

A Model and Empirical Examination of Influencing Factors of Customer Satisfaction and Service Performance through Interactional Quality

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Abstract

Marketing scholars have recognized that building and maintaining strong employee-customer relationships are contributors to the performance of organizations. Empirical evidences concerning employee-customer interaction with the help of integrated framework by using the data from supervisors, employees and customers is scarce. Insights from literature, application of service profit chain and unique set of triad (supervisor, employee and customer) as a unit of analysis, enables an examination of various relational paths among the antecedents and outcomes of interactional quality and fills in the aforementioned void. This study seeks to model and empirically test key cognitive (role overload, self-efficacy, and service climate) and emotional aspects (emotional regulation) on outcome variables (interactional quality, customer satisfaction, service performance). An integrated theoretical model rooted in the reflections of emotional contagion theory, cognitive energetical theory and cognitive emotional theory is developed. A survey questionnaire on the basis of well-established measurements from the previous research studies is adopted for data collection from insurance sector of Pakistan. Data were collected with the help of purposive sampling. A total of 270 sets of survey responses are used to empirically test hypotheses through structural equation modelling using AMOS 23. The findings are in support of a significant model and proposed relational paths. In general, results revealed that role overload, self-efficacy, service climate and emotional regulations lead towards customer satisfaction and service performance through interactional quality. This research offers a number of academic and practical implications. The main implication of this research is the extension in conceptual research of marketing literature by providing empirical evidence regarding employee-customer relationship. Managers should recognize that frontline employees, whether they simply interact or actually render the service are the central actors in delivering better quality services that resulted in customer satisfaction. A number of academic as well as managerial implications are proposed and discussed.

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1. Introduction

Frontline employees are main actors in delivery of quality services, whether they simply interact with customers or actually render services to the customers (Bettencourt & Brown, 2003). Employees' proficient performance during service encounter may lead towards high quality interaction interface, positive evaluations of customers about services and higher service performance (Hong, Liao, Hu, & Jiang, 2013; Jha, Balaji, Yavas & Babakus, 2017; Ranjan, Sugathan, & Rossmann, 2015). These encounters put frontline employees in a situation where they are supposed to meet requirements and expectations of their job along with meeting varying customer demands (Brown, Jones, & Leigh, 2005). Not surprisingly, this dichotomy causes frontline employees to effect some cognitive and emotional aspects for instance role overload (Jha et al., 2017; Karatepe, Yavas, & Babakus, 2005; Lin & Lin, 2011) self-efficacy (Jung, Brown, & Zablah, 2017) service climate (Chen, Zhu, & Zhou, 2015) and emotional regulation (Wang, 2009) which are significant contributors of their service performance (Menguc, Auh, Katsikeas, & Jung, 2016).

Research regarding service delivery highlighted that psychological state, attitude and behavioral aspects precede towards the customer satisfaction and performance outcome (Johnson, Park, & Bartlett, 2018). Front line employees significantly contribute to success of service performance (Martinaityte, Sacramento, & Aryee, 2019). Every industry has desired for an adequate level of performance from employees but in services industries, it becomes more significant by considering the fact that services are produced and consumed in a closely related episodes (Lovellock, Walker, & Patterson, 2015). Service experience is formed from the psychological state, attitude and behaviors of the employees accordingly. Customers and service providers cannot be separated from each other during delivery and consumption process of the services (Slåtten & Mehmetoglu, 2011). The potential relationship between employee-customer relationships were considered from three theoretical perspectives. Cognitive emotion theory and emotion action tendency are with the viewpoint that cognitive interpretation (role overload, efficacy, service climate) are used by individuals to label their emotions (emotional regulation) which results in favorable outcome such as customer satisfaction, higher interaction interface and better service performance (Pugh, 2001; Wang, Wu, & Wang, 2009). Furthermore, cognitive energetical theory is with the proposition that role overload negatively causes the employee discipline and harmony and leads towards poor delivery of service, unfavorable customer reviews and ultimately poor financial performance (Jones, Chonko, Rangarajan, & Roberts,

2007). Moreover, emotional contagion is considered as a phenomenon in which one person's emotions may trigger emotions and behaviors of others (Hatfield, Cacioppo, & Rapson, 1993). Thus, employees emotional display evokes emotional changes in customers during employee-customer interactions (Hatfield et al., 1993).

The insurance sector is under the constant monitoring of regulators because of its prime importance in society. Insurance firms, together with their sales forces attempted to build positive perceptions about the insurance policy and ensure the reasonable treatment of their potential customers. As per the data provided by the State Bank of Pakistan, steady growth in insurance sector of Pakistan as non-life marked a healthy growth of 16.6 percent and life insurance attracted 17.4 per cent higher gross premiums (Sheikh, Syed, & Shah, 2018). In a recent report "Pakistan's insurance industry – scope, growth and future," (2018) by Pakistan and Gulf Economist, it was found that the penetration of insurance is very low as compared to neighbouring countries like India and Bangladesh. There is remarkable opportunity for whole insurance sector in the form of huge untapped market. Insurance firms have to tailor their strategies and ensure the provision of quality services to customers.

Literature acknowledges quality interaction interface as one of important contributors for customer satisfaction and employee service performance (Jha et al., 2017). Given that employees' cognitive and emotional aspects in a service delivery process leave an impression on customer and customer evaluations may significantly depend upon employee-customer interaction. Developing positive perceptions of frontline employees regarding cognitive and emotional aspects that may lead towards quality interaction interface for favorable customer evaluations and higher performance is one of the crucial problems for an organization. Thus, this study probes into the employee customer relationship by developing a model and empirically test key cognitive (role overload, self-efficacy, and service climate) and emotional aspects (emotional regulation) on outcome variables (interactional quality, customer satisfaction, service performance).

This study contributes to marketing literature specifically into employee-customer relationship. This study addresses the recent call for systematic research on employee-customer relationship (Jung et al., 2017; Menguc et al., 2016) and attempted to develop an integrated model of cognitive and emotional aspects with interactional quality, customer satisfaction, and service performance. Furthermore, this study provides empirical evidence based on the data from employees, customers and superiors. A number of studies can be found on linkage of service profit chain, however there is dearth of literature concerning impact of employees' related attitudes on customer responses and performance (Jha et al., 2017). It is important to theoretical model and empirically test key cognitive and emotional aspect of customer responses and service

performance through interactional quality. Specifically, the purpose of the research is to establish the role of key cognitive (role overload, self-efficacy, and service climate) and emotional aspects (emotional regulation) in developing interactional quality customer satisfaction and service performance).

2. Literature Review

In service industry, satisfied and motivated frontline employees are required to fulfill customer needs, build long term relationships and develop a competitive advantage (Auh, 2005). On the other hand, job demands, for instance work overload, may evoke the feelings of role stressors. These perceptions of role stressors may affect the quality of interaction interface with customer and can adversely influence the expected performance of employees. Role overload is acknowledged as one of the job stressors, where employees perceive high time pressure due to a number of responsibilities and commitments in their lives (Brown et al., 2005; Hu, Hsu, Hu, & Chen, 2010). Role overload is acknowledged as predictor of interactional quality. For instance, Brady and Cronin (2001) stated that employee expertise (e.g., being knowledgeable); employee attitudes (e.g., being friendly and warm) and behaviors (e.g., prompt action) significantly contribute in developing consumers' perceptions regarding interaction quality. In line with this, Dolen, Lemmink, Ruyter, and Jong (2002) documented that customers' perception about employee competence and behavior significantly leads towards interaction quality. Self-efficacy is considered as employee' feelings about self-competence, skills and abilities (Jung et al., 2017). Self-efficacious employees are more inclined to work as self-efficacy assists them cope with and fulfill performance expectation. Self-efficacious employees are believed to be highly motivated to leverage their expertise and knowledge to uplift the performance. Therefore, self-efficacy may predict the quality of interaction interface, consumer evaluations about service quality and employee performance (Jung et al., 2017; Menguc et al., 2016). The operational definitions of the study variables are in Table 1.

There is inconsistency among the views of researchers concerning impact of service environments on consumer behavior (Babin, Chebat, & Michon, 2004). For instance, Mehrabian and Russell's (1974) Stimuli Organism-Response (S-O-R) model propose that the stimuli may affect the internal assessment of an individual that may define approach or avoidance behavior. Literature regarding store environment postulated the relationship between service escape and in-store behavior. Furthermore, service climate is recognized as predictor of interactional quality that may drive customer satisfaction and service performance (Chen, 2015). Research studies also validate the association between perceived service environment and satisfaction (Hu et al., 2010; Ryu, Lee, & Gon Kim, 2012). Chen et al. (2015) and Wang (2009) found a significant

impact of emotional regulation on interactional quality.

A stream of research claimed that competent, trustworthy and understanding employees are more likely to develop sustainable relationships with customers. Heskett, Sasser and Schlesinger (1997) associate employee customer interaction and customer response behaviors. This viewpoint suggested interactional quality as an external indicator of employee's attitude in employee customer interaction during service exchange encounter. Based on this, it can be postulated that interactional quality plays a significant role towards customer satisfaction. Previous studies were in favor of customer satisfaction and both types of performance outcome such as subjective (e.g. perceived service performance) and objective (sales performance and financial performance (Hong et al., 2013; Menguc et al., 2016; Yee, Yeung, & Cheng, 2010). Consequently, it can be asserted that satisfaction of customers may uplift the service performance of the sales persons.

Choi and Kim (2013) describe interaction quality as the customer's perception of the way or style the service is delivered during service encounters. The researcher further suggested that in order to satisfy customers, an important role is played by the employees who deliver the service. Choi and Kim (2013) and Jamal and Naser (2002) suggested that customer satisfaction is directly influenced by the interaction quality that is the quality of the interaction among the customers and employees. According to Jap (2001) employee's struggle and personal interaction plays the most important role in establishing and maintaining relationship with costumers and this interaction and struggle of employs also results in costumers' satisfaction. However, there is possibility that basic elements of interaction that include friendliness empathy, politeness and sensitivity are considered most critical when it comes to customer satisfaction.

This valuation includes a comparison of costumer perceptions with that of costumer expectations (Yuen, Thai, Wong, & Wang, 2018). As service quality is the abstract concept that consists both functional processes and technical outcomes. The relationship among performance outcomes and service quality is specified as well as explained by the model of satisfaction-profit-chain (Schneider, & White, 2004). It is the theoretical framework that links the perceptions of costumers and that of service quality attributes, financial outcomes and customer satisfaction (Yuen et al., 2018).

3. Theoretical Framework

An integrated theoretical model, rooted in the reflections of emotional cognition theory, cognitive energetical theory and cognitive emotional theory is developed. Emotional Cognition Theory explains the phenomenon that one person's behaviors and related emotions trigger similar behaviors and emotions in other people. This implies

Table 1: Operational Definitions of study variables

Construct	Definition	Reference
Role overload	Expecting the role incumbent to engage in several role behaviors, all of which may be mutually incompatible in the abstract, within too short a time period	(Van Sell et al., 1981, p. 44)
Self Efficacy	Feel more competent are commonly more willing to help others than individuals who feel less competent	(Jung et al., 2017)
Service Climate	Specific atmospheric elements in service setting	(Ladhari, Souiden, & Dufour, 2017)
Emotional Regulation	The processes by which individuals influence which emotions they have, when they have them, and how they experience and express these emotions	(Grandey, 2000)
Interactional Quality	Quality of interpersonal interactions between a customer and an employee in a service exchange	(Jung et al., 2017)
Customer Satisfaction	Person's feeling of pleasure or disappointment which resulted from comparing a product's perceived performance or outcome against his/ her expectations	(Kotler & Keller, 2006)
Service Performance	An assessment of how well a service employee delivers in-role service performance to customers,	(Menguc et al., 2016)

that the emotions displayed by sales force trigger similar motional states in customers during employee customer interactions (Hatfield et al., 1993). Cognitive Energetical Theory is with the view that cognitive deficit diminishes the employee's commitment towards organizations but also leads to poor service quality, unfavorable evaluations of customers towards service quality and poor service performance (Fowler, Hofer, & Lipitkas, 2001). Cognitive emotional theory suggested that the critical factor is the situation and the cognitive interpretation is the label people use for emotion (Wang, Singh, Li, Mishra, Ambrose & Biernat, 2017). Based on the grounds of above cited theories, it can be proposed that key cognitive states (role overload, self-efficacy, and service climate) and emotional aspects (emotional regulation) may cause outcome variables (interactional quality, customer satisfaction, service performance).

3.1. Hypotheses

H1: Role over load has a significantly negative impact on interactional quality.

H2: Self Efficacy has a significantly positive impact on interactional quality.

H3: Service climate has a significantly positive impact on international quality

H4: Emotional regulation has a significantly positive impact on interactional

quality.

H5: Interactional quality has a significantly positive impact on customer satisfaction.

H6: Interactional quality has a significantly positive impact on service performance

H7: Customer satisfaction has a significantly positive impact on service performance

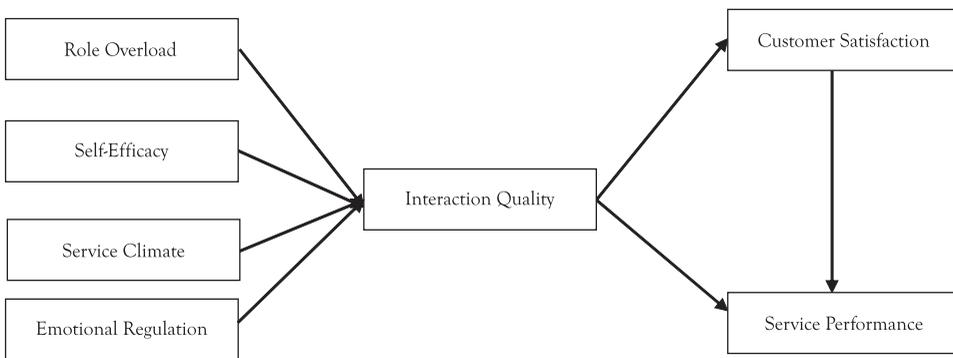


Figure 1: Theoretical Framework

4. Methods

This research is quantitative in nature and empirical data is used to test theoretical model and hypotheses. This type of the research is explanatory as the purpose of the study was to establish the causal relationship among key cognitive states (role overload, self-efficacy, and service climate) and emotional aspects (emotional regulation) on outcome variables (interactional quality, customer satisfaction, service performance). Survey questionnaire is adopted to collect the data from the respondents. It is believed that survey methods can offer a revelatory and novel insight into both the practices of organizations and the minds of individuals, that is, consumers (Rindfleisch, Malter, Ganesan, & Moorman, 2008). The current study ensures the considerations of representation (Hulland, Baumgartner, & Smith, 2018) and measurement (Baumgartner & Weijters, 2017) while designing and analyzing a survey. The time horizon for the study was cross-sectional. Participants in this research were managers, sales persons and customers of insurance companies. Insurance companies offer a wide range of policies which cover a variety of insurance products like auto insurance, health insurance, life insurance and property insurance. Insurance sales persons are mainly concerned with the introduction and selling of appropriate insurance policies to current and potential customers. Hence, insurance agents are actively involved in interactions with customers to communicate insurance policy and address enquiries related to insurance policies.

The selection of insurance sector for the subject of this study is deemed appropriate to empirically test the model as insurance agents frequently contact with customers to resolve their complaints and get customers satisfaction.

Survey questionnaires based on existing literature were used for data collection. A total of three versions, one for employee, one for customer and one for supervisors were developed to collect the response from unique set of triad (employee, customer and supervisor). Questionnaires were distributed to the managers of insurance companies, managers wrote a memo to supervisors and requested for their cooperation. Supervisors help to get the responses from their respective sales-persons and clients (customers). Homogenous purposive sampling was adopted for this study to collect the data to achieve a sample that shares same characteristics. A total of 294 sets of responses (882 individual responses) were considered a reasonable size. Research studies suggested a sample size of 200 to perform Structural equation modeling (Kline, 2004). Hox, Moerbeek, and van de Schoot (2017) also claimed that a sample size of 200 respondents leads the standard error to the lowest level. Covariance based structural equation modeling method was used to establish the validity of measures and testing propositions. Structural equation modeling is useful approach to study the casual relationships among study variable (Byrne, 2016; Hair, Sarstedt, Ringle, & Mena, 2012). AMOS 20 was used to perform structural equation modeling.

4.1 Measures

Online questionnaires based on existing validated scales from existing literature were adapted. Five-point Likert scale was used to measure the items of study variables. Role overload (RO) was measured through a three-item scale adapted from Jha et al., (2017). Self-efficacy (SEF) was measured using a three-item scale suggested by Menguc et al., (2016). Service climate (SCL) was measured based on six-items scale adopted from Ladhari, Souiden, and Dufour (2017). Ten items scale suggested by Sohn (2017) was used to measure emotional regulation (EMR). Interaction Quality (ITQ) was measured with five-items scale adopted from Cronin, Brady, and Hult (2000). Customer satisfaction (SAT), was measured using a three items adopted from Jha et al., (2017). Service performance (SPEF) was measured by using six-items scale adapted from Menguc et al., (2016).

5. Data Analysis

A series of data analysis tools were employed to empirically test the model and proposed relational paths among antecedents and outcomes of interactional quality. Descriptive statistics and correlations were depicted in Table 2. The results showed that the means of study variables ranged between 2.50 to 4.22 and standard deviation

ranged between .51 to .98. Furthermore, the normality of the data is verified with the help of skewness and kurtosis. The estimates for skewness and kurtosis were within the recommend range of ± 3 and thus establish normality of the data. The results of correlation coefficients were also in support of a significant association among the antecedents, interactional quality and outcomes of interactional quality.

Table 2: Descriptive Statistics and Correlations of Study Variables

Vari-ables	Mean	Std. Dev	Ske	Kurt	RO	SEF	SCL	EMR	ITQ	SAT	PEF
RO	3.24	0.53	.263	.168	1.00						
SEF	3.23	0.98	-0.53	-0.41	-.429**	1.00					
SCL	4.22	0.75	-1.08	0.82	-.554**	-0.04	1.00				
EMR	4.06	0.63	-1.26	1.30	-.359**	0.01	-0.03	1.00			
ITQ	2.98	0.51	-0.27	0.34	-.556**	.512**	.460**	.298**	1.00		
SAT	2.50	0.62	0.30	-0.16	-.291**	.209**	.216**	.135*	.329**	1.00	
SPEF	3.36	0.54	-0.12	0.03	-.630**	.324**	.513**	.254**	.593**	.434**	1.00

Note: ** Correlation is significant at the 0.01 level (2-tailed); *. Correlation is significant at the 0.05 level (2-tailed).

5.1. Common method variance

Method biases are acknowledged as an important measurement error which may affect the validity issues of the results of causal relationship between measures. Common method variance is a tool to examine the issue of method biases. Harman's single-factor was used to test the common method variance. Results in Table 3 showed largest factor accounted for 27.305% less than the threshold value of 50%, an indication of no common method biases (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003).

Table 3: Harman's Single-Factor Test for Common Method Variance

Factor	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	9.830	27.305	27.305	6.849	19.026	19.026	6.035	16.765	16.765

Note: Extraction Method: Maximum Likelihood.

5.2. Test for multi-collinearity

Multicollinearity collinearity was assessed by estimating Variance inflation factor (VIF). The estimated VIF values shown in Table 4 were ranged between 1 to 2.851, lesser than the recommend range of 4 by O'brien (2007). Thus results indicated that data is free from the issue of multi-collinearity.

Table 4: VIF for Latent and Observable Variables

	RO	SEF	SCL	EMR	ITQ	SAT	SPERF
RO					2.851		
SEF					1.571		
SCL					1.970		
EMR					1.403		
ITQ						1	1
SAT							1

5.3. Measurement model

Covariance based two-step structural equation modeling is used to estimate the measurement model and structural model for the assessment of validity and structural path respectively. Measurement model is depicted in Figure 2. Measurement model was evaluated for factor loads, Cronbach's alpha, composite reliability and average variance explained (AVE) to establish the reliability and validity of measures. Results are shown in Table 5, Table 6 and Table 7. The obtained values for reliability and validity were consistent with threshold values recommended by Fornell and Larcker (1981); Hair, Black, Babin, Anderson and Tatham (2013) and Mittal et al. (2016). Results of measurement model support the reliability, internal consistency reliability, convergent validity, and discriminant validity. The Cronbach's alpha for all study variables exceeded the cut-off point of .70 (Nunnally, 1970). Composite reliability (CR) and average variance extracted (AVE) exceeded the cutoff point of .70 and .50 respectively (Chung, Song, & Lee, 2017). The factor loads greater than .50 and AVE greater than .50 were the indication of convergent validity (Hair et al., 2013). However, the AVE of OR and TQL were less than .50, however AVE values greater than .40 are acceptable if CR is greater than .60 (Mittal et al., 2016). Furthermore, the square roots of the AVE of each variable exceeded the correlation coefficient of that variable with other variables illustrated the discriminant validity of the variable (Hair et al., 2013). The goodness-of-fit indices were quite satisfactory after the provided additional validation of measurement model ($\chi^2/df = 1.23$; GFI = .89; AGFI = .88; NFI = .90; CFI = .98; RMSEA = .028). In the analysis one item of the emotional response (i.e. EMER10) was dropped due to low factor load.

PEF3							0.69
PEF4							0.75
PEF5							0.71
PEF6							0.71

Note: CMIN = 649.930, CMIN /df = 1.23, $p \leq 0.00$; df = 564, GFI= .89, AGFI= .88, NFI= .90
CFI= .98, RMSEA = 0.028

Table 6: Results for the Cronbach's Alpha, Composite Reliability and Average Variance Explained (AVE)

	Cronbach's alpha	Composite reliability	AVE
RO	.70	.70	.44
SEF	.78	.79	.56
SCL	.94	.94	.73
EMR	.84	.85	.40
ITQ	.82	.82	.50
SAT	.79	.79	.56
SPEF	.86	.86	.50

Table 7: Results of the Fornell-Larcker Validation

Vari-ables	AVE	SQRT (AVE)	RO	SEF	SCL	EMR	ITQ	SAT	PEF
RO	.44	0.66	(0.66)						
SEF	.56	0.75	-.429**	(0.75)					
SCL	.73	0.85	-.554**	-0.04	(0.85)				
EMR	.40	0.63	-.359**	0.01	-0.03	(0.63)			
ITQ	.49	0.70	-.556**	.512**	.460**	.298**	(0.70)		
SAT	.56	0.75	-.291**	.209**	.216**	.135*	.329**	(0.75)	
SPEF	.50	0.71	-.630**	.324**	.513**	.254**	.593**	.434**	(0.71)

Note 1: Values in parentheses "(") are the square root value of AVE of given variables.

Note 2: ** $p < 0.05$

5.4. Structural model

The proposed structural paths (H1 - H6) were assessed with the help of structural model. Results are shown in Table 8 and Figure 2. Results are in support of assertions. For instance, role overload showed a significant and negative impact on interactional quality ($\beta = -.666$, $p < .01$), supports H₁. Self-efficacy has a significant

and positive impact on interactional quality ($\beta = -.518, p < .01$), in favor of H2. For service climate and interactional quality ($\beta = .379, p < .01$), results reveal a significant and positive effect and confirm the H3. Similarly, emotional regulation significantly and positively contributes in interactional quality ($\beta = .255, p < .01$), in line with the hypothesis 4. For outcome variables, Interactional quality is found as a significantly positive predictor of satisfaction and service performance ($\beta = .346, p < .01$; $\beta = .588, p < .01$), supporting H5 and H6. Results are also in support of a significant and positive impact of customer satisfaction and service performance ($\beta = .282, p < .01$),

Table 8: Statistical Analysis of Path Coefficients

	Estimate	S.E.	C.R.	P
ITQ←RO	-.666	.073	-8.032	***
ITQ←SEF	.518	.039	7.305	***
ITQ←SCL	.379	.029	7.210	***
ITQ←EMR	.255	.038	4.808	***
SAT←ITQ	.346	.104	4.585	***
SPEF←ITQ	.588	.089	6.997	***
SPEF←SAT	.282	.052	4.163	***

Note: CMIN = 1401.009; CMIN /df = 2.41, $p \leq 0.00$; df = 581, GFI= .91, AGFI= .88, NFI= .89, CFI= .96, RMSEA = 0.037

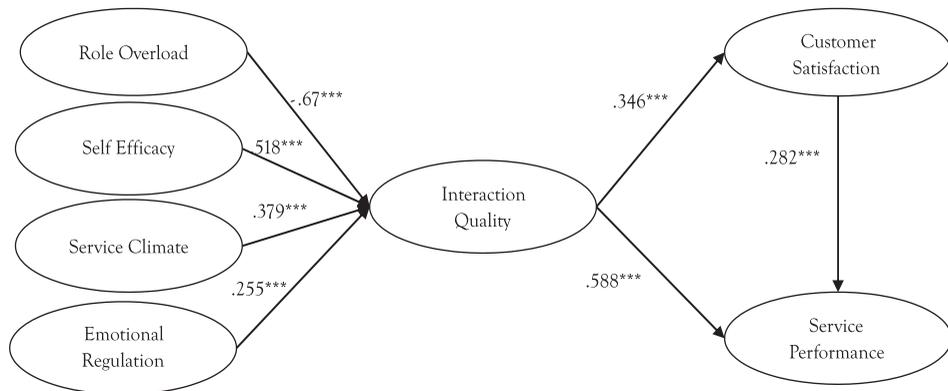


Figure 2: Structural Model

consistent with H7.

6. Discussion and Conclusion

This study looks into the employee-customer relationship by developing an integrated theoretical model, based on the grounds of emotional contagion theory,

cognitive energetical theory and cognitive emotional theory and empirically tests it with the data from insurance sector. This study provides theoretical mechanism through which key cognitive variables (role overload, self-efficacy, and service climate) and emotional aspects (emotional regulation) significantly lead toward interactional quality that ultimately resulted in customer satisfaction and service performance. The results of the study are in line with the viewpoint of emotional contagion theory, cognitive energetical theory and cognitive emotional theory. Consistent with the existing literature, role overload (Jha et al., 2017; Karatepe et al., 2005; Lin & Lin, 2011); self-efficacy (Jung et al., 2017); service climate (Chen et al., 2015); and emotional regulation (Wang, 2009) were found as significant precursors of interactional quality. Furthermore, results regarding interactional quality with customer satisfaction relationship (Choi, & Kim, 2013; Dabholkar, Shepherd, & Thorpe, 2000) and service performance (Alegre, & Cladera, 2009; Ranaweera, & Menon, 2013; Yee et al., 2010) were consistent with previous literature. Results regarding customer satisfaction and service performance were also consistent with previous studies like Hong et al. (2013) and Williams and Naumann, (2011).

From the results, it can be comprehended that insufficient time, over work and high-performance standards resulted in high score on work overload. Work overload reduces the interactional quality between employee customer interfaces. Employees (sales person) with high workload conditions could not interact in a competent and reliable way and fail to provide services knowledge and services in timely manner. The results imply that employees develop a sense of self-efficacy if they are confident, believe in their abilities and master their abilities to perform their job. A self-efficacious person can enhance the quality of interaction with customer and is in a position to provide dependable, reliable and competent interface for interaction. Additionally, self-efficient employee can also provide comprehensive information about services and provides services in timely manner. Results regarding service climate revealed that easily assessed lotions with well assorted products, soothing scent and attractive light effects contributes in developing better service climate. Consequently, healthier service climate may enhance the interactional quality as comfortable services climate may provide help to communicate and deliver services in better way. Findings also make out clear that positive emotions lead to develop sufficiently flexible and socially tolerable manner to respond in a situation that ultimately enhance the quality of interaction while dealing with the customers.

Finding illustrated interactional quality as a significant contributor of customer satisfaction and service performance. From this, it can be figured out that if service providers provide services in a competent, knowledgeable, reliable and timely manner, customers are more likely to get delighted from the services and give positive feed-

back about both the service and service provider. Furthermore, results also revealed that favorable customer evaluation of service encounter transforms into the service performance of employees.

The empirical evidences provide a solid ground for implications to practitioners concerning development of customer relationship in services sector. The outcome of the research assist that sales managers should consider the cognitive and emotional aspects of employees to enhance the quality of interaction with customer and achieve customer satisfaction. Sales managers should consider the load of the work on sales person and their working conditions. Managers should provide them the confidence and ability to believe in their skills and mastered their skills while performing their job. Additionally, sales manager should develop a climate in which employees can regulate their emotions and develop positive emotions that may contribute in achieving customer satisfaction through quality interaction. Sales managers can use the results of this reach to develop the strategies for sustainable customer relationship.

6.1.Limitations and future directions

Despite our undeniable efforts to make this study worthwhile and contributory to the field, this research undertaking still lags behind on some issues. First the data was collected from insurance sector only, for conclusive generalizations replications are needed in other sectors like hospitality, banking sector and other services organizations. Second the findings of the study are based on cross-sectional sample. This may be arguable to make causal inferences. For instance, it may be possible that customer satisfaction may not immediately transform into services performance. Similarly, the effect of cognitive and emotional aspects may not appear instantly into interactional quality. Future research considering longitudinal research design may provide better insight of the relational paths and would allow causal inferences. Third, validity measures (AVE) for role overload and emotional regulation were just acceptable. Future studies may consider other measure for role overload and emotional regulation. Fourth this study examines the relationship between cognitive and emotional aspects of employees, customer evaluation of service encounter and supervisor evaluation from employee customer and supervisor data respectively. Future research may consider some other employee related role stressors for example role conflict and role ambiguity or customer related outcome variables like relationship investment or loyalty, Future studies may also consider objective measure for sale persons' service performance. Thus, we propose that additional researches on these issues contribute to theory building, facilitate managerial decisions and enhance the generalizations.

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