaneous evaluation of each potential mechanism, while considering the shared association between them (Hayes, 2013).

Figure 9.2c. Single-step multiple mediator model.



In order to assess mediation, Baron and Kenny (1986) and Kenny *et al.* (1998) propose a four-step procedure. Best known as the *causal steps approach*, this method is based on a set of estimates that need to be calculated for each of the paths in a model in order to asses whether certain statistical criteria are met. In particular, according to the authors the following guidelines are required to be implemented when testing for mediation:

Step 1: Demonstration of the existence of correlation between the causal and the outcome variable in order to establish that there is an effect to be mediated (i.e. test and estimate path *c* in Figure 9.2a).

Step 2: Establishment of the existence of a correlation between the causal variable and the mediator (i.e. test and estimate path *a* in Figure 9.2b and paths a_1 and a_2 in Figure 9.2c respectively).

Step 3: Evidence of the influence of the mediator on the outcome variable (i.e. test and estimate path *b* in Figure 9.2b and paths b_1 and b_2 in Figure 9.2c respectively), while controlling for the causal variable.

Step 4: Assessment of the occurrence of a full mediation of the causal-outcome variable relationship through the mediator (i.e. path *c'* in Figure 9.2b and Figure 9.2c respectively should be equal to zero and non-significant).

It is worth noting that despite the fact that it is common practice to meet the assumption included in *Step 1* prior to proceeding with mediation analysis, this precondition has nowadays become obsolete (Hayes, 2009, 2013; Preacher and Hayes, 2008). However, for the present study all four steps were assessed. That said, in the event that all four assumptions described in the steps are met, then the data suggest that the mediator fully mediates the causal-outcome variable relationship. In case only the first three steps are met, then the data are consistent with the hypothesis that the mediator partially mediates the causal-outcome variable relationship (Kenny *et al.*, 1998).

Lastly, an important stage in mediation analysis includes testing for the assumption that the results obtained are not due to chance and hence, can be generalized to the wider population – a conclusion that can be reached through the construction of confidence intervals. Among the different approaches that have been adopted over time in order to draw statistical inference for the indirect effects in mediation analysis, bootstrapping constitutes the most widely recommended procedure. In particular, the major advantage of this procedure consists of the fact that it does not impose the assumption of normality of the sampling distribution (Hayes, 2009, 2013; Preacher and Hayes, 2008). In sum, bootstrapping is a resampling method that comprises of repeatedly resampling from a given dataset and computing the indirect effect in each resampled dataset – a procedure typically repeated thousands of times and as recommended by Hayes (2009), at least 5000 times. This procedure eventually yields a confidence interval and if zero is not included between the lower and the upper bound, then the null hypothesis that the actual indirect effect is zero at the ci% level of significance can be rejected.

For the present study, the original model was decomposed into two sub-models that allowed to separately test the relationships associated with each research objective. The overall model involved five dependent variables (*functional benefits*, *social benefits*, *special treatment benefits*, *COB_Needs*, *COB_Enjoyment*) and therefore this led to the assessment of five different models: three simple mediation models for **Objective 2** and two parallel multiple mediation models for **Objective 3**.

In order to test the proposed model, the principles or ordinary least squares (OLS) path analysis were applied and PROCESS macro (Hayes, 2015) was implemented with SPSS 22.0. PROCESS constitutes a computational tool, which simplifies the implementation of mediation (Hayes *et al*., 2017). Specifically, PROCESS estimates the total, direct, and indirect effects of the independent variables on an outcome variable through one or more mediating variables. As this particular method does not allow testing for multiple outcome variables simultaneously, each dependent variable was tested separately. This procedure is not considered to be problematic since only the independent variable and the mediator determine the dependent variable. Therefore, the direct and the indirect effects of the independent variable on the outcome variable are the same regardless if multiple outcomes are examined simultaneously or separately. Furthermore, it is maintained that the PROCESS macro is equally suitable for estimating simple and parallel mediation models as any other ML-based SEM program (e.g., Amos) (Hayes, 2013). However, other programs can only compute the overall indirect effects, which means that they do not provide estimates for the specific indirect effects via different mediators in multiple mediator models (Macho and Ledermann, 2011; Leth-Steensen and Gallitto, 2016). Hayes *et al*. (2017) recently advocated for the advantages of employing PROCESS (i.e. observed variable mediation analysis) over a SEM program (i.e. latent variable mediation analysis). In particular, apart from the ease of use of the macro, the authors referred to several of the advantages when employing PROCESS rather than SEM programs. Specifically, they maintained that as far as problems of measurement error are concerned, the results generated by PROCESS have often been criticized on the basis of their legitimacy. In response to these criticisms, Hayes *et al*. (2017) suggested that such commentaries should also be directed towards any analysis that can be represented in the form of a linear regression model (e.g., ANOVA, ANCOVA, etc.), as all these methods entail problems caused by measurement error to varying degrees. Second, the authors also maintained that SEM "is not a panacea to problems produced by imperfect reliability of measurement" (p.80), and argued that despite the circumstantial accuracy in the estimation of effects compared to observed variable mediation analysis, latent variable mediation analysis is less powerful in detecting these effects. In other words, SEM programs prioritize accuracy, whereas observed variable mediation analyses maximize precision (Ledgerwood and Shrout, 2011). Finally, Hayes *et al*. (2017) contended that PROCESS does not offer measures of fit of a model to the data. Nevertheless, a good fitting model presents the problem of 'equivalent models', which involves variations of a model with different interpretations that fit equally well. Consequently, the authors advise that when conducting mediation analysis, researchers should be more concerned with the estimates of and inference about the effects regarding the variables in the model. Hence, PROCESS macro for SPSS was the preferred analytical tool for **Study 2**.

Prior to the implementation of the analysis, valence of customer behaviour (VCB) served as the independent variable and was dummy coded such that 0 was negative customer behaviour, and 1 was positive customer behaviour. Finally, as recommended by Hayes (2009), for simplification reasons all reported model coefficients are in <u>unstandardized form</u>.

9.7.1. Control Variables

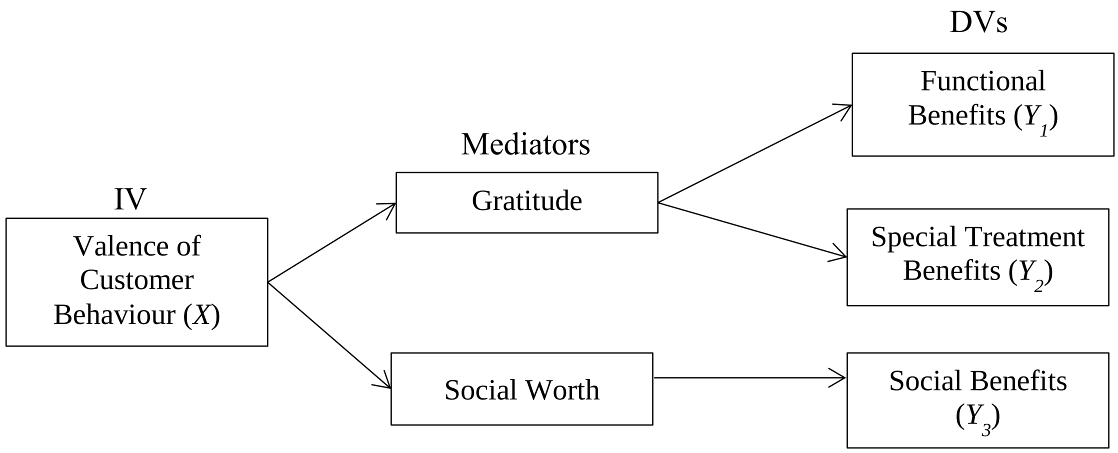
Service employee gender, age, years of experience, level of satisfaction, and restaurant ownership, as well as type of restaurant were not primary variables of interest for the present study. However, previous research focusing on the study of service employees has included these variables as controls (e.g., Babakus *et al.*, 2009; Brotheridge and Grandey, 2002; Chan and Wan, 2012; Chu, 2014; Dietz *et al.*, 2004; Keh *et al.*, 2013; Pugh *et al.*, 2011; Tsai *et al.*, 2007; Vandenberghe *et al.*, 2007; Zimmermann *et al.*, 2011). Due to the fact that the design of the present study involved random assignment of participants to the experimental conditions, age and gender were not deemed to be confounding variables and were therefore not included as control variables.

Nonetheless, four variables were added in the analysis as potential confounding mediators, affecting only the dependent variable in each instance. Hence, work experience has been included as a control since it has been previously demonstrated that this variable is positively related to job performance (Schmidt *et al.*, 1986), while more experienced service employees display greater ability to manage their emotions and hence, their behaviour (Ashforth *et al.*, 2008). Job satisfaction has also shown to be positively associated with service employees' willingness to expend more effort in order to provide better services through the performance of extra-role behaviours (Yoon and Suh, 2003). The analysis also controlled for meal price range since casual, family restaurants with lower pricing strategy and a more personalized approach (Muller and Woods, 1994) could provide the opportunity for less scripted encounters between service employees and customers, while allowing for more interaction between the two parties (Lloyd and Luk, 2011). Also, spontaneous extra-role customer service is assumed to be enhanced when service employees have latitude to depart from the organizationally prescribed script, a situation that is contingent on ownership (Bowen and Lawler, 1992). Therefore, restaurant ownership was included in the analysis as the fourth and last control variable. Controlling for these variables allowed ruling out the possibility that it is an external factor other than the hypothesized ones that accounts for any variation in the outcome variables. To set an example, if a variable other than gratitude (e.g., work experience) is responsible for any significant interactions, including this variable as a control in the equation should render any mediating effects of gratitude non-significant.

9.7.2. Mediation Analysis for Objective 2

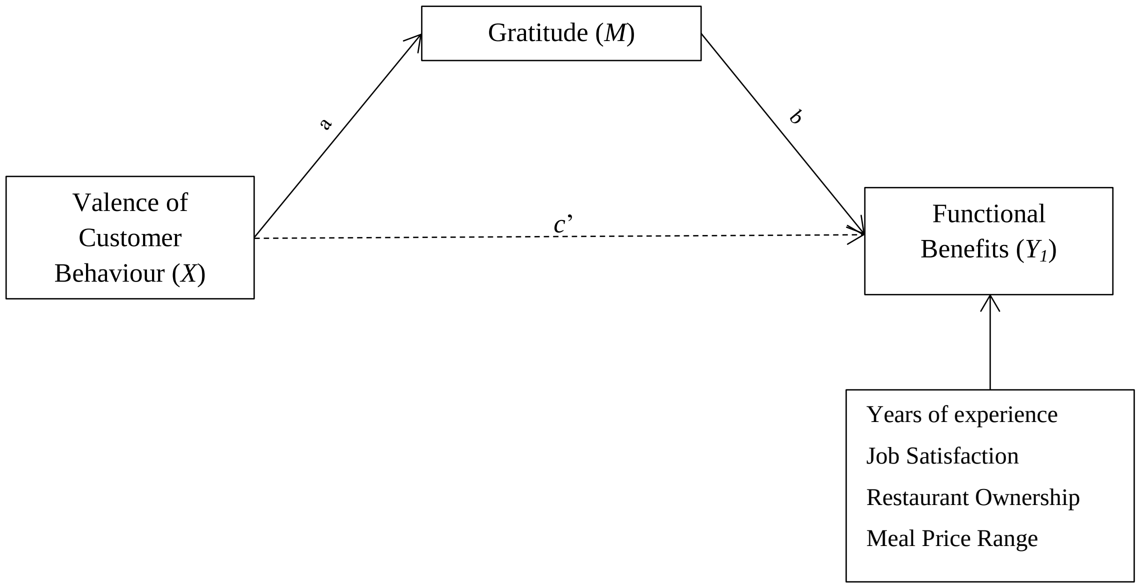
Objective 2 aims at examining the influence of a customer's beneficial behaviours on service employees' reciprocal behavioural responses towards the customer. As already mentioned, it is proposed that CPB will be associated with higher levels of service employees' willingness to engage in beneficial reciprocal behaviours towards beneficial customers (in comparison to CNB) and that this relationship will be mediated by gratitude (**H_1** and **H_2**), and social worth (**H_3**) experienced by the beneficiaries. Figure 9.3 provides an overview of the hypothesized mediation model for **Objective 2**.

Figure 9.3. Hypothesized relationships for Objective 2.



In order to examine whether the proposed intervening variables mediated the effect of VCB on *functional benefits* the steps recommended by Baron and Kenny (1986) were followed. The statistical diagram of the hypothesized relationships is illustrated in Figure 9.4.

Figure 9.4. Path diagram of the indirect effect of VCB (*X*) on functional benefits (*Y_1*) through gratitude (*M*).



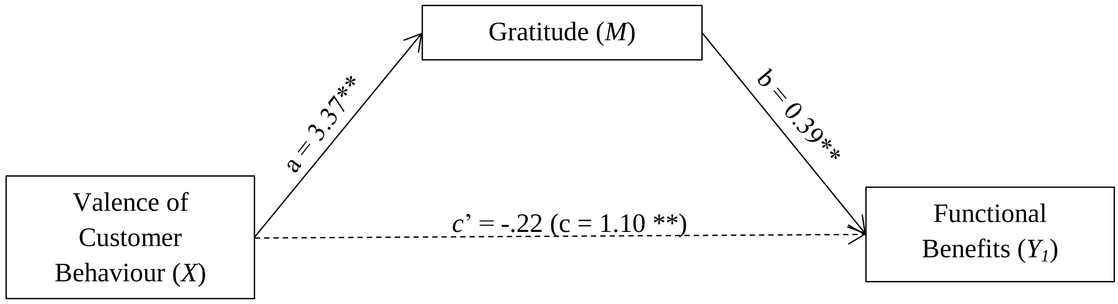
First of all, **Hypothesis 1** called for testing whether gratitude explains the relationship between VCB and functional benefits. As illustrated in Table 9.10 and Figure 9.5, CPB was positively related to the provision of *functional benefits* (b= 1.10, t (674)= 10.12, p< .05), suggesting that respondents who were exposed to the CPB condition were more likely to provide functional benefits to their benefactor. It was also found that CPB (compared to CNB) was significantly and positively related to *gratitude* ('a' path) (b= 3.37, t (674)= 35.94, p< .05), indicating that CPB resulted in higher levels of experienced gratitude by the respondents. The third criterion according to Baron and Kenny (1986) specifies that the mediators should significantly predict the dependent variable while controlling for the independent variable. The results met this criterion for *gratitude* since it was found to predict higher provision of *functional benefits* ('b' path) (b= .39, t (669)= 9.18, p< .05), showing that participants who felt more grateful expressed a stronger intention to provide functional benefits to their benefactor. It was also found that meal price range and level of job satisfaction were positively related to *functional benefits* (b= .23, p< .05 and b= .16, p< .05 respectively). This means that service employees who worked in more expensive restaurants and/or who stated being more satisfied with their job as waiting personnel were more prone to provide concrete benefits to their customers.

Table 9.10. Summary of results of mediation analysis for the effect of valence of customer behaviour (VCB) on gratitude (GRAT) and social worth (SW).

Antecedent		Consequent						
		GRAT				*SW*		
		Coeff.	*SE*	*p*		Coeff.	*SE*	*p*
X (VCB)	a_1	3.37	0.09	0.00	a_2	2.90	0.11	0.00
		R^2 = 0.66 *F* (1,674) = 1291.50, *p*< .001				R^2 = 0.53 *F* (1,674) = 756.35, *p*< .001		

To complete the mediation test for the three significant variables, the fourth criterion holds that the effect of the independent variable on the dependent variable should decrease after controlling for the mediators (i.e. '*c'*' path). After controlling for *gratitude* and including the control variables, the effect of *VCB* manipulation on *functional benefits* decreased and became non-significant (b= -.22, *t* (670)= -.1.27, *p*= .21), thus suggesting full mediation. Figure 9.5 illustrates the statistical model with the results of the mediation analysis. To test whether the size of the indirect (*ab*) effects of *VCB* manipulation on *functional benefits* through *gratitude* significantly differed from zero, a bootstrapping method with bias-corrected confidence estimates was employed (MacKinnon *et al.*, 2007; Shrout and Bolger, 2002). In the present study, the 95% confidence interval of the indirect effects was obtained with 5000 bootstrap resamples (Hayes, 2013). Results confirmed the mediating role of *gratitude* in the relation between *VCB* and *functional benefits* [b= 1.32; bias-corrected 95%CI= 1.02 to 1.64]. As such, there was no evidence that *VCB* contributed to the provision of *functional benefits* independent of its effect on *gratitude*. Therefore **Hypothesis 1** is supported.

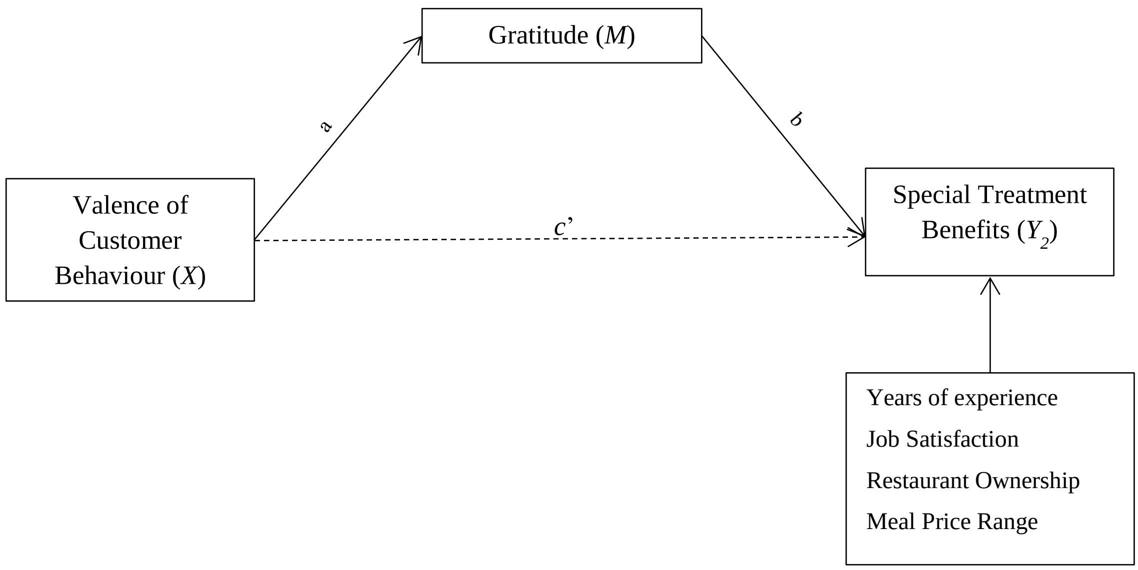
Figure 9.5. Statistical model of the results of the mediation analysis with parameter point estimates for the effect of VCB (*X*) on functional benefits (Y_1) through gratitude (*M*).



Note: $*p < .05$; $**p < .01$

Next, **Hypothesis 2** postulated that CPB would be associated with participants reporting greater provision of *special treatment benefits* through higher levels of *gratitude* compared to CNB. The theoretical model for this hypothesis is illustrated in Figure 9.6.

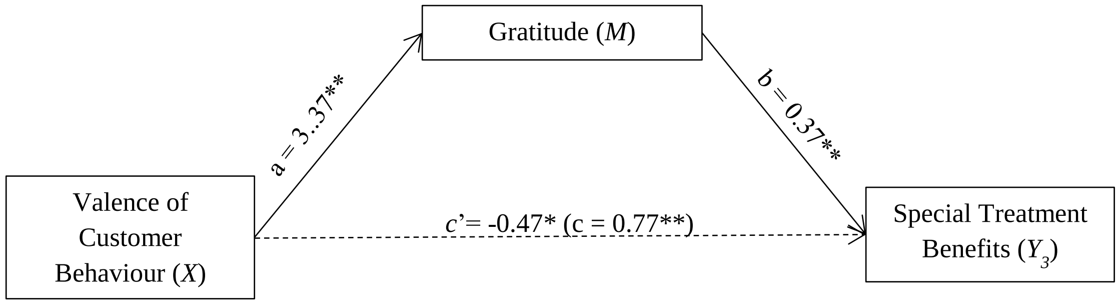
Figure 9.6. Path diagram of the indirect effect of VCB (*X*) on special treatment benefits (Y_2) through gratitude (*M*).



The results of the analysis showed that CPB (compared to CNB) was significantly and positively related to *special treatment benefits* (i.e. 'c' path) (b= .77, t (670)= 6.18, p< .05), providing thus support to the fact that respondents' exposed to CPB expressed their intention to provide *special treatment benefits* to their benefactor. CPB has been previously shown to significantly affect *gratitude*, thereby satisfying the second criterion set by Baron and Kenny (1986). Moreover, 'b' path was significant (b= .37, t (669)= 7.37, p< .05), indicating that *gratitude* significantly predicted the provision of *special treatment benefits*. In other words, grateful feelings resulted in respondents' willingness to provide *special treatment benefits* to this customer. The control variables in this case were non-significant, suggesting that the provision of *special treatment benefits* is not affected by service employees' experience (b=-.10, p= .17), restaurant ownership (b= .13, p= .13), restaurant meal price range (b= .05, p= .57) or level of job satisfaction (b= .00, p= .95).

The final step involved controlling for *gratitude* as well as the control variables while examining the effect of *VCB* manipulation on *special treatment benefits* (i.e. '*c'*' path). This assessment showed a decrease in the path coefficient while remaining significant (b= -.47, t (669)= -.2.28, p= .02), therefore suggesting partial mediation. A bootstrap procedure of 5000 samples showed that the size of the indirect effect (*ab*) was significant as the bias-corrected 95% CI excluded zero [b= 1.24; bias-corrected 95%CI = .89 to 1.59]. As such, the analysis provided partial support for **Hypothesis 2**. In sum, these results point to the fact that CPB has both direct effects on the provision of *special treatment benefits* but also indirect effects through the experience of gratitude. The statistical model for this analysis is shown in Figure 9.7.

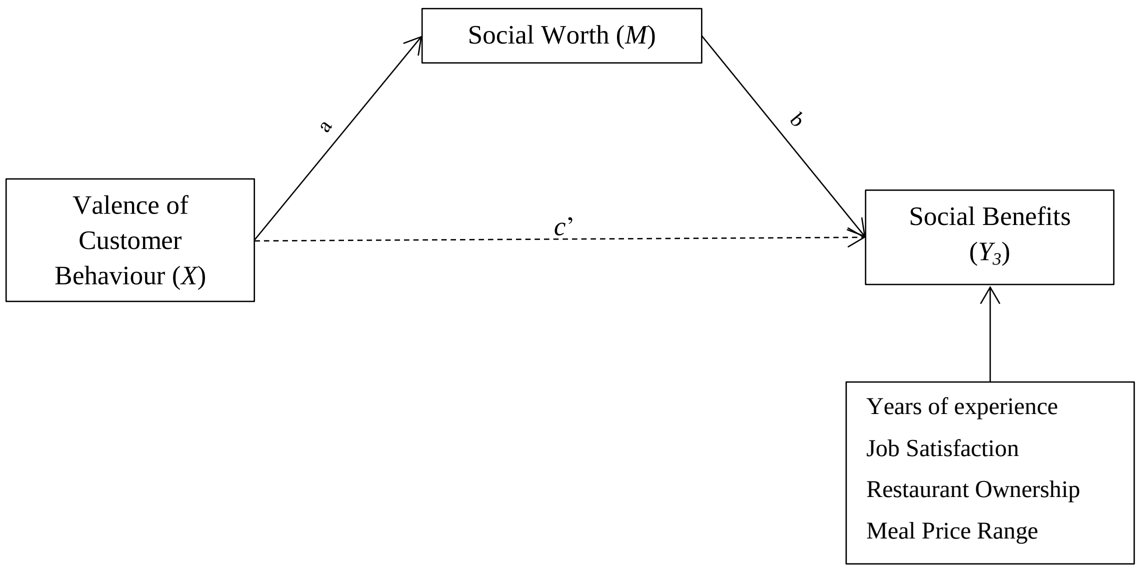
Figure 9.7. Statistical model of the results of the mediation analysis with parameter point estimates for the effect of VCB (*X*) on special treatment benefits (*Y_2*) through gratitude (*M*).



Note: **p*< .05; ***p*< .01

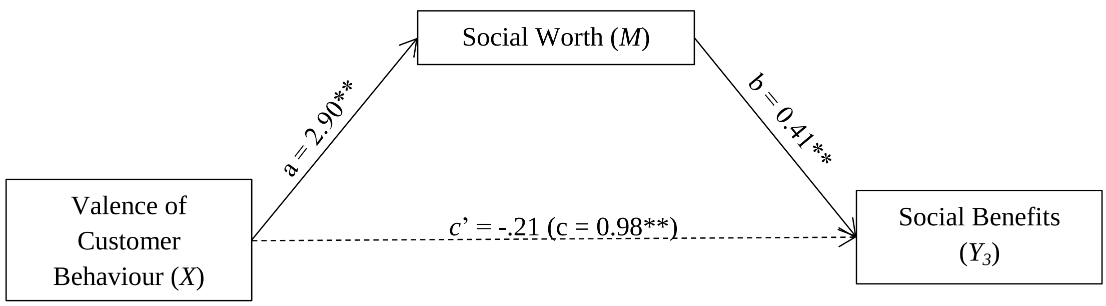
Next, **Hypothesis 3** proposed that CPB would be more strongly associated with *social benefits* through higher levels of *social worth*, compared to CNB. Therefore, the final step of the mediation analysis for **Objective 2** examined the effects of *VCB* on *social benefits*. Figure 9.8 illustrates the path model for *social benefits*.

Figure 9.8. Path diagram of the indirect effect of VCB (*X*) on social benefits (*Y_3*) through social worth (*M*).



Firstly, it was found that CPB (compared to CNB) was more strongly and positively related to *social benefits* (i.e. ‘c’ path) (b= .98, t (670)= 7.85, p< .05), thereby satisfying the first criterion set by Baron and Kenny (1986). The second criterion requiring a positive relationship between the independent and the intervening variable was satisfied as *VCB* was found to be significantly and positively associated with *social worth* (‘a’ path) (b= 2.90, t (674)= 27.50, p< .05). The results also met the third criterion as *social worth* was found to predict higher provision of *social benefits* (‘b’ path) (b= .41, t (669)= 9.45, p< .05), while it was positively associated with the degree of satisfaction as a control variable (b= .09, p= .05), suggesting that satisfied service employees are more likely to engage in social conversation with their customers. Finally, after controlling for *social worth* and the control variables, the effect of *VCB* manipulation on *social benefits* (i.e. ‘*c’*’ path) decreased and became non-significant (b= -.21, t (669)= -.1.20, p= .23), thus suggesting full mediation. A bootstrap procedure of 5000 samples revealed that the size of the indirect effect (*ab*) was equal to b= 1.18, and the bias-corrected 95% CI excluded zero [.93 to 1.47], representing a significant indirect effect. Thus social worth fully mediated the effect of *VCB* on *social benefits* in support to **Hypothesis 3**. Altogether results for this model show that CPB affected respondents’ perception of *social worth*, which in turn led them to express higher intentions to provide *social benefits* to their benefactors. The schematic representation for the results of this mediation analysis is presented in Figure 9.9.

Figure 9.9. Statistical model of the results of the mediation analysis with parameter point estimates for the effect of VCB (*X*) on social benefits (Y_3) through social worth (*M*).



Note: *p< .05; **p< .01

A summary of the results of the mediation analyses for **Objective 2** figures in Table 9.11 below.

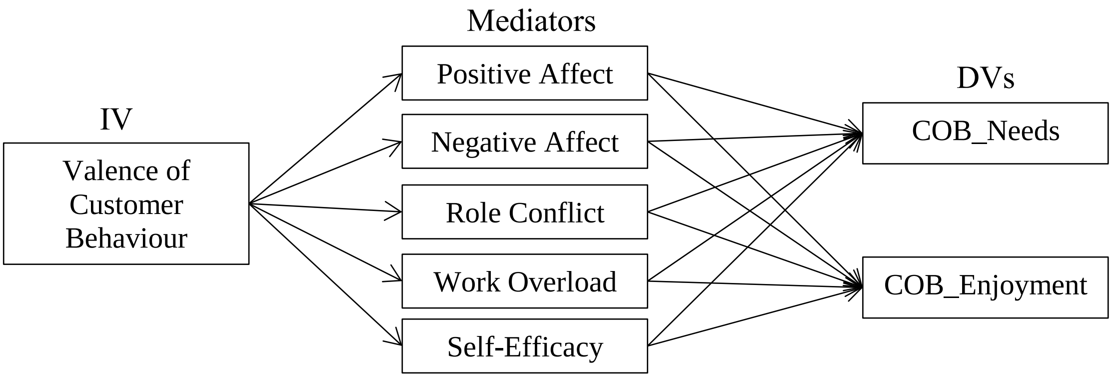
Table 9.11. Summary of results for the mediation analyses for Objective 2.

Antecedent		Consequent											
		Y_1 (FUNBEN)				Y_2 (STBEN)				Y_3 (SOCBEN)		
		Coeff.	*SE*	*p*		Coeff.	*SE*	*p*		Coeff.	*SE*	*p*
X (VCB)	*c*'	-0.21	0.17	0.22	*c*'	-0.47	0.21	0.02	*c*'	-0.21	-1.20	0.23
GRAT	*b*	0.39	0.06	0.00	*b*	0.37	0.05	0.00				
SW									*b*	0.98	0.12	0.00
		$R^2 = 0.27$				$R^2 = 0.13$				$R^2 = 0.21$		
		F (6,669) = 41.37, $p < .001$				F (6,669) = 16.96, $p < .001$				F (6,669) = 29.29, $p < .001$		

9.7.3. Mediation Analysis for Objective 3

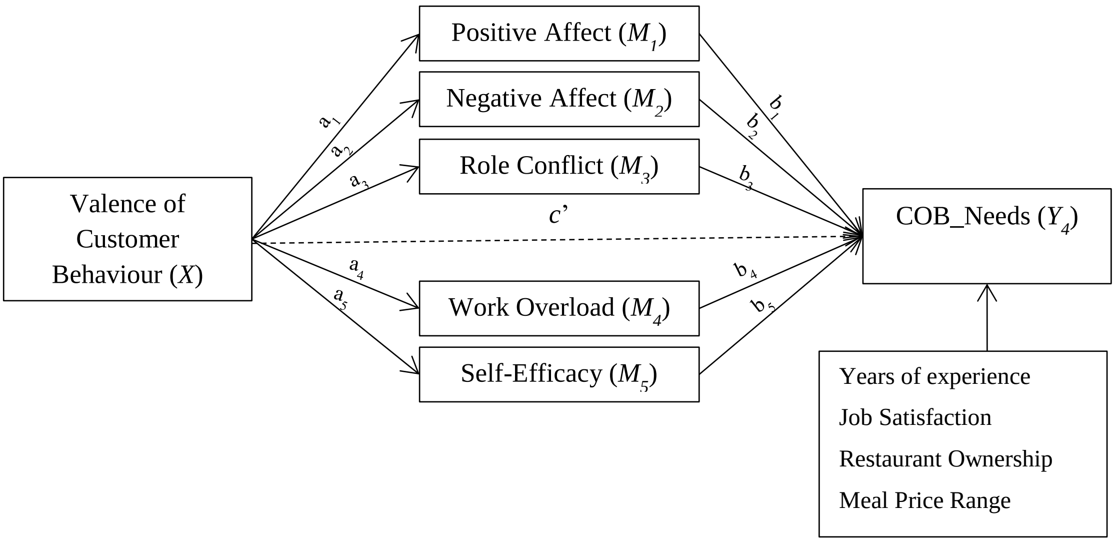
Objective 3 aims at investigating the extent to which CPBs influence service employees' behavioural responses towards other customers in the service setting. The previously stated hypotheses postulate that the behaviour of a customer during the service encounter triggers a 'spillover' effect through the replenishment of the service employees' resources, thereby influencing their overall behaviour. Figure 9.10 provides an overview of the hypothesized parallel multiple mediation model for **Objective 3**.

Figure 9.10. Hypothesized relationships for Objective 3.



Once again, the causal steps approach suggested by Baron and Kenny (1986) was employed in order to test the hypothesized relationships. In addition, the bootstrapping method was implemented so as to test for statistical significance. First of all, the hypotheses related to *COB_Needs* dimension of COB (**H_4**, **H_5**, **H_8**, **H_{10}**, **H_{12}**) were tested and the control variables included in the models testing for **Objective 2** were accounted for. The statistical model for this analysis is illustrated in Figure 9.11.

Figure 9.11. Path diagram of the specific indirect effect of VCB (*X*) on COB_Needs (*Y_4*) through positive affect (*M_1*), negative affect (*M_2*), role conflict (*M_3*), work overload (*M_4*), and self-efficacy (*M_5*).



First, in fulfillment of *Step 1*, it was found that CPB (compared to CNB) significantly predicted *COB_Needs* (i.e. 'c' path) (b= .83, t (670)= 7.64, p< .05). Next, results showed that CPB was more positively and more strongly related to *positive affect* compared to CNB ('a_1' path) (b= 2.98, t (674)= 29.83, p< .05), while it was negatively associated with *negative affect* ('a_2' path) (b= -2.30, t (674)= -21.55, p< .05). Results also showed that CPB was significantly and negatively related to *role conflict* ('a_3' path) (b= -2.89, t (674)= -27.28, p< .05) and *work overload* ('a_4' path) (b= -2.55, t (674)= -22.06, p< .05), while significantly predicting *self-efficacy* ('a_5' path) (b= 1.40, t (674)= 10.85, p< .05). An overview of the results for the 'a' paths is presented in Table 9.12.

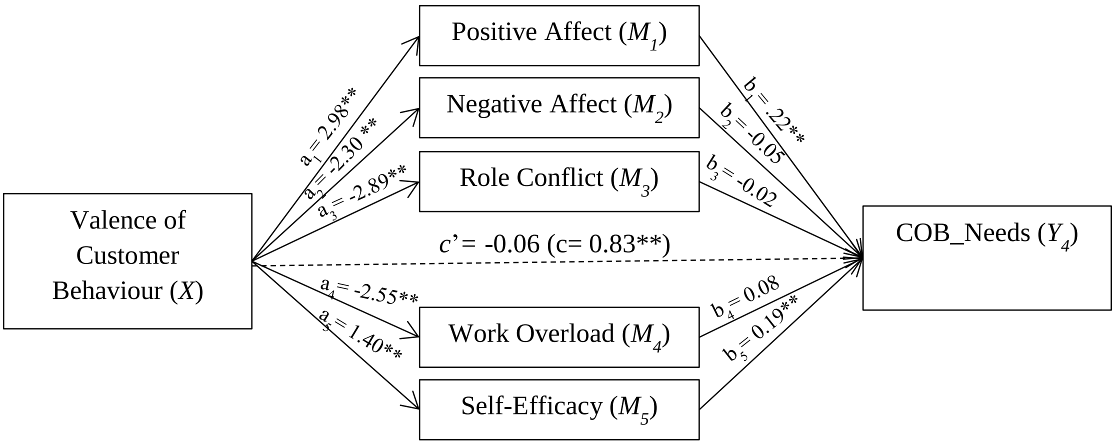
Table 9.12. Summary of results for the mediation analysis for the effect of effect of valence of customer behaviour (VCB) on positive affect (PA), negative affect (NA), role conflict (RC), work overload (WO), and self-efficacy (SE).

Antecedent		Consequent																		
		$M_{1\,(PA)}$				$M_{2(NA)}$				$M_{3(RC)}$				$M_{4(WO)}$				$M_{5(SE)}$		
		Coeff.	*SE*	*p*		Coeff.	*SE*	*p*		Coeff.	*SE*	*p*		Coeff.	*SE*	*p*		Coeff.	*SE*	*p*
X (VCB)	a_1	2.98	0.10	0.00	a_2	-2.30	0.11	0.00	a_3	-2.89	0.11	0.00	a_4	-2.55	0.12	0.00	a_5	1.40	0.13	0.00
		$R^2 = 0.57$				$R^2 = 0.42$				$R^2 = 0.53$				$R^2 = 0.42$				$R^2 = 0.16$		
		F (5,670) = 179.95, $p < .001$				F (5,670) = 95.25, $p < .001$				F (5,670) = 151.33, $p < .001$				F (5,670) = 98.38, $p < .001$				F (5,670) = 25.55, $p < .001$		

Furthermore, in order to test for the third criterion set by Baron and Kenny (1986), the effect of each mediator on the dependent variable was evaluated. As such, it was found that while including the control variables in the model, in line with **Hypothesis 4** and **Hypothesis 12** respectively, *positive affect* ('b_1' path) (b= .22, *t* (665)= 5.93, *p*< .05) and *self-efficacy* ('b_5' path) (b= .19, *t* (665)= 5.32, *p*< .05) significantly predicted *COB_Needs*, whereas in relation to **Hypothesis 5**, **Hypothesis 8**, and **Hypothesis 10,** *negative affect* ('b_2' path) (b= -.05, *t* (665)= -.89, *p*= .38), *role conflict* ('b_3' path) (b= -.02, *t* (665)= -.41, *p*= .68), and *work overload* ('b_4' path) (b= .08, *t* (665)= 1.70, *p*= .09) did not. In addition, restaurant ownership (b= .14, *p*= .05) and job satisfaction (b= .16, *p*< .05) were found to be positively related to *COB_Needs*, indicating that waiting personnel working in hotel restaurants is more focused to customer need satisfaction, as is the case for waiters who feel satisfied with their job.

Finally, after controlling for *positive affect*, *self-efficacy* and the control variables, the effect of *VCB* manipulation on *COB_Needs* (i.e. '*c'*' path) decreased and became non-significant (b= -.06, *t* (670)= -.34, *p*= .74), thus suggesting full mediation. A bootstrap procedure of 5000 samples revealed that the size of the specific indirect effects (*ab*) was significant and equal to b= .65 [bias-corrected 95%CI= .34 to .96] for *positive affect* and b= .26 [bias-corrected 95%CI= .13 to .40] for *self-efficacy*, in support to **Hypothesis 4** and **Hypothesis 12**. Neither *negative affect*, nor *role conflict* or *work overload* contributed to the indirect effect above and beyond *positive affect* and *self-efficacy*, as the 95%CI for all three mediators contained zero, thereby rejecting **Hypothesis 5**, **Hypothesis 8**, and **Hypothesis 10**. Furthermore, a pairwise comparison between *positive affect* and *self-efficacy* produced significant differences as a bias-corrected 95% CI for the contrast did not contain zero [.00 to .77], indicating that the specific indirect effect through *positive affect* was larger than the specific indirect effect through *self-efficacy*. In other words, CPB triggered respondents' *positive mood* above all while also making them feel more confident about their abilities through higher levels of *self-efficacy*, which in turn influenced their intention to serve their customers in the best way possible (*COB_Needs*). The schematic representation for the results of the mediation analysis is illustrated in Figure 9.12.

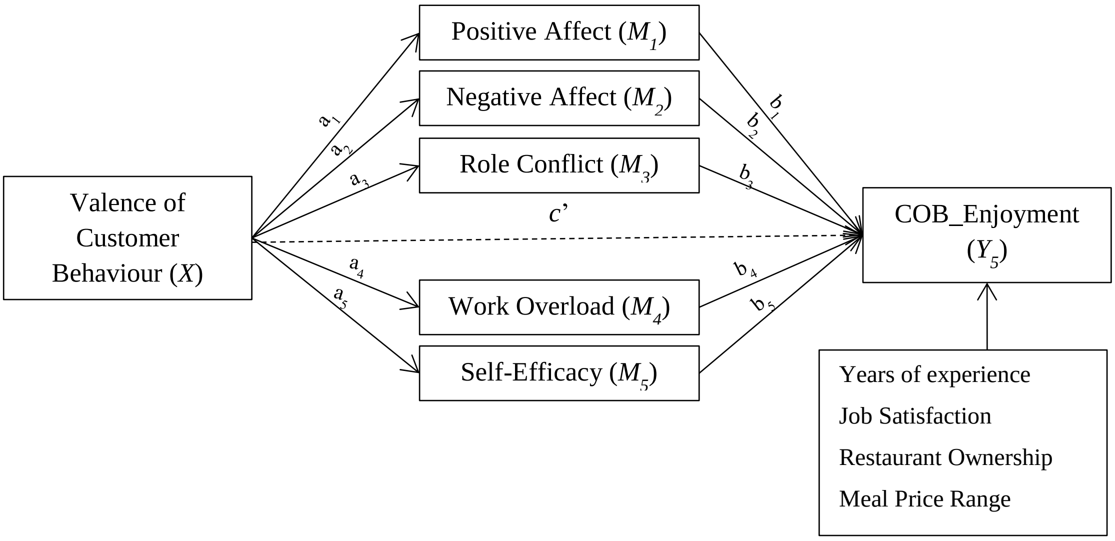
Figure 9.12. Statistical model of the results of the mediation analysis with parameter point estimates for the effect of VCB (*X*) on COB_Needs (Y_4) through positive affect (M_1), negative affect (M_2), role conflict (M_3), work overload (M_4) and self-efficacy (M_5).



Note: *p< .05; **p< .01

Subsequently, multiple mediation analysis was performed to assess the hypotheses relating to *COB_Enjoyment*. The path diagram for the hypothesized relationships is illustrated in Figure 9.13.

Figure 9.13. Path diagram of the specific indirect effect of VCB (*X*) on COB_Enjoyment (*Y_5*) through positive affect (*M_1*), negative affect (*M_2*), role conflict (*M_3*), work overload (*M_4*) and self-efficacy (*M_5*).

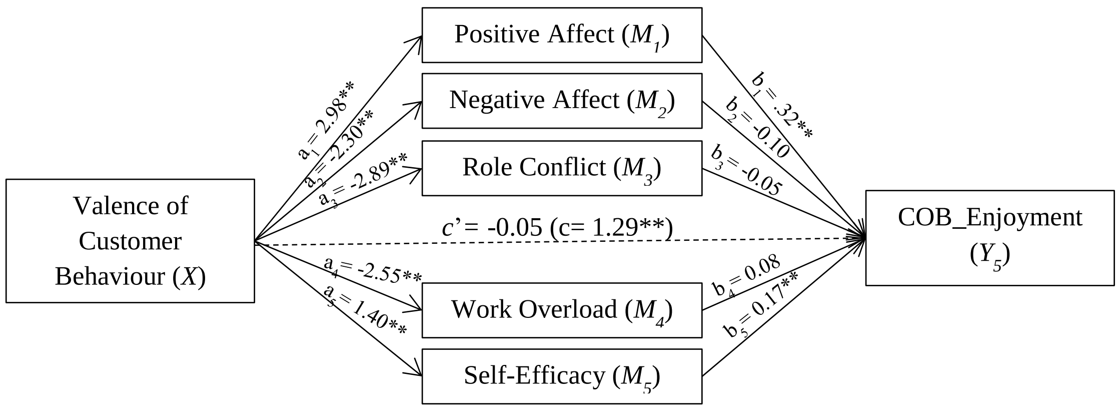


The first condition set by Baron and Kenny (1986) was satisfied for the model, as CPB significantly predicted *COB_Enjoyment* (i.e. 'c' path) (b= 1.29, t (670)= 11.55, $p< .05$). The second step for mediation, requiring for the independent variable to affect the mediating variables was met in prior analyses. Next, it was examined whether changes on the intervening variables mediated the effects of CPB on *COB_Enjoyment*. Upon testing for **Hypothesis 7**, **Hypothesis 9**, and **Hypothesis 11**, it was found that the third criterion was not met for *negative affect* ('b_2' path) (b= -.10, *t* (665)= -1.93, $p= .05$), *role conflict* ('b_3' path) (b= -.05, *t* (665)= -.91, $p= .36$), and *work overload* ('b_4' path) (b= .08, *t* (665)= 1.86, $p= .06$), which were not significant predictors of changes in employee engagement in *COB_Enjoyment*.

However, consistent with **Hypothesis 6** and **Hypothesis 13**, the criterion was met for *positive affect* ('b_1' path) (b= .32, *t* (665)= 6.71, $p< .05$) and *self-efficacy* ('b_5' path) (b= .17, *t* (665)= 5.00, $p< .05$), which were significant predictors of increases in *COB_Enjoyment*. Regarding the control variables, only the degree of job satisfaction was found to have a significant effect on the dependent variable (b= .09, $p< .05$), suggesting that the more satisfied service employees are with their job, the more likely it is that they will derive enjoyment from serving their customers.

The final step involved controlling for *positive affect and self-efficacy* while including the control variables in the model in order to examine the effect of *VCB* manipulation on *COB_Enjoyment* (i.e. '*c'*' path). Results showed a decreased and non-significant value for the direct effect (b= -.06, t (670)= -.34, p= .73), thus suggesting full mediation. A bootstrap analysis indicated that the 95%CI for the size of the indirect effect (*ab*) excluded zero for *positi*ve *affect* [b= .94; bias-corrected 95%CI= .61 to 1.30], thus supporting **Hypothesis 6**, and for *self-efficacy* [b= .24; bias-corrected 95%CI= .11 to .38] in support to **Hypothesis 13**. Therefore, CPB increased the engagement in *COB_Enjoyment* behaviour by strengthening respondents' *positive affect* and perceptions of *self-efficacy*, and not by reducing their *negative affect*, *role conflict* or *work overload*. Therefore, **Hypothesis 7**, **Hypothesis 9**, and **Hypothesis 11** were rejected. In addition, pairwise contrasts of the indirect effects showed that the specific indirect effect of *positive affect* is stronger than the specific indirect effect of *self-efficacy*, with a bias-corrected 95%CI of .30 to 1.13. Therefore, CPB induced participants' *positive mood* initially, while also strengthening their belief about their abilities through heightened levels of *self-efficacy*, which subsequently prompted them to derive enjoyment from serving their customers (*COB_Enjoyment*). The statistical model for the results of the mediation analysis is illustrated in Figure 9.14.

Figure 9.14. Statistical model of the results of the mediation analysis with parameter point estimates for the effect of VCB (*X*) on COB_Enjoyment (Y_5) through positive affect (M_1), negative affect (M_2), role conflict (M_3), work overload (M_4) and self-efficacy (M_5).



Note: $*p< .05$; $**p< .01$

A summary of the results of the mediation analyses for **Objective 3** is presented in Table 9.13.

Table 9.13. Summary of results for the mediation analyses for Objective 3.

Antecedent		Consequent						
		Y_4 (COB_NEEDS)				Y_5 (COB_ENJOYMENT)		
		Coeff.	*SE*	*p*		Coeff.	*SE*	*p*
X (VAL)	*c*'	-0.06	0.17	0.74	*c*'	-0.06	-0.17	0.73
PA	b_1	0.22	0.05	0.00	b_1	0.32	0.05	0.00
NA	b_2	-0.05	0.05	0.38	b_2	-0.10	0.05	0.05
RC	b_3	-0.02	0.06	0.68	b_3	-0.05	0.06	0.36
WO	b_4	0.08	0.04	0.09	b_4	0.08	0.04	0.06
SE	b_5	0.19	0.04	0.00	b_5	0.17	0.03	0.00
		$R^2 = 0.25$				$R^2 = 0.36$		
		F (10,665) = 21.73, p< .001				F (10,665) = 37.48, p< .001		

Finally, the results of the mediation tests for both research questions along with the outcomes for all hypotheses are summated in Table 9.14.

Table 9.14. Summary of mediation analysis results.

Hypothesis	Independent variable	Mediating variable	Dependent variable	Effect of IV on mediator (*a*)	Unique effect of mediator (*b*)	Direct effect (*c'*)	Indirect effect (*ab*)	Total effect (*c*)	Degree of mediation	Outcome
1	VCB	Gratitude	Functional Benefits	3.37	0.39	-0.21	1.32	1.10	Complete	Supported
2	VCB	Gratitude	Special Treatment Benefits	3.37	0.37	-0.47	1.24	0.77	Partial	Supported
3	VCB	Social Worth	Social Benefits	2.90	0.98	-0.21	1.18	0.98	Complete	Supported
4	VCB	Positive Affect	COB_Needs	2.98	0.22	-0.06	0.65	0.83	Complete	Supported
5	VCB	Negative Affect	COB_Needs	-2.30	-0.05	-0.06	0.10	0.83	None	Rejected
6	VCB	Positive Affect	COB_Enjoyment	2.98	0.32	-0.06	0.94	1.29	Complete	Supported
7	VCB	Negative Affect	COB_Enjoyment	-2.30	-0.10	-0.06	0.22	1.29	None	Rejected
8	VCB	Role conflict	COB_Needs	-2.89	-0.02	-0.06	0.07	0.83	None	Rejected
9	VCB	Role conflict	COB_Enjoyment	-2.89	-0.05	-0.06	0.15	1.29	None	Rejected
10	VCB	Work Overload	COB_Needs	-2.55	0.08	-0.06	-0.19	0.83	None	Rejected
11	VCB	Work Overload	COB_Enjoyment	-2.55	0.08	-0.06	-0.21	1.29	None	Rejected
12	VCB	Self-Efficacy	COB_Needs	1.40	0.19	-0.06	0.26	0.83	Complete	Supported
13	VCB	Self-Efficacy	COB_Enjoyment	1.40	0.17	-0.06	0.24	1.29	Complete	Supported

9.8. Summary

The overall purpose of **Chapter 9** was to document the quantitative analysis, which was implemented following the completion of the data collection for **Study 2**. This process commenced by presenting the results of the descriptive analysis. To this end, the demographics of the study's sample, consisting of 338 individuals working as waiting personnel in Greece were presented. The chapter proceeded by describing the steps followed for data screening, a procedure that was undertaken in order to scan for potential errors such as issues of missing data, cases of outliers, and data normality.

Next, a reliability analysis was performed assessing the scales' reliability in terms of their internal consistency and homogeneity, which were shown to be satisfactory for all scales and subscales employed in the questionnaire. Once completed, a series of analyses was undertaken, and which comprised of confirmatory factor analysis (CFA) so as to assess the overall measurement model, and mediation analysis, in order to test the hypothesized relationships. The chapter concluded with a presentation of the supported and non-supported hypotheses. In this view, the purpose of the subsequent chapter is to offer an overall discussion on the results obtained from **Study 2**, in conjunction with the qualitative findings of **Study 1**, but also in reference to prior research, reviewed from **Chapter 2** through to **Chapter 4**.

CHAPTER 10

DISCUSSION

10.1. Introduction

The purpose of **Chapter 10** is to integrate and to discuss the qualitative and quantitative findings, which are also elaborated in conjunction with prior literature. In particular, the chapter discusses how the results of both studies address the research objectives, i.e.:

Objective 1: To determine the customer behaviours that are perceived as beneficial by service employees during the service encounter.

Objective 2: To examine the influence of a customer's beneficial behaviour on service employees' reciprocal behavioural responses towards the customer.

Objective 3: To assess the extent to which customer beneficial behaviours influence service employees' behavioural responses towards other customers in the service setting.

In sum, the focus of this research implemented through two studies rests on the nature, the impact, and the outcomes of customer unsolicited, helpful behaviours towards service personnel during the process of the service encounter. **Chapter 10** is organized as follows: first of all, it briefly summarizes the research aim of the thesis, followed by a separate discussion on the results for each one of the research objectives.

10.2. Overall Research Aim

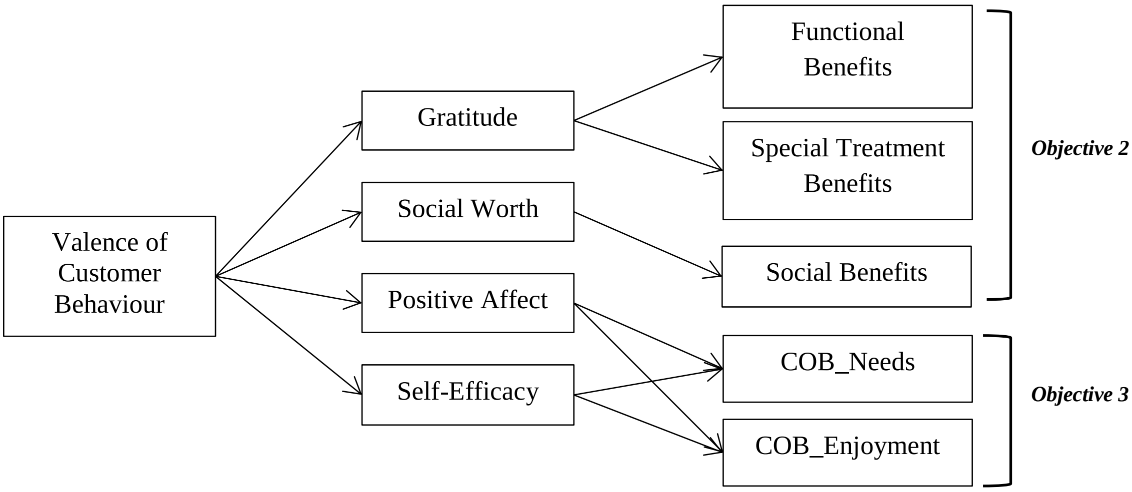
This research aimed at addressing a gap in prior knowledge on the interpersonal processes of the service encounter by examining the influence of discretionary, helpful customer behaviours on service employee behavioural responses. Therefore, the research aim of this thesis was established as follows:

Research aim**:** *To investigate how customer behaviours contribute positively to the service encounter through their impact on service employee behavioural responses.*

A sequential mixed-method research design was implemented involving two progressive research stages in order to address three research objectives. Initially, **Study 1** investigated all research objectives qualitatively. Having identified the variables of interest, **Study 2** drew primarily on the qualitative findings and addressed **Objectives 2** and **3** quantitatively. This second phase of the research also aimed at contrasting the outcomes resulting from CPB and CNB, so as to elucidate the relative impact of each type of customer behaviour for service employees.

The final model shown in Figure 10.1 presents the relationships that were supported through **Study 2**. Overall the model illustrates the processes that link customer behaviour towards service employees with specific employee behavioural responses, either towards their benefactors **(Objective 2**), or towards other customers **(Objective 3**). A discussion on the research findings for each research objective is offered in the sections that follow.

Figure 10.1. Final theoretical model.



10.3. Objective 1: Beneficial Customer Behaviours

This thesis has argued that customer voluntary behaviours that benefit service employees have not been sufficiently addressed in prior studies. Therefore, the first objective of this research aimed at determining the customer behaviours that are perceived as beneficial by service employees during the service encounter. This objective was explored during **Study 1** and the findings also served as a basis for the conceptualization of customer behaviour and for the scenario development of **Study 2**.

Overall, the exploratory findings indicated that certain customer behaviours can in fact be beneficial for service employees. In particular, **Study 1** has built upon the classification scheme of such customer behaviours offered by Garma and Bove (2011), and has validated six previously identified categories of CPBs: assumed employee role, advocacy, sportsmanship, consultancy, social support, and courtesy. Depending on the type of benefit received by service employees, these six types of customer behaviours were classified into two broad categories: instrumentally beneficial and emotionally beneficial customer behaviours. Whereas the former involves customer behaviours that assist service employees in performing the task-related aspects of the service delivery, the latter refers to customer behaviour that helps service employees in performing the emotional part of their work role.

Customer emotionally beneficial behaviours were mentioned more frequently by the informants of **Study 1**, whereas the analysis of the critical incidents has shown that, compared to customer instrumentally beneficial behaviour, emotionally beneficial customer behaviour was more commonly associated with some form of favourable reciprocal employee behaviour and enhanced service delivery. In particular, as shown through the results of **Study 1,** emotionally beneficial customer behaviours are particularly impactful for service employees, notably in service contexts such as the one investigated through this research, and that require a certain degree of emotional effort from service personnel. Therefore, contrary to past research, which has extensively focused on the aspects of customer behaviour that are required in order to achieve a successful service outcome (e.g., customer participation), or that are beneficial to the organization overall (e.g., CCB) this thesis has highlighted the importance of a separate category of customer extra-role behaviour, which is specifically directed towards service employees.

Finally, the manipulation checks performed for the scenarios developed and employed for **Study 2** have confirmed that the previously identified types of CPBs were perceived as uplifting and facilitating for service employees, thereby asserting the validity of these types of customer behaviours in terms of being actually beneficial for the recipients.

10.4. Objective 2: Service Employee Reciprocal Behavioural Responses Towards the Customer

This section discusses the findings that address the second research objective, i.e. to examine the influence of a customer's beneficial behaviour on service employees' reciprocal behavioural responses towards the customer.

Consistent with the qualitative findings, all paths relating to **Objective 2** in **Study 2** were found to be significant and in the expected direction, suggesting that CPB positively influences service employees' reciprocal behavioural responses towards their benefactors. As such, the latter are more likely to reap additional functional, special treatment, and social benefits from the service encounter, compared to customers who exhibit some form of negative behaviour. **Study 2** in particular confirmed that the relationship between customer behaviour and employee reciprocal behavioural responses is explained by two intervening variables: gratitude and social worth. The next sections provide a discussion on the findings and on the linkages revealed between customer behaviour and each type of service employee reciprocal behavioural response.

10.4.1. Functional and Special Treatment Benefits Explained by Gratitude

In line with the findings of **Study 1**, **Study 2** has established that customers who support service employees in some way during the service encounter are more likely to receive (a) superior service and (b) preferential treatment, compared to those customers who are perceived as behaving in an unhelpful way during the service interaction. Such a relationship is explained by the inducement of feelings of gratitude to service employees. Gratitude in essence reflects an individual's sense of thankfulness directed towards others following the reception of a benefit and it constitutes "*a positive emotional reaction to the receipt of a benefit that is perceived to have resulted from the good intentions of another*" (italics in original) (Tsang, 2006, p.139). However, the concept of gratitude has been noticeably absent from the marketing literature in general (Morales, 2005; Palmatier *et al*., 2009), and from the hospitality industry in particular (Lee *et al*., 2014). Indeed, Palmatier *et al*. (2009, p.3) observed that "no marketing studies have considered the role of gratitude-based reciprocal behaviours on seller performance". In particular, the examination of the employee's gratitude in response to benefits received by customers, has been previously highlighted as a fruitful avenue for future research (Fazal-e-Hasan *et al.*, 2014).

Gratitude occurs when a benefactor is believed to have benevolent intentions towards the beneficiary, and urges individuals to engage in prosocial behaviours with an emphasis on the need and the deservingness of the benefactor (Tsang, 2006). Gratitude is differentiated from positive mood, which increases prosocial behaviour through a mechanism of prolonging one's positive state or by making individuals perceive stimuli in a more positive light (George, 1991). Hence, contrary to prior research, which has identified positive affect as a factor that drives employee prosocial behaviour, this thesis has predicted and verified how gratitude, as a reciprocal mechanism, accounts for employee extra-role behaviour. Specifically, this research has explicitly demonstrated how CPB triggers employee feelings of appreciation for the benefit received (i.e. affective component of gratitude), which are expressed behaviourally through reciprocal behaviours towards the benefactor (i.e. behavioural component of gratitude).

In particular, the research findings have revealed that employee gratitude accounts for two types of benefits offered as a means of reciprocation to customers. On the one hand, functional benefits, which were conceptualized as those benefits that enhance the core service offered to customers, were found to bear similarities with confidence benefits already identified in prior literature. On the other hand, special treatment benefits involved the provision of preferential treatment to particular customer segments, which exceeds the basic service offering and customer service practices (Lacey *et al.*, 2007). Therefore, functional benefits were found to enhance the core service offering (e.g., more attentive service), whereas special treatment benefits exceeded it (e.g., complimentary service offering). In this vein, contrary to prior research, which argues that customers enjoy these types of benefits as a result of their long-term relationship with a service provider, this thesis has demonstrated that they can be offered as a result of the influence of CPB on employee gratitude during a single interaction.

Finally, the mediation analysis has also indicated that 'meal price range' and 'job satisfaction' as control variables were positively associated with functional benefits, suggesting that such employee extra-role behaviour is also moderated by these two factors. In relation to the former, it appears that service employees who work in upscale restaurants seemingly provide extra-role service to their benefactors. This can be attributed to the fact that CPB is more unlikely and less expected in such contexts, as opposed to more casual, and less scripted restaurant settings. Consequently, service personnel offer even more attentive service to their benefactors as an indication of their thankfulness. As for the latter, the fact that satisfied service employees are more prone to provide extra-role service to their benefactors is not surprising; past research has confirmed such a positive association between these two variables (McNeely and Meglino, 1994), suggesting that job satisfaction moderates one's willingness to provide enhanced service to beneficial customers.

The next section discusses the third relationship that was supported in relation to **Objective 2**.

10.4.2. Social Benefits Explained by Social Worth

The research findings have also indicated that service employees' experience of social worth following CPB fosters their willingness to engage into social interaction with those customers who made them feel valued through their behaviour. Social worth was conceptualized for this research as the degree to which employees perceive that their efforts have been appreciated by customers (Grant, 2008), whereas the provision of social benefits reflects an element of enjoyment of spending time with the customer (Reynolds and Beatty, 1999).

As indicated through the qualitative phase of the research, CPB signals a form of appreciation towards service employees, encouraging thus the development of service communality, which represents "the degree to which a service relationship resembles a friendship evidenced by nonessential conversation, disclosure, and helping behaviour" (Goodwin, 1996, p.398). For example, a customer asking the service employee 'how are you?', exhibits courtesy that is beyond what is expected of him for a successful service delivery to occur. Such behaviour is likely to signal some form of warmth and communality, which in turn confers a sense of appreciation to service personnel. This appreciation urges service employees to reciprocate by participating in further conversation with these customers on topics that are not related to the service delivery. For example, as shown in **Study 1**, either through the use of humour, or by exploring potential common interests, service employees respond to CPBs and develop social bonds with beneficial customers, thereby enhancing their receptivity to the potential of a relationship development (Bendapudi and Berry, 1997).

The nature of service work and in the particular the context where **Study 2** was conducted can help explain why the notion of social worth is valued by service employees. Specifically, Shamir (1980) argued for the existence of a separate service employee category, which he termed 'subordinate service roles'. According to the author, waiters, salespersons, taxi drivers, receptionists, and other similar service roles are characterized by two elements: (a) unlike other professions (e.g., teachers, doctors), these employees are not perceived as professionals or 'experts', since they have no impact or intention to change the behaviour of their customers; and (b) customers voluntarily choose to make use of the services of a firm where this category of employees work, rather than being obliged to do so (e.g., in general, a customer willingly chooses to eat at a particular restaurant as opposed to being constrained to visit the doctor). Consequently, service employees in these service roles are viewed as having a status that is subordinate compared to that of the customer. However, service employees desire to feel valued in order to fulfill their social needs for affiliation, approval, and esteem (Yoon *et al.*, 2004). Consistent with this standpoint, the findings of **Study 2** point to customers as sources for satisfying such service employee needs.

Adding to the above, the processes involved in Côté's (2005) social interaction model suggest that the support provided by interaction partners, i.e. in this case the customers, enhances service employees' self-worth, as it indicates a form of understanding for the employee's experience. Therefore, service employees are most likely to develop a sense of closeness with the customers who demonstrated such kindness, a fact that ultimately promotes their willingness to decrease the social (Grant, 2007) and emotional distance (Lee *et al.*, 2014) with them. As a result, CPB succeeds in putting a human face to the encounter by allowing service employees to achieve greater power and status equality with customers, resulting in a more balanced and symmetrical exchange.

Having offered a discussion on the results relating to **Objective 2**, the next section further develops the insights offered by this research by reporting the findings associated with **Objective 3**.

10.5. Objective 3: Service Employee Behavioural Responses Towards Other Customers

The purpose of this section is to present and to develop the findings that address the third research objective, i.e. to assess the extent to which customer beneficial behaviours influence service employees' behavioural responses towards other customers in the service setting. Specifically, the exploratory study revealed that CPBs influence service employees' behavioural responses by affecting their willingness to engage in COBs towards the other customers in the service setting. COB is conceptualized as a form of extra-role behaviour (Podsakoff and MacKenzie, 1997), which describes “the extent to which service providers are willing to give valued resources to their customers” (Liao and Searcy, 2012, p.250). This conceptualization suggests that employees who exhibit COBs are more willing to provide higher levels of time and effort by engaging in behaviours that exceed the minimum required for the accomplishment of a service interaction (Liao and Searcy, 2012). Employee COB, as an outcome variable, was measured along two dimensions (i.e. enjoyment and need satisfaction dimensions) for **Study 2**.

Overall, the results have demonstrated that CPB is more strongly associated with service employees’ engaging in COBs compared to CNB. This finding is important as it underscores that customer behaviour constitutes an antecedent to service employee engagement in COBs. Previous studies have considered intra-organizational sources as motivators of service employee engagement in such extra-role behaviours (Jung *et al.*, 2017). The present thesis enriches the current understanding on the factors that affect employee behaviour by providing evidence of a causal link between customer behaviour and service employee COBs. The following sections further discuss this relationship.

10.5.1. COBs Explained by Positive Affect and Self-Efficacy

The results of **Study 2** confirmed that the relationship between customer behaviour and employee COB is explained by two intervening variables: employee PA and self-efficacy. Firstly, and consistent with the qualitative findings, when service employees are exposed to CPB, they are likely to engage in higher levels of COB through the experience of higher PA, as opposed to when they are exposed to CNB. As shown through the results of **Study 2**, high PA reported by the respondents, was associated with employee willingness to satisfy their customer needs as well as enjoying themselves during the process.

PA has been associated with several beneficial outcomes for service employee well-being, such as increased cooperativeness, helpfulness, creativity, empathy, problem-solving orientation, memory, and efficiency in complex decision-making, or decreased hostility (Isen and Baron, 1991). Adding to this, the present research demonstrates how increases in employee PA following CPB are also associated with enhanced customer service behaviours. In other words, this finding indicates how "mild, positive affect states induced by seemingly minor, everyday events can have significant effects on social behaviour and cognitive processes that can be important for the functioning of organizations" (Isen and Baron, 1991, p.2).

This result can receive several explanations. As noted in **Study 1**, CPBs (e.g., courtesy) are oftentimes accompanied by nonverbal affective expressions such as smiling. Therefore, customer positive expressions can produce a corresponding change to service employees' affective state, a fact that offers further evidence on the bidirectionality of the phenomenon of emotional contagion. The following incident from **Study 1** illustrates this instance:

> *"I mean when he [the customer] is cheerful <u>he transfers that</u>…<u>then you are even more cheerful…</u>".* – Interview #14 (Female, 39 years: Hotel Restaurant).

Another plausible explanation for the influence of CPB on employee PA relates to Affective Events Theory (Weiss and Cropanzano, 1996), according to which the reception of voluntary, thoughtful actions from other individuals in the workplace can be interpreted as meaningful affective events that induce service employees' positive mood. Such a finding is also consistent with the social support literature, as it has been previously shown that compassionate actions between individuals are likely to induce a positive mood to the recipients of such behaviours (Chu, 2014; Lilius *et al.*, 2008). Overall, this result is in line with prior research (e.g., Kiffin-Petersen *et al.*, 2012; Zimmermann *et al.*, 2011), and comes to support to the fact that customers constitute a potential affective resource for service employees and therefore, a cause of intrapersonal changes in service employees' affective state.

In addition, the findings lend support to the idea that a single interaction with one customer may influence subsequent service interactions with the rest of the customers. Specifically, Liao and Searcy (2012) proposed that according to COR theory, the effect of an interaction with one customer could potentially affect the resources available to the service employees for regulating their behaviour in subsequent interactions. Therefore, a positive interaction with one customer could have a carryover effect on the service performance of future service episodes. Specifically, the authors suggested that “after serving a pleasant customer who made the provider feel respected, supported, and accomplished, the provider will have a bigger pool of resources (e.g., positive affect) to draw on in serving the next customers…therefore, one service interaction may affect the provider’s performance in the next service interaction” (Liao and Searcy, 2012, p.253). The results of the present research offer empirical evidence for this proposition, by evidencing the mediating role of PA as an employee resource, which produces favourable outcomes for the rest of the customers.

Secondly, when service employees are exposed to CPB, they are likely to engage in higher levels of COB through the experience of increased self-efficacy, as opposed to when they are exposed to CNB. As revealed through **Study 1**, customer beneficial behaviour has the ability to constitute a sense of intrinsic reward for service employees, which conveys them with a sense of self-efficacy. Accordingly, **Study 2** confirmed that high levels of self-efficacy experienced by service employees following CPB result in their willingness to satisfy the other customers’ needs in the best way possible, while deriving pleasure from the activity.

Self-efficacy constitutes a significant personal resource (Xanthopoulou *et al.*, 2007), and a universal psychological need that is beneficial to the well-being of all individuals, regardless of other parameters (e.g., individual characteristics) (Lyubomirsky *et al.*, 2005). Furthermore, self-efficacy is viewed as a situational variable (Yim *et al.*, 2012) that can be altered or influenced (Bandura, 1977). As such, the findings of this research have shown how this state of feeling competent can be influenced by customer behaviour. Hence, positive appraisals and encouragements from customers contribute to increasing service employees’ beliefs regarding their abilities, more so compared to customer unsupportive behaviours.

This result can be explained by the fact that self-efficacy “operates as a cognitive mediator of action” (Yim *et al.*, 2012, p.125) and therefore, unless people feel capable of producing a desired outcome, they possess little incentive to act (Bandura, 1982). In this vein, when service employees become aware of behaviour-outcome contingencies (e.g., performing one's work-positive feedback), they are motivated to invest extra effort and to persist more in effectively performing their job-related tasks (Grant, 2007) with the aims of receiving similar customer positive responses. One of the informants from **Study 1** describes how self-efficacy operates in the following example:

> *"That is the most important thing. The compliment that they [the customers] make on the spot and the fact that they go to your supervisor or your manager and tell him that 'he is very good', 'you have very good service'... you like what you hear. Because <u>it makes you want to hear more</u> [of the same]...<u>to become better so that you can hear more</u>".* – Interview #11 (Male, 24 years: Hotel Restaurant).

Finally, consistent with past research (Bettencourt and Brown, 1997), the results of **Study 2** also indicated that job satisfaction moderates the degree of service employee engagement in both serving customers' needs and enjoying themselves in the process. Furthermore, the type of restaurant ownership also moderates the degree of employee orientation towards customers' needs, with respondents working in hotel restaurants reporting higher engagement in such behaviours. The area where **Study 2** was conducted can explain this finding. Specifically, waiting personnel in hotel restaurants is formally trained and typically recruited through schools of hospitality. As such, this particular job position constitutes a more conscious career choice, rather than a random work opportunity. Hence, hotel waiting personnel is more likely to be rigorously and deliberately directed at having the customers' best interest at heart, thereby explaining the relationship between hotel waiting personnel and COB.

The next section overviews the relationships that were not supported during **Study 2**.

10.5.2. COBs Not Explained by Negative Affect and Job Stress

The overall findings have indicated that service employees who are the recipients of customer beneficial behaviours are likely to find their negative feeling state more reduced than those whose service is obstructed in some way by customer unfavourable behaviour. This result is noteworthy in its own right, as the infrequent experience of NA denotes an individual's level of happiness, and hence, well-being (Lyubomirsky *et al.*, 2005). With regards to job stress, the construct was measured in

Study 2 along two dimensions: *role conflict* and *work overload*, as past research has recommended that each of these stressors have unique patterns of relationships with employee performance, and should be therefore treated distinctly (Eatough *et al.*, 2011). The data analysis revealed that participants in the CPB condition reported experiencing lower levels of job stress overall, compared to the CNB condition. In other words, customer support on a tangible level or on an emotional level relieves some of the workload required from service employees. Past research has highlighted similar findings by indicating that resources in the form of support help shield service employees because the latter perceive their roles as less stress-inducing (Singh, 2000). Moreover, non-financial, intrinsic rewards such as expressions of appreciation for a job well done (Stajkovic and Luthans, 2001) have been found to reduce service employees' job stress (Elmadağ and Ellinger, 2017). Nevertheless, contrary to predictions resulting from the qualitative study, NA and job stress did not account for employee willingness to engage in COBs. Several reasons offer potential explanations for these unpredicted results.

Firstly, on the one hand, the influence of NA in organizational life is viewed as more complex than the impact of PA (Barsade and Gibson, 2007; Weiss and Cropanzano, 1996). The relative importance of PA and the non-significance of NA for COB is interesting as it would normally be expected for positive and negative affect to have parallel, opposite effects on COB. However, such a lack of symmetry between the two affective states has been previously noted in the literature. For instance, for Isen and Baron (1991), negative affect does not necessarily produce the inverse effect of positive. Therefore, this area is in need of further investigation.

On the other hand, for the present research, the unsupported relationship can be attributed to the conceptualization of the construct itself. As such, even though high NA is characterized by terms such as nervous and distressed, low levels of NA are represented by terms such as calm, at rest, and relaxed (George, 1989; Watson *et al.*, 1988). However, engaging in COB requires a certain amount of motivational effort from the part of the service employees illustrated by the notion of "working harder" (Kelley, 1992, p.30), a fact that is contrary to a state of being 'at-ease', represented by low levels of NA. Hence, it is possible that the labour-intensive nature of the tasks performed by the waiting personnel of the restaurants sampled requires an important amount of effort in order to achieve high levels of service employee performance. As a result, low levels of NA do not explain the relationship between VCB and COB.

Secondly, the theory of stress and coping (Lazarus and Folkman, 1984) offers a plausible explanation for the unsupported hypothesis regarding the construct of job stress. In particular, the theory maintains that when individuals encounter stressful situations, they evaluate whether these are relevant to their well-being in a beneficial or in harmful way, and if so, they initiate coping responses accordingly. Coping essentially refers to individuals' attempts to manage stressors that produce negative reactions (Little *et al.*, 2012). In general, it is maintained that service employees are able to cope with conflicting demands that are perceived as stressful, and which are inherent in their work (Singh *et al.*, 1996). Based on COR theory (Hobfoll, 1989) and through a resource depletion perspective, two potential ways of coping with a stressful situation include (a) either withdrawing from that particular situation by avoiding the customer that constitutes a source of stress – thereby reducing the resource loss – or (b) by seeking individuals or activities that will make the individual feel good – thereby maintaining or building their resources (Diefendorff *et al.*, 2008). As such, it is likely that service employees have the ability to manage their work stress either by engaging in avoidance-oriented approaches, or by directing their attention to other mood-enhancing activities, and hence, their level of job stress does not affect the degree of engagement in COBs. **Study 1** helps shed light on this unexpected finding as well. The following example from one of the respondents clearly illustrates this resource-based approach:

> *"If you encounter this kind of incident that upsets you…of a customer being demanding during the whole evening…<u>we [the coworkers] send each other to the table...one time it will be me, the next time it will be [coworker's name], the next time another girl</u>...<u>so that you don't have any friction</u> and get upset right in the moment where you were about to change your mood…it throws you off a little bit afterwards…you try to get over it, because it's not the rest of the customers' fault. <u>You try to distract yourself with children that might be there – children are so pleasant – with something else funny, or with a song if there is a live music session so that you can make up your mood</u>...so that you can forget about it".* – Interview #26 (Female, 44 years: Casual Restaurant).

Moreover, as the construct of COB was conceptualized as a form of extra-role employee behaviour (Podsakoff and MacKenzie, 1997) for the present research, it is possible that role conflict and work overload could mediate the relationship between VCB and other forms of required, in-role behaviour (e.g., service-oriented behaviour), rather than employee extra-role behaviour. Despite the fact that past meta-analyses have not found role conflict to be meaningfully related to in-role performance (e.g., Jackson and Schuler, 1985; Tubre and Collins, 2000), it is possible that in less complicated jobs (e.g., waiting personnel), where roles are more clearly defined by policies, rules, and regulations, role conflict may be more likely to occur, and to interfere with service employees' required job performance.

Furthermore, in line with the present findings, a meta-analysis by Eatough *et al.* (2011) has shown a non-significant relationship between work overload and extra-role behaviour (i.e. OCB). On this note, it likely that excessive work may be appraised by service employees both as a hindrance and as a challenge factor (Gilboa *et al.*, 2008; Lepine *et al.*, 2005). Therefore, it could either lead to lower performance levels (i.e. hindrance factor), or it could trigger service employees' performance efforts (i.e. challenge factor). In the present context, it is possible that high work overload could be perceived as a challenge factor, and therefore low levels of work overload have a non-significant impact on COB. Contrary to the present study's findings though, Eatough *et al*.'s (2011) meta-analysis showed a significant positive relationship between role conflict and OCB. This difference in findings may be attributed to the measure operationalization for each study: while **Study 2** measured service employees' engagement in extra-role behaviour directed towards customers, the meta-analysis focused on OCB, i.e. a construct relating to service employee extra-role behaviour that promotes the effective functioning of an organization overall (Organ, 1988). Consequently, these findings suggest that role conflict has no effect on service employee behaviour towards customers, whereas a negative relationship is observed when it comes to their behaviour towards the organization. This assumption is also supported by the fact that the meta-analysis revealed that job satisfaction operates as a partial mediator between role conflict and OCB. Therefore, it seems that when it comes to discretionary service employee behaviour, other intervening mechanisms may be at stake and explain the linkage between role conflict and various forms of service employee extra-role performance (Eatough *et al.*, 2011).

10.6. Summary

The present chapter has offered a discussion that integrated the overall findings of the in-depth interviews and the scenario-based experimental survey in relation to the research objectives and the theoretical groundings of the research. The findings suggest that apart from behaving unfavourably towards service employees during the service encounter, customers may also engage in instrumentally and/or emotionally supportive behaviours towards service personnel. Results also showed that customer beneficial behaviour is likely to result in service employee engagement in favourable reciprocal behaviours, through the intervening variables of gratitude and social worth. Specifically, it was found that service employees experience gratitude following the reception of a benefit from customers, which in turn urges them to reciprocate by providing enhanced service and preferential treatment to their beneficiaries. Regarding social worth, when service employees perceive that they have been valued and appreciated by customers, they tend to feel a sense of warmth and closeness towards them, which subsequently fosters their engagement in specific rapport-building behaviours.

Finally, the qualitative study revealed, and the quantitative study confirmed, that customer supportive behaviour is not only beneficial to service employees, but also positively influences the service delivered to the other customers. Specifically, the examination of five potential mediators in **Study 2** indicated that two intervening variables – positive affect and self-efficacy – have the ability to motivate service employees into providing better and more enjoyable service to all customers.

The final chapter provides an overview of the conclusion of the study in direct relation to the research objectives. As such, the key contributions are reviewed, along with the practical managerial implications for service businesses operating in the hospitality industry in particular. Finally, limitations of both studies and directions for future research are outlined.

CHAPTER 11

CONCLUSIONS AND IMPLICATIONS

11.1. Introduction

The last chapter concludes this thesis by clearly and concisely synthesizing the contributions resulting from two studies, while outlining the associated managerial implications and opportunities for future research. The chapter is structured as follows: a summary of the research findings is presented prior to a discussion of the contributions of the thesis in relation to each research objective. Next, the resultant managerial implications are discussed, and finally the chapter offers an overview of the research limitations, complemented by a series of recommendations for future research.

11.2. Summary of Research Findings

Theory is essentially concerned with investigating the underlying processes of a phenomenon in order to offer an understanding of the systematic reasons for its occurrence (Sutton and Staw, 1995). This thesis has contributed to theory by addressing the phenomenon of positive service encounters through a behavioural perspective, and has offered a theoretical understanding for their occurrence. In particular, it is argued that the process through which positive encounters can develop warrants attention as such a study is conducive to enriching the current knowledge on the mechanisms underlying the behavioural interplay involved in service encounters overall. Towards this end, this thesis has explored, developed, and tested a comprehensive framework describing how positive service encounters can develop at the customers' initiative.

Specifically, and through a focus on the mutuality of service interactions, service encounters can be characterized as ‘positive’ when they are perceived as beneficial by both parties to the exchange. Having established this, it has been argued that next to service employees, customers also constitute primary components of the service encounter, whereas theoretically their behaviour is likely to affect employee behaviour; as such, they too are capable of partially determining the overall service outcome. In line with this standpoint, the research aimed at investigating *how* customer behaviours positively contribute to the service encounter through their impact on service employee behavioural responses. The results of the investigation suggest that customers positively contribute to the service encounter *by* providing valued resources to service employees, which are perceived as beneficial by the recipients (i.e. service employee benefits), and which urge them to reciprocate and to provide better and more enjoyable service overall (i.e. customer benefits).

In sum, this research has offered a comprehensive theoretical model, which depicts the processes that connect customer behaviour to employee behavioural responses. In this vein, it was shown that service employee behaviour towards customers is reciprocal in nature, and is therefore aligned with the behaviour previously received from the customer. This means that customer positive behaviour can lead to service employee positive behaviour, and such an outcome is mediated by the resourceful and beneficial impact of customer behaviour for service employees. Overall, this thesis has advanced the current theoretical understanding on the exchange of behaviours occurring during the service encounter and has identified the causal chains that link customer behaviour to employee behaviour. As such, this thesis contributes to three primary areas:

(1) to customer citizenship literature;
(2) to the interpersonal processes of the service encounter;
(3) and to the antecedents of employee extra-role behaviour.

These contributions are directly related to the each of the research objectives, and are developed next.

11.3. Contributions for Objective 1

The first objective of this research was to determine the customer behaviours that are perceived as beneficial by service employees during the service encounter. A thorough investigation of customer voluntary behaviours through the employee perspective has offered a comprehensive framework that categorizes customer beneficial behaviours and depicts their associated outcomes. In this view, this thesis has demonstrated that certain customer discretionary behaviours can be directed towards service employees and these can be perceived as instrumentally and emotionally beneficial by the recipients. As a result, all parties involved are likely to benefit from such instances. This finding contributes to customer citizenship literature in two ways.

First of all, this research complements previous studies and advances the theoretical understanding of the nature of customer citizenship behaviour. In particular, **Study 1** has focused on customer extra-role behaviours that specifically benefit service personnel, and has revealed that customers can voluntarily transcend their normative behaviour by behaving in certain ways that are instrumentally and/or emotionally beneficial for service employees. Instrumentally beneficial customer behaviours are perceived as being tangibly supportive by the recipients, and overall assist service employees in accomplishing the task-related aspects of the service delivery. Emotionally beneficial customer behaviours are perceived as helpful on an affective level by the beneficiaries, and help service employees in accomplishing the emotionally effortful aspects of the service delivery. Therefore, this thesis contributes theoretically to the research stream on customer citizenship by conceptually enhancing the current understanding of the nature of customer voluntary behaviours directed towards service personnel.

Secondly, this thesis extends the prior knowledge on the outcomes of customer citizenship behaviours towards service personnel, by testing a theoretical model that links customer positive behaviour to specific employee behavioural responses. Prior studies on customer citizenship behaviours have been undertaken with the aims of investigating the employee well-being, or organizationally related outcomes. The present research has examined the employee *behavioural* outcomes associated with customer extra-role behaviours on an interactional level, and has therefore extended existing knowledge on the impact of customer citizenship behaviours for the interpersonal facet of the service encounter.

11.4. Contributions for Objective 2

The second objective of this thesis was to examine the influence of a customer's beneficial behaviour on service employees' reciprocal behavioural responses towards the customer. The findings of this research suggest that customer beneficial behaviour induces service employees' sense of gratitude and social worth. As a result, service employees reciprocate customer beneficial behaviour by returning benefits to their benefactors. The theoretical significance of this finding is threefold and contributes to the interpersonal processes of the service encounter.

Firstly, this thesis extends the theoretical understanding on the interpersonal dynamics of the service encounter by incorporating a previously overlooked theory as an explanatory mechanism for the exchange of behaviours occurring between the interacting parties. Specifically, the present thesis has examined the service encounter through the theoretical lens of Social Exchange, and has introduced the theoretical concept of gratitude as the factor that accounts for service employee engagement in prosocial behaviour towards beneficial customers. Overall, this research has extended the theory of Social Exchange and the norm of reciprocity in a different scenario than has been previously examined. Existing research has already demonstrated that customers are willing to 'go the extra mile' as a means of reciprocating prior service employee citizenship behaviour. This thesis completes the cyclical process of the service encounter by demonstrating that the opposite scenario is also likely to occur.

Secondly, the finding that CPB promotes service employee reciprocal behaviours towards their benefactors offers evidence on the behavioural interdependency of the service encounter, and showcases that the service outcome is contingent not only on how the service employee performs, but also on how the customer performs. In particular, this thesis has offered a theoretical model that demonstrates how mutually beneficial outcomes can occur at the customer's initiative, by illustrating how customer behavioural input impacts on service employees' reciprocal behavioural responses. Furthermore, the methodological approach adopted for **Study 2** contributes towards this end, as the implementation of a scenario-based experimental survey design allowed for contrasting the service outcomes related to both positive and negative customer behaviour. Specifically, this approach has revealed that CPB is associated with heightened levels of service employee beneficial behaviour, as opposed to CNB. Consequently, the novelty of this specific design enhances the robustness of the argument according to which customers are partially responsible for the service outcome they receive, as they have the ability to either enhance, or to hinder employee behaviour, and hence, the development of a mutually beneficial service encounter.

Finally, this thesis extends existing knowledge on relational exchanges. Prior research has indicated that a customer is required to have maintained an ongoing exchange relationship involving repeated service encounters with the same service employee in order to receive certain benefits. The findings of the present research suggest that it is possible for what has been conceptualized as relational benefits in prior literature to be offered to customers without the requirement of an enduring relationship between the two parties, but rather during a single, ‘first’ encounter. In particular, the scenario-based survey design adopted for **Study 2**, along with the study findings, have shed light onto the theoretical constructs (i.e. gratitude and social worth) that account for employee reciprocal behavioural responses, and that have the potential to transform a single transaction into a relational exchange.

11.5. Contributions for Objective 3

The third and final objective of the present thesis was to assess the extent to which customer beneficial behaviours influence service employees’ behavioural responses towards other customers in the service setting. This thesis has demonstrated that customer extra-role behaviour predicts employee extra-role behaviour, through its impact on employee positive affect and self-efficacy. This finding contributes to the literature on the antecedents of employee extra-role behaviour and is important for two reasons.

First, this thesis extends prior knowledge by identifying customer discretionary behaviour as an extra-organizational predictor of desirable employee behaviour. Existing studies have considered within-organizational antecedents (e.g., supervisory support), or individual characteristics (e.g., affective traits) as potential predictors of service employee willingness to engage in extra-role behaviours. However, as argued, previous studies have not as yet sufficiently addressed the issue of customers as a valuable resource for service employees (Verleye *et al*., 2016; Zimmermann *et al.*, 2011). This gap in knowledge was fulfilled with the present research, which developed and empirically validated a theoretical model illustrating and explaining the causal link between customer extra-role behaviour, and employee extra-role behaviour. As such, the results of two studies confirmed that a source external to the service firm, i.e. the customers, can enhance employee performance by engaging in discretionary behaviours that are intended to benefit service personnel.

Secondly, this thesis contributes to the existing knowledge on the theoretical mechanisms that account for service employee extra-role behaviour, by revealing that the affective (i.e. positive mood) and psychological (i.e. self-efficacy) resources provided to service employees through their interaction with a beneficial customer are likely to positively influence the service delivered to the rest of the customers. In this vein, the research lends further support to Conservation of Resources theory (COR) (Hobfoll, 1989) and the Job Demands-Resources (JD-R) model (Demerouti *et al.*, 2001), which collectively assume a key role of job resources on the relationship between job demands and subsequent performance outcomes. In other words, and consistent with the research findings, the outcome from a positive interaction with a customer has the ability to provide affective and psychological resources that enhance the input provided to the ensuing interactions.

To conclude, this thesis contributes to the existing body of knowledge on the cyclical service employee-customer behaviour relationships by demonstrating a distinctive causal chain, in which customer behaviour determines employee behaviour and hence, the benefits received by all parties. Nevertheless, overall these contributions need to be considered from a managerial perspective in order to address their practical implications. These implications are developed in the following section.

11.6. Managerial Implications

This thesis has drawn attention to the fact that customers can engage in voluntary, instrumentally and/or emotionally supportive behaviours towards service personnel during the service encounter. As a result, service employees respond to such customer actions by reciprocating the benefit received to their benefactor, and by engaging in COBs towards the other customers.

In light of these findings, managers first and foremost need to recognize the veracity and the significance of customer beneficial behaviours, in order to be able to identify and to manage them accordingly. In this vein, managers are advised that service employees be trained to perceive customer helpful actions, and to adapt their response in a way that acknowledges the customer's underlying motivation. For instance, anecdotal evidence suggests that a restaurant customer piling up the plates (i.e. performing the service employee's role) does not necessarily indicate some form of instrumental support emanating from empathy; rather it could be the customer's way and effort of signaling to the waiter that he or she has delayed in bringing him the bill. Therefore, instructing service employees to perceive contextual information is key in effectively interpreting the customer's behaviour. In the restaurant context for example, trained employees are very likely capable of discerning which patrons will be delighted by a reciprocation through special treatment benefits that will convey them the elevated status of the privileged customer.

It is noted that a lack of a corresponding reaction from the part of the service employee following customer beneficial behaviour may actually be quite unfavourable to the outcome of the service encounter. Some customers may for instance expect to receive benefits for their engagement in helpful behaviour. Similarly, a social practice adopted in some Western countries suggests that customer compliments entail the expectation of a response from the service employee. Thus, customers' perceived lack of expressions of gratitude and more importantly, the perception of employee ingratitude could result in important costs for the potential development of a relationship between the two parties. From all of the above, it becomes evident that is essential to train service employees to identify and to respond accordingly to customer positive behaviours.

Avoiding routinization and standardization of the service encounter in favour of empowerment and personalization is a plausible way for giving service employees the necessary latitude to respond to helpful customers as required, and to engage in behaviours that foster relationship building with them. This can also be enhanced by setting up service scripts that guide service employees on how to respond to customer supportive behaviour. This is particularly important as for instance, when service employees thank the customer, or use other forms of expressions of gratitude, they are likely to initiate a cycle of reciprocal behaviours between the interacting parties, ultimately leading to the development of a relationship.

On this note, managers should also aim at recruiting service employees high in empathetic skills, as they are more adept in distinguishing when and how to advance relationships to a closer and more personal level by ‘reading’ customer behaviour. As already argued, helpful actions are indicative of communal relationships. For example, customer complimenting behaviour can be motivated by a customer’s willingness to build a relationship with a service employee. This suggests that these customers could constitute the basis for the development of relational bonds, especially for those services where repeat interactions are more likely. Consequently, empathetic service employees take some relationships to a personal level when such is the desire transmitted by the customer, while maintaining non-personal, yet highly functional relationships with others.

Moreover, service firms could benefit by developing strategies that are likely to promote the occurrence of customer positive behaviours. In this view, perhaps rather extreme techniques involve sanctioning customer dysfunctional behaviours and rewarding customer positive behaviours. For instance, a French unofficial practice that is nowadays becoming increasingly popular includes establishing a pricelist that charges up to five times more for a coffee to rude customers, while offering a discount to polite customers (Adam, 2013). Such practices may not necessarily contribute to the formation of a climate of authenticity in service interactions. However, they do point to an emerging managerial imperative, which calls for the management of customer abusive behaviours and for the promotion of customer positive behaviours in order to protect the well-being of service personnel.

Certainly, one cannot expect a dissatisfied customer to engage in helpful behaviours towards service employees. Therefore, obviously customer satisfaction is paramount over and above any further strategy adopted. To this end, with regards to the restaurant industry in particular, high standards of the core service offering (food quality and employee service quality) should be of primary concern for managers. In addition, attention should also be paid to physical environmental attributes that can be pleasure-inducing to customers (e.g., music, olfactory cues), and inviting servicescapes that are likely to place customers in a positive mood.

Furthermore, service organizations can try to build a repeat customer base, since supportive behaviours are more likely to be expressed from customers who have developed some form of relationship with the service employee. One way for achieving this is by setting up systems that allow for repeat customers to be served by the same service employee whenever this is possible.

In order to encourage customer beneficial behaviours, service firms can also guide customers through socialization on what is considered acceptable or even desirable, and organizationally-approved conduct, while informing them on the behaviours which are not tolerated by the management. Environmental cues for example, such as printed instructions or signs, constitute effective means for successfully regulating customer behaviour. Such an approach also helps shield service employees from abusive and unwanted customer actions. For instance, restaurant patrons are asked to wait to be seated upon entering a restaurant, whereas travellers are informed that in case of abuse of alcohol, they will not be allowed to board their flight. Despite the effectiveness of these approaches, what they achieve is to *avoid* customer negative behaviours rather than *enhance* positive ones. More importantly, even though such environmental cues are generally implemented in order to instruct customers on what is viewed as expected behaviour, these methods are more oftentimes intended to facilitate the flow of service, and are therefore primarily directed towards instrumentally and task-oriented aspects of customer behaviour. However, supportive customer actions that are emotionally beneficial are of great importance also, especially in hedonic-oriented services, which require a certain amount of emotional effort from service employees. Therefore, service firms could take on a creative approach in the design and copywriting of these cues by highlighting the importance of simple words such as ‘please’ or ‘thank you’ from customers during their interactions with service employees.

Finally, service employee behaviour plays a key role in eliciting customer prosocial behaviours. For example, employees can try to ‘go the extra mile’ when serving their customers, as such an approach can promote customer citizenship behaviours in general. Similarly, employee positive mood states and authentic emotional displays are likely to enhance customer positive behaviour.

Having offered a summary of the implications entailed for managers of service organizations, the next section concludes this thesis by considering the limitations inherent in this research. Moreover, last but not least, the future potential of the present findings are discussed.

11.7. Limitations and Recommendations for Future Research

Although this thesis contributes to the existing literature theoretically, methodologically and practically, it needs to be examined in view of its limitations. It is also argued that a focus on the positive side of customer-employee interactions can open the services marketing field to a wide range of future research opportunities. Both points are outlined next.

Firstly, all data analyzed in both studies were collected from service employees only, and therefore their perceptions served as the foundation for the present research. Such an approach might be regarded as a limitation; nevertheless, clearly, there can be no better source for the perceptions of service employees on customer behaviour than service employees themselves. However, embedded in conducting the present research was the assumption that service employees are performing their role effectively during their interactions with customers. This is not always the case in practice. As such, in considering this limitation and by virtue of the dyadic nature of the service encounter, future research could benefit from the implementation of a research design that collects data from both sides of the dyad on the same service interaction. Such an approach would acknowledge the interdependent nature of the service encounter, and would allow for a comparison between the dyads’ perceptions, thereby elucidating the similarities, differences, and potential reasons for any dissimilarity observed.

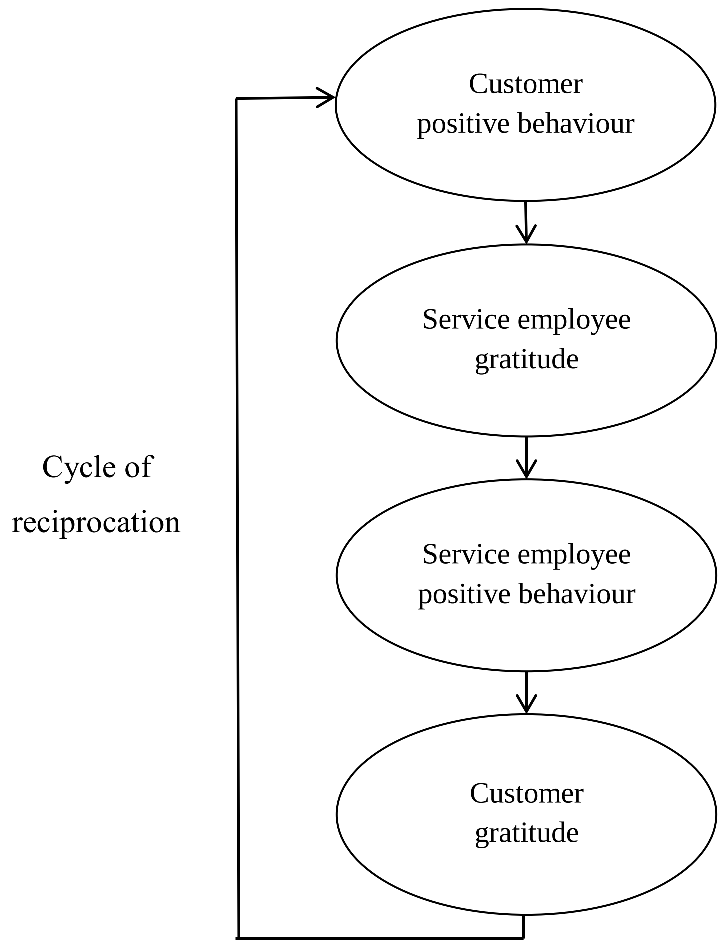
Secondly, sample characteristics restrict the general applicability of the results. In particular, the fact that the data was collected in Greece raises the question of its transferability to other cultural areas. For example, it is conjectured that in cultures where tipping, i.e. a form of monetary reward, constitutes an expected, in-role customer behaviour (e.g., U.S.A), supportive customer actions may be perceived differently by service employees. Therefore, it is proposed that experimental research designs that apart from customer supportive behaviour would incorporate the amount of tipping as a moderating variable, could offer interesting insights with regards to the prevalence of monetary incentives over behavioural ones.

Thirdly, both studies have focused on a single industry – a fact that may raise concerns about limited external validity. However, as a hospitality-related business, the restaurant industry was chosen due to its characteristic pervasiveness and its diversity of customer and service employee interactions that are likely to occur compared to other professional services (e.g., consulting or accounting). Nevertheless, notwithstanding that constraining the studies to a single industry eliminates issues associated with the effect of industry differences, future research will be required to reveal whether and to what degree the results are generalizable to other service settings.

On this note, it is acknowledged that not all services offer opportunities for customers to display citizenship behaviours towards service employees. For instance, it is very likely that customer supportive behaviours cannot be expressed during short, mundane transactions (e.g., putting fuel at a gas station). It is also possible that in certain contexts that are more functional in nature (e.g., consulting), customer helpful behaviour may be perceived as detrimental by service employees since it may either confer them with a sense of inability to effectively deliver the service, or may interfere with their work process. Likewise, employees working in more functional types of services may be more appreciative of the amount of information or knowledge provided by service employees, rather than of other instrumental or overall emotionally supportive customer behaviours. In sum, additional research is needed that considers the influence of emotional and instrumental support distinctly and in different service settings. Such an approach would to offer a more comprehensive understanding of the benefits and potential drawbacks associated with customer behaviour during the service encounter.

Moreover, according to the present findings, customer-initiated positive behaviour is likely to trigger service employees' felt gratitude, which in turn leads them to engage in favourable reciprocal behaviours towards their benefactor. In line with Social Exchange theory, it is very likely that customers will respond to employee positive behaviour by engaging in beneficial reciprocal behaviours themselves (e.g., repeat patronage). Figure 11.1 below provides a conceptual model illustrating this hypothesized ongoing cycle of reciprocal exchange of behaviours between the two parties, mediated by each party's gratitude.

Figure 11.1. Conceptual model of the cycle of favourable reciprocal exchange of behaviours.



However, as the outcome of employee reciprocal behaviour from the customer's perspective was beyond the scope of this thesis, such an assumption can only be made in theory. Future studies could build upon the findings of the present research and examine this conceptual model empirically.

Next, further research could also examine customer motivations for engaging into supportive actions towards service employees. Prior research has investigated customer motivations for citizenship behaviours directed towards the firm overall, rather than specifically towards service employees. As such, researchers need to delve into the precursors of customer motives for benefiting service employees specifically, and to consider whether these motives stem from an internal need to help others, or from some other drive. Such an investigation would contribute to understanding and distinguishing the motivating factors that are subject to being managed internally (e.g., employee extra-role behaviour), from other, external aspects that escape managerial control (e.g., individual prosocial traits).

On this note, although several variables served as controls in the quantitative study, this research did not account for any personality traits of service employees. For instance, even though customer behaviour was found to be a factor that influences situational feelings of gratitude, gratefulness can also be regarded as a general disposition. Hence, it would be worthwhile examining whether generally grateful people are more or less sensitive to different types of customer behaviour during the service encounter. In addition, customer prosocial behaviours that go above and beyond requirements during the service encounter may be a characteristic of certain individuals. As such, some customers (e.g., agreeable) may tend to be more helpful overall compared to others, and therefore more likely to engage in helpful behaviours. Consequently, future research examining the customer perspective might benefit by controlling for such personality traits in the design of the study.

Lastly, the present research focused on the interactions occurring at the service employee-customer interface. However, service employees also deal and interact with other stakeholders (e.g., coworkers, supervisors). Although such an investigation was beyond the scope of this thesis, future research could build upon the present findings and examine potential spillover effects for positive exchanges in one sphere (e.g., service employee-customer) resulting in enhanced prosocial behaviours in other domains (i.e. coworker, supervisor).

Despite the aforementioned limitations, this thesis demonstrates the importance of understanding and managing customers’ contribution to the service encounter through their behaviour towards service employees. With an ever-growing service sector, and the substantial amount of labourious aspects of performing service work, reliance on support from customers to maintain or even enhance service employees’ experience is likely to promote organizational effectiveness. As such, a better understanding of how to manage these behaviours can offer service firms with a valuable competitive advantage.

11.8. Conclusion

Given that “more organizations compete on the basis of customer service, successful interactions between employees and customers become crucial for organizational success” (van Jaarsveld *et al.*, 2010, p.1497). This research has offered insights on how such successful interactions can occur at the customer’s initiative. The standpoint adopted for this thesis suggests that customer behaviour can be considered contributive to the *service encounter* when all parties involved – i.e. the service employee, the other customers, and the benefactor – are positively affected. To this end, three key objectives addressing customers’ behavioural contribution were investigated through two subsequent studies. The results provided an illustration of a phenomenon whereby customers’ beneficial behaviour towards service employees has the ability to positively influence the service outcome received by all parties involved.

All in all, this thesis has underscored how transcending one’s normative behaviour by engaging in thoughtful actions towards others ultimately ends up benefiting everyone – the benefactor included. As a closing comment, it is clear that being kind to others is discretionary; however, admittedly, it is human above all.

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APPENDICES

APPENDIX 1

Study 1 Demographics Questionnaire

Questionnaire

Interview No. ________ **Date**: ___ /___ /______

1. Please select your gender:

   Male ❑
   Female ❑

2. Please indicate your age: _______

3. Please select your years of experience in the restaurant industry:

   < 1 year ❑
   1 – 3 years ❑
   4 – 5 years ❑
   ≥ 6 years ❑

4. Please select whether you are employed in the restaurant industry:

   Full-time ❑
   Part-time ❑

APPENDIX 2

Study 1 Participant Consent Form

Consent Form

Name of department: Marketing

Title of the study: An examination of customers' behavioural contribution to the service encounter

- I confirm that I have read and understood the information sheet for the above project and the researcher has answered any queries to my satisfaction.
- I understand that my participation is voluntary and that I am free to withdraw from the project at any time, without having to give a reason and without any consequences.
- I understand that I can withdraw my data from the study at any time.
- I understand that any information recorded in the investigation will remain confidential and no information that identifies me will be made publicly available.
- I consent to being a participant in the project.
- I consent to being audio recorded as part of the project.

(PRINT NAME) Hereby agree to take part in the above project

Signature of Participant: Date

Interview No

APPENDIX 3

Study 2 Scenario Development

Contextual Factors Common to All Scenarios

Context	Scenario	Informants' Quotes
Busy Arduous	Imagine that on a regular day at work, during rush hour, you are serving several customers with different requests regarding their preferences (e.g., where to be seated, changes in their order, items not listed on the menu, etc.). Some of these customers have also stated being in a hurry and therefore need to be served as soon as possible.	"When we were extremely busy and the customers could see that we were running up and down and we didn't have enough time…" (Male, 39 years). "During rush hour not when I'm at ease…he [the customer] gives priority to someone else who is more in a hurry" (Female, 50 years). "Every day you get to deal with different kinds of people, different mentalities. Each person asks for different things. Different behaviours…" (Female, 39 years). "Tiring…it's definitely tiring. When you are working at a restaurant for ten or twelve hours with every customer having his own preferences…" (Male, 37 years). "[It is arduous] because you need to change your behaviour to every table you serve depending on the customer" (Female, 44 years).

Development of Positive Scenario #1

Customer Behaviour	Scenario	Informants' Quotes
NOBLE: (Courtesy) 1. Nonverbal expressions: smile, eye-contact 2. Polite words: thank you, please 3. Engaging in enjoyable interaction	At some point, a new customer enters the restaurant and is seated at your section. You approach his table to greet him and to hand him the menu. The customer responds to your greeting with a smile and asks you how you are doing. As soon as he has decided on his order he establishes eye-contact and smiles at you so that you will notice him. He places his order and once it is delivered he thanks you and eats his meal quietly.	"A smiling, cheerful, happy [customer]…means he is a good person…if you see someone coming to eat and he starts smiling at you…you say 'ok, this is a good person'. And these are the best customers. [I will enjoy myself] and he will enjoy himself even more" (Male, 42 years). "You do it because it's your job, but you also do it because you want to. Because the customer has a smile, he will say 'thank you…I mean he appreciates…there are people who know it's your job and they appreciate that you are serving them at that moment…it's a small magic word: 'please', 'thank you'" (Female, 44 years). "I like it very much when they start a conversation with me…because I get to know people from all over the world…we are both trying to interact…it's magic when the customer is nice, I like it very much" (Female, 24 years).

<u>Development of Positive Scenario #1</u> (*continued*)

Customer Behaviour	Scenario	Informants' Quotes
BUDDY: (Social Support) Making use of humour	You answer politely to him and he responds by making a humorous comment about the effort required by you due to the busyness of the restaurant.	"Humour…changes your mood. It shows you what kind of person he [the customer] is…yes, he wants to eat, to be served…but he eats and he is relaxed…he will enjoy himself and he will make you pleasant too". (Female, 44 years)
GROUPIE: (Advocacy) Complimenting the food and/or service	Once he has eaten all of his meal you ask him how everything was and he expresses his satisfaction about the quality of the food. As soon as you serve his desert he makes a flattering comment on the presentation of his plate. Finally, he doesn't have any special requests however he asks for the check while congratulates you on the excellent service.	"When I have a nice dish in my hands and I serve it on the table and you see the customer saying 'wow!' and he wants to take a picture of it. It's like I am offering something nice…even if I wasn't the one preparing it. I feel proud for what I'm serving on the table…I feel happy too. Because I think to myself 'oh…I am offering him pleasure, he will eat something nice' ". (Female, 24 years). "That is the essential part. I mean, the compliment that they make on the spot…they will call your supervisor or manager to tell him that 'he is very good', 'you have great service'…that is what makes us happy. Because that's our job" (Male, 24 years).

Positive Scenario #1

Imagine that on a regular day at work, during rush hour, you are serving several customers with different requests regarding their preferences (e.g., where to be seated, changes in their order, items not listed on the menu, etc.). Some of these customers have also stated being in a hurry and therefore need to be served as soon as possible. At some point, a new customer enters the restaurant and is seated at your section. You approach his table to greet him and to hand him the menu. The customer responds to your greeting with a smile and asks you how you're doing. You answer politely to him and he responds by making a humorous comment about the effort required by you due to the busyness of the restaurant. As soon as he has decided on his order he establishes eye-contact and smiles at you so that you will notice him. He places his order and once it is delivered he thanks you and eats his meal quietly. Once he has eaten all of his meal you ask him how everything was and he expresses his satisfaction about the quality of the food. As soon as you serve his desert he makes a flattering comment on the presentation of his plate. Finally, he doesn't have any special requests however he asks for the check while congratulates you on the excellent service.

Development of Positive Scenario #2

Customer Behaviour	Scenario	Informants' Quotes
SAMARITAN: (Sportsmanship) Showing patience	At some point, a new customer enters the restaurant and is seated at your section. You approach his table to greet him and hand him the menu. Once he has looked at the menu he raises his hand so that you will notice him. When you approach his table he has already decided on what he's having and he places his order. Due to the restaurant busyness, there is some delay in the preparation of his meal and therefore the customer waits patiently for you to serve him.	"This year...there was a time when it was very busy. And I was by myself…I went to take his order and I delayed serving him. But because he could see…he understood that I was busy and I went to him…I told him 'I'm sorry'…he said… 'I understand'…I felt understood…I was even better afterwards…more correct [at my job]" (Male, 34 years).
DEPUTY: (Assumed Employee Role) Performing tasks associated with the service employee's role	When you arrive with a tray full of plates, you apologize for the delay and he makes room on the table for you to place what he ordered… …Following this, you serve him the desert and you notice that he has stacked the plates for you to pick them up. Finally the customer finishes his meal and asks for the check.	"When you are very busy and you are loaded and he [the customer] makes room on the table so that you can place the plates, that's a form of help. Or when he stacks the empty plates…that's a kind of help for me". (Female, 43 years) "The customer understands me…I'm coming with the tray, loaded with plates and I need to serve them…he makes room and helps me…the job is made faster". (Male, 34 years)

<u>Development of Positive Scenario #2</u> (*continued*)

Customer Behaviour	Scenario	Informants' Quotes
CONSULTANT: (Consultancy) Making suggestions	During his meal he doesn't have any special requests but he calls you once to suggest that in the future maybe you might want to consider putting more sauce in the dish he ordered, as this would enhance its taste even more.	"A remark and a mistake is one thing…a suggestion is another thing… like 'maybe you could see this another way' or something… either on the service or on the food or the restaurant's decoration, whatever it is…it contributes to a development, to changing something…" (Male, 39 years). "Of course I'm interested [in listening to the customer's opinion]…even if it's negative. Because we try to improve" (Female, 39 years).

Positive Scenario #2

Imagine that on a regular day at work, during rush hour, you are serving several customers with different requests regarding their preferences (e.g., where to be seated, changes in their order, items not listed on the menu, etc.). Some of these customers have also stated being in a hurry and therefore need to be served as soon as possible. At some point, a new customer enters the restaurant and is seated at your section. You approach his table to greet him and hand him the menu. Once he has looked at the menu he raises his hand so that you will notice him. When you approach his table he has already decided on what he's having and he places his order. Due to the restaurant busyness, there is some delay in the preparation of his meal and therefore the customer waits patiently for you to serve him. When you arrive with a tray full of plates, you apologize for the delay and he makes room on the table for you to place what he ordered. During his meal he doesn't have any special requests but he calls you once to suggest that in the future maybe you might want to consider putting more sauce in the dish he ordered, as this would enhance its taste even more. Following this, you serve him the desert and you notice that he has stacked the plates for you to pick them up. Finally the customer finishes his meal and asks for the check.

Development of Negative Scenario #1

Customer Behaviour	Scenario	Informants' Quotes
SNOOT: 1. Not acknowledging the service employee's presence 2. Being sarcastic/ insulting	At some point, a new customer enters the restaurant and is seated at your section. You approach his table to greet him and to hand him the menu. The customer does not respond or establish eye-contact with you but keeps looking at the menu. As soon as he has decided on what he's having he calls you and snaps his finger to catch your attention. When you approach his table he places his order while still not looking at you and once it is delivered he only makes a sarcastic comment about the slow service.	"The minimum [that I expect]? Saying 'thank you'. And 'good morning'. Because you serve tables…you say 'hello', 'good morning' and they just keep their head down in the menu, they don't even turn around to look at you" (Female, 35 years). "A typical example that I encounter nowadays is that…I approach the table 'good evening'…and I receive silence. Not even 'good evening', not even turning around…you don't exist!...somebody is talking to you…answer him…right? I mean, we are talking about fundamental things" (Male, 39 years). "There are many [customers] whom you talk to and they don't even look at you in the eyes, they look elsewhere as if you were talking to [pause]…and that's very irritating…they think they are more important than you whereas in reality they are not. They seem unimportant. But because of your job you can't tell them that" (Male, 42 years).

Development of Negative Scenario #1 (*continued*)

Customer Behaviour	Scenario	Informants' Quotes
SNOOT		"He has to talk nicely…saying 'psst! psst!' and 'hey, you' and this and that…no, I don't like it. I mean, I am doing my job, I am a person, I'd rather have the same treatment as [he would have] if I went to his workplace" (Male, 37 years).
RASCAL: Deceitful behaviour	Once he has eaten all of his meal you ask him how everything was and he makes a remark on the poor quality of the food.	"They are difficult customers…they may well eat [their meal] and then they tell you that they didn't like it. When they have eaten everything to the last bit" (Female, 39 years).
NITPICKER: Exaggerated reaction to service failure	As soon as you serve his desert he seems annoyed and starts raising his voice at you because the coffee he ordered was not served simultaneously with his last course. Finally, you apologize for the misunderstanding and the customer asks for the check.	"It's one thing to have a complaint and to make a fuss about it and to make a huge deal out of it, no matter how right he [the customer] is… especially where I work which is a difficult place…I mean it's very busy, it has a large menu, lots of people…it will happen (the failure) no doubt about it…things are not standardized, they are custom-made…it is very [hard to endure]". (Male, 39 years)

Negative Scenario #1

Imagine that on a regular day at work, during rush hour, you are serving several customers with different requests regarding their preferences (e.g., where to be seated, changes in their order, items not listed on the menu, etc.). Some of these customers have also stated being in a hurry and therefore need to be served as soon as possible. At some point, a new customer enters the restaurant and is seated at your section. You approach his table to greet him and to hand him the menu. The customer does not respond or establish eye-contact with you but keeps looking at the menu. As soon as he has decided on what he's having he calls you and snaps his finger to catch your attention. When you approach his table he places his order while still not looking at you and once it is delivered he only makes a sarcastic comment about the slow service. Once he has eaten all of his meal you ask him how everything was and he makes a remark on the poor quality of the food. As soon as you serve his desert he seems annoyed and starts raising his voice at you because the coffee he ordered was not served simultaneously with his last course. Finally, you apologize for the misunderstanding and the customer asks for the check.

Development of Negative Scenario #2

Customer Behaviour	Scenario	Informants' Quotes
REBEL: 1. Not respecting rules and policies 2. Uncooperative customer	At some point, a new customer enters the restaurant and without waiting to be seated he chooses a table at your section, which has not been cleaned up yet from the previous customer.	"For example…when a customer comes to the restaurant, we escort him to the table. We don't leave the customer go looking for a table by himself. That affects the whole flow of the service…he could come in and say 'leave me alone, I want to go looking by myself for a table'…if I leave you by yourself you might go to a table that has not been cleaned up yet…I need to find the time to clean it up for you, to set it, to take your order...all of this takes time…won't that irritate you as a customer? So, you will misjudge my service when the fault is actually yours" (Male, 39 years).
LOITERER: Delaying the service delivery	As soon as he is seated you approach his table, hand him the menu and clean up the dirty dishes. Five minutes later he raises his hand so that you will notice him. When you approach the table he takes a call on his cell phone and asks you to come back in five minutes so that he can order then. When you go to his table again he is still undecided on what he's having and takes a couple of minutes before eventually placing his order.	"You go to the table, you say 'good evening, would you like to order now?'…He answers 'no, give us a couple of minutes'…you leave and then you can see them chatting and the last thing they are concerned about is what they are going to order. And you go again, and again, and again, and…it takes you like 10 minutes to get an order…so to say…it tires me very much. It messes the flow of work" (Male, 39 years).

Development of Negative Scenario #2 (*continued*)

Customer Behaviour	Scenario	Informants' Quotes
VIP: 1. Being unreasonably demanding 2. Having demands beyond the service employee's role 3. Being unreasonably impatient	He places his order and once it is delivered he asks you to change his dish as his meal appears to be overcooked. During his meal he has several special requests so he calls you a number of times to ask you for some extra water, fresh pepper, more napkins and some ice. Finally, he finishes his meal and while you are serving another customer he keeps insisting for the check, which you eventually deliver him.	"Yesterday there was this gentleman who is extremely irritating by nature…we changed his order three times. As if he was dining at restaurant 'X'[fine dining restaurant] and was going to pay a huge amount of money and he was demanding that you change the order…for no reason. And asking for 'an ashtray, an ashtray' and the ashtray was right there in front of him…demanding… difficult …he irritates us… as if you weren't tired enough, you have him getting on your nerves" (Female, 35 years). "Some customers tell me 'I am paying for this thing, you should do it'. I tell them 'yes, you are paying for a service…you are not paying me to go and get you ten times for example, watermelon or something from the buffet. My job is to come and pick up the plates and serve you…you're not paying me to do everything for you in here. I mean, there's a limit…let's not each forget our roles in here" (Female, 39 years).

<u>Development of Negative Scenario #2</u> (*continued*)

Customer Behaviour	Scenario	Informants' Quotes
VIP		"You came, you ate, you are asking for the bill, please wait three, four, five minutes… I get to serve someone else who just arrived. Because…you have already enjoyed this thing up until now. The other customer has not enjoyed it, so you can see that I am swamped…wait a couple of minutes" (Male, 36 years).

Negative Scenario #2

Imagine that on a regular day at work, during rush hour, you are serving several customers with different requests regarding their preferences (e.g., where to be seated, changes in their order, items not listed on the menu, etc.). Some of these customers have also stated being in a hurry and therefore need to be served as soon as possible. At some point, a new customer enters the restaurant and without waiting to be seated he chooses a table at your section, which has not been cleaned up yet from the previous customer. As soon as he is seated you approach his table, hand him the menu and clean up the dirty dishes. Five minutes later he still hasn't looked at the menu but raises his hand so that you will notice him. When you approach the table he takes a call on his cell phone and asks you to come back in five minutes so that he can order then. When you go to his table again he is still undecided on what he's having and takes a couple of minutes before eventually placing his order. He places his order and once it is delivered he asks you to change his dish as his meal appears to be overcooked. During his meal he has several special requests so he calls you a number of times to ask you for some extra water, fresh pepper, more napkins and some ice. Finally, he finishes his meal and while you are serving another customer he keeps insisting for the check, which you eventually deliver him.

APPENDIX 4

Study 2 Online Questionnaire

Dear Participant,

You are invited to participate in a study that aims at understanding customer behaviour when interacting with waiting personnel in a restaurant setting. You were selected to take part in this study as your experience could qualify for you to contribute to this research project. Your decision to participate is purely voluntary and you are free to withdraw from the study at any time.

Following a few clarifying questions in order to ensure that you are fully eligible to participate in the research project you will be asked to:

1) carefully read two scenarios involving customer behaviour
2) report your own thoughts, feelings and behaviour based on these scenarios
3) provide some demographic data.

The study takes 15 minutes on average and should be completed in a single session, free of interruptions and distractions.

This study is conducted for purely academic purposes and is part of a PhD project. The results may also be used for other research publications.

Please answer all questions openly and truthfully, there are no right or wrong answers and <u>your responses are strictly anonymous and confidential</u>.

Note: if you have a concern about any aspect of your participation or any other queries, please feel free to contact me at: iliana.katsaridou@strath.ac.uk

By clicking on the "Next" button below you confirm that you are 18 years of age or older, that you have understood all of the information above and that you consent to take part in this research project.

Thank you for choosing to take part in this study!
Please answer the questions that follow:

Are you currently working as a waiter/waitress?

- ❍ Yes
- ❍ No

Have you been working in your current position for at least one month?

- ❍ Yes
- ❍ No

Are you currently working in this position:

- ❍ Full time
- ❍ Part time

Have you worked as a waiter/waitress during the past year?

- ❍ Yes
- ❍ No

During the past year have you worked as a waiter/waitress for at least one month?

- ❍ Yes
- ❍ No

Did you work in that position:

- ❍ Full time
- ❍ Part time

We have developed a hypothetical incident that could occur to you on a regular day at work. Please read the scenario carefully and answer the questions that follow.

[*Scenario*]

Based on your thoughts and feelings elicited by the customer's behaviour in the scenario you just read, we ask you to please answer the questions that follow (rated on a 7-point scale where 1= strongly disagree; 7 = strongly agree):

1. Please state your degree of agreement with the following statements:
   - This type of incident could occur at my work as a waiter/waitress
   - This type of incident has occurred to me at my work as a waiter/waitress

2. This customer's behaviour:
   - Uplifts me
   - Makes it easier for me to do my job
   - Makes me nervous
   - Increases my job stress
   - Creates more problems for me
   - Brings me a heavier workload
   - Makes me work under more time pressure
   - Makes me work extra hard to finish my tasks

3. This customer's behaviour makes me feel:
    - Delighted
    - Distressed
    - Proud
    - Nervous
    - Cheerful
    - Upset
    - Joyous
    - Jittery
    - Happy
    - Guilty

4. This customer's behaviour makes me feel:
    - Grateful
    - Happy to have been helped by him
    - That I benefit from his goodwill
    - That I have been treated with generosity
    - Valued as a person
    - Appreciated
    - That I made a positive difference to his experience
    - Capable of doing my job
    - Competent of doing my job
    - Able to do my job

5. During the incident and with regards to this customer:
    - I will voluntarily assist this customer even if it means going beyond job requirements
    - I will help this customer with problems beyond what is expected or required
    - I will go above and beyond the call of duty when serving this customer
    - I will willingly go out of my way to make this customer satisfied
    - I will go out my way to help this customer
    - I will do things for this customer that I don’t do for most customers

- I will place this customer higher on the priority list when dealing with other customers
- I will give this customer faster service than most customers get
- I will give this customer better treatment than most customers get
- I will give this customer special things that most customers don't get
- I will try to find common interests with this customer to make an initial connection and keep the conversation flowing
- I will try to identify other things we have in common besides interests
- I will attempt to make a connection with this customer through the use of humor
- I will initiate a humorous conversation with this customer

6. With regards to the rest of my customers this incident is likely to make me:
   - Find it easy to smile at them
   - Enjoy responding quickly to their requests
   - Get satisfaction from making them happy
   - Enjoy serving them
   - Try to help them get what they want
   - Get them to talk about their needs with me
   - Keep their best interests in mind
   - Able to answer their questions correctly

Please check what applies:

Gender:

❍ Male
❍ Female

Age:

- ❍ 18 - 24
- ❍ 25 - 29
- ❍ 30 - 39
- ❍ 40 - 49
- ❍ 50 - 59
- ❍ 60 or over

The restaurant I work/have worked at belongs to:

- ❍ An independent company
- ❍ Chain/Franchise
- ❍ Hotel
- ❍ Other (please specify) ____________________

I am working/worked at (please select only one that applies even if you are working/have worked in more than one type of restaurants at the same time):

- ❍ Table d'hôte
- ❍ A la carte
- ❍ Other (please specify): ____________________

I am working/have worked at:

- ❍ A restaurant
- ❍ A popular restaurant (‘Taverna’)
- ❍ Cafe/Bar/Restaurant
- ❍ Other (please specify): ____________________

The price per person for a meal where I work/worked at is approximately:

- ❍ Under 20 euros per person
- ❍ Between 20 and 40 euros per person
- ❍ Over 40 euros per person
- ❍ Other (please specify): ____________________

How many years of experience do you have as a waiter/waitress in total?

- ❍ Less than one year
- ❍ 1-5 years
- ❍ 6-10 years
- ❍ 11 years or over