Journal of Applied Psychology
2002, Vol. 87, No. 5, 1001–1008

0021-9010/02/$5.00 DOI: 10.1037//0021-9010.87.5.1001

Mechanisms Linking Employee Affective Delivery and Customer Behavioral Intentions

Wei-Chi Tsai
National Taiwan University of Science and Technology

Yin-Mei Huang
National Chengchi University

Past empirical evidence has indicated that employee affective delivery can influence customer reactions (e.g., customer satisfaction, service quality evaluation). This study extends previous research by empirically examining mediating processes underlying the relationship between employee affective delivery and customer behavioral intentions. Data were collected from 352 employee–customer pairs in 169 retail shoe stores in Taiwan. Results showed that the influence of employee affective delivery on customers' willingness to return to the store and pass positive comments to friends was indirect through the mediating processes of customer in-store positive moods and perceived friendliness. The study also indicated that employee affective delivery influences customers' time spent in store, which, in turn, influences customer behavioral intentions.

An emerging literature examines affective delivery at work. "Employee affective delivery" refers to an employee's "act of expressing socially desired emotions during service transactions" (Ashforth & Humphrey, 1993, pp. 88–89). Employees in many service occupations, such as restaurant work and flight attendance, are required to convey positive emotions (e.g., friendliness, warmth). Past empirical evidence has indicated that employee affective delivery (EAD) can bring benefits to an organization. These benefits include a higher level of customer satisfaction (Brown & Sulzer-Azaroff, 1994), better service quality evaluation (Pugh, 2001), and improvement in customer willingness to return and recommend (Tsai, 2001). Although EAD has been shown to lead to important organizational outcomes, the theoretical mechanisms underlying these relationships are less clear. In this study, we draw on theories in psychology, marketing, and the affect at work literature (e.g., Brown & Sulzer-Azaroff, 1994; Pugh, 2001) to develop an explanatory model that specifies how and why EAD is related to customer behavioral intentions (i.e., intentions to return and recommend). Specifically, we test propositions proposed by Tsai (2001) by empirically examining whether customer in-store positive moods and perceived friendliness will mediate the relationship between EAD and customers' willingness to return to the store and pass positive comments to friends. In addition, unlike past research linking EAD solely to customer perceptual reactions, our theory examines the influence of EAD on one actual customer behavior that has not yet been explored in the literature, namely, customer time spent in store. The theoretical model is represented in Figure 1, shown later.

Wei-Chi Tsai, Department of Business Administration, National Taiwan University of Science and Technology, Taipei, Taiwan; Yin-Mei Huang, Department of Business Administration, National Chengchi University, Taipei, Taiwan.

An earlier version of this article was presented at the annual meeting of the Academy of Management in Washington, DC, August 2001. We thank Cynthia D. Fisher and Paul R. Sackett for their helpful comments.

Correspondence concerning this article should be addressed to Wei-Chi Tsai, who is now at the Institute of Business and Management, National Chiao Tung University, 4F, 114 Chung Hsiao W. Road, Section 1, Taipei 100, Taiwan. E-mail: wtsai@cc.nctu.edu.tw

EAD → In-Store Positive Moods → Customer Behavioral Intentions

Tsai (2001) indicated that EAD may affect customer in-store positive moods, which in turn influence customer behavioral intentions. Two mechanisms have been proposed to illustrate how people come to feel what others are feeling. First, individuals may experience the feelings of others by consciously imagining how they would feel in the other's position. Second, one's emotional experience may be influenced by the process of "primitive emotional contagion," defined as an individual's tendency to "mimic and synchronize facial expressions, vocalizations, postures, and movements with those of another person and, consequently, to converge emotionally" (Hatfield, Cacioppo, & Rapson, 1994, p. 5). Although it has been argued that these two mechanisms are equally plausible to produce mood convergence among team members (e.g., Bartel & Saavedra, 2000; Totterdell, Kellett, Teuchmann, & Briner, 1998), the former mechanism seems less likely to function in service encounters. As argued by Hatfield et al. (1994), individuals are more likely to engage in such conscious reasoning and imagination when they love or when they identify with others or share their goals. It seems that the employee–customer interactions in shoe stores (i.e., the context of the present study) do not have such characteristics.

The theory of primitive emotional contagion has been invoked to account for mood convergence between employees and customers. For example, Sutton (1991) indicated that bill collectors expressed an emotion of urgency through their vocal tones to make debtors feel anxious and consequently pay off their debts. Similarly, Pugh (2001) showed that when bank tellers smiled more, increased eye contact, displayed more gratitude, and extended more greetings to customers, the customers would experience

more positive moods. Thus, we expect that sales clerks' affective delivery create inner cues that contribute to customers' experiencing of positive moods. Hence, the following is proposed:

> *Hypothesis 1:* EAD will be positively related to customer in-store positive moods.

Marketing research has shown a positive link between customer positive moods and their behavioral intentions. For example, Donovan and Rossiter (1982) found that customers in pleasant moods were more willing to return to the store. Gardner (1985) indicated that when individuals are in positive moods, they tend to look at the world through rose-colored glasses and see the bright sides of things (Clark & Teasdale, 1982). Following this argument, customers in more positive moods will provide a more positive evaluation of their shopping experiences. Positive shopping experiences are desirable outcomes for customers; thus, following the prediction of the theory of operant conditioning (Skinner, 1953), customers will visit the store again in order to gain the same positive service experience. Moreover, Nyer (1997) found that people in positive moods (e.g., joy, happiness) were more willing to engage in positive word of mouth. Thus, we expect that customers who have higher in-store positive moods are more willing to return to the store and pass positive comments to friends.

> *Hypothesis 2:* Customer in-store positive moods will be positively related to customer behavioral intentions.

Similar to Pugh's (2001) study, this study examines whether customer positive mood mediates the relationship between EAD and customer reactions. However, this study differs from Pugh (2001) in four ways. First, this study examines the phenomenon of emotional contagion in the context of shoe stores rather than banks. Whereas the interaction modes between bank tellers and customers are more mechanical, shoe store sales clerks, in order to promote customer purchase decisions, often treat customers in more diverse and nonroutine ways. Second, this study examines the relationship between EAD and customer behavioral intentions, whereas Pugh (2001) linked EAD to a different variable, namely, perceptions of service quality. Third, Pugh (2001) examined the influences of individual differences in "the use of facial expressions, voice, gestures, and body movements to transmit emotions" (i.e., "emotional expressiveness"; see Friedman, Prince, Riggio, & DiMatteo, 1980, p. 333) on EAD. Consequently, he computed the mean score of EAD across multiple transactions. This study, in contrast, focuses on examining the effects of EAD on customers. Thus, it is appropriate to observe EAD within a single transaction rather than their average performances across multiple transactions. Finally, in contrast to the path analysis adopted by Pugh (2001), we used LISREL to test the hypotheses. Kelloway (1996) noted that using LISREL avoids the possibility of biased parameter estimates due to measurement error.

EAD → Perceived Friendliness → Customer Behavioral Intentions

Tsai (2001) indicated that customers' evaluations on service quality may also mediate the relationship between EAD and customer behavioral intentions. Results of Pugh's (2001) study showed that when employees expressed more positive emotions, customers would give higher evaluations on service quality. The evaluation of service quality involves customer perceptions of the excellence of actual service performance (Gotlieb, Grewal, & Brown, 1994). The present study focuses only on customer perceptions of employees' displays of warmth and friendliness (i.e., the empathy and assurance components) and does not take into account other components of the service quality construct, such as reliability (performing service dependably and accurately) and tangibles (good physical facilities and equipment). In other words, this study looks at the variable "perceived friendliness" rather than the whole service quality construct. Thus, we expect that when an employee expresses more positive emotions, customers will perceive that the employee is more friendly.

> *Hypothesis 3:* EAD will be positively related to perceived friendliness.

Past research has shown that customers' positive evaluations of service quality lead to a higher willingness to return to the store (Headley & Miller, 1993; Taylor & Baker, 1994; Zeithaml, Berry, & Parasuraman, 1996) and a higher willingness to recommend it to others (Headley & Miller, 1993; Zeithaml et al., 1996). The influence of service quality on customer behavioral intentions may operate through the mediating process of customer satisfaction. When customers experience higher levels of service quality, their satisfaction levels will be higher (Cronin & Taylor, 1992), thus leading to a higher willingness to return and recommend (Kurtz & Clow, 1998). Gotlieb et al. (1994) explored the causal relationships among service quality, customer satisfaction, and behavioral intentions in hospitals. They found that the service quality → customer satisfaction → behavioral intentions relationship best fitted the data among three proposed causal models. As employee friendliness constitutes an important part of the service quality construct (Parasuraman, Zeithaml, & Berry, 1988), assuming customers value service friendliness, we expect that when customers perceive the employees to be more friendly, they will be more satisfied; consequently, they will be more willing to return to the store and pass positive comments to friends. Thus, the following is proposed:

> *Hypothesis 4:* Perceived friendliness will be positively related to customer behavioral intentions.

In-Store Positive Moods → Perceived Friendliness

We suggest that there may be a positive relationship between two mediating variables of this study. Kurtz and Clow (1998) indicated that customers in more positive moods would have a larger "zone of tolerance," defined as the range within which customers are willing to accept variations in service delivery. As customers having a larger zone of tolerance are more willing to tolerate service variations, they are more likely to perceive employees' services as friendly. Chebat and colleagues (1995) manipulated moods using videos and found that higher positive mood increased participants' perceptions of employee service friendliness. Isen and Shalker (1982) found that people who were put in the positive mood condition gave more positive evaluations of even fairly neutral stimuli. Thus, the following is proposed:

Hypothesis 5: Customer in-store positive moods will be positively related to perceived employee friendliness.

Alternatively, people may argue that the reverse direction of causality, running from perceived friendliness to in-store positive moods, is more plausible. As mood is often manipulated by giving subjects a small gift (e.g., Isen et al., 1978), customers' positive perceptions of service friendliness may act as a positive mood-inducing stimulus, suggesting that perceived friendliness may have an influence on customer in-store positive moods. Swinyard (1993) manipulated the store experience (good vs. bad experience) and found that the quality of shopping experience influenced subjects' moods. Kelloway (1996) highlighted the needs for a structural equation modeling research to test alternative models that are conceptually compelling. Thus, we will examine the plausibility of this alternative model.

EAD → Time Spent in Store

Time is one of the key resources customers bring to the exchange transaction. Customers allocate their time resources in order to maximize overall utility (Holbrook & Hirschman, 1982). Spies et al. (1997) argued that in addition to buying products, customers visit a store to enjoy their shopping and gain a pleasant experience, suggesting "time spent in store" may be one important customer behavior that is worth studying. In fact, marketing research has classified this and other variables as "approach behavior" (e.g., Donovan & Rossiter, 1982; Sherman, Mathur, & Smith, 1997), defined as "all positive behaviors that might be directed at a particular place, such as desire to stay, explore, and affiliate" (Bitner, 2000, p. 47).

There are two reasons for theorizing a linkage between EAD and time spent in store. First, following Hypothesis 1, EAD should influence time spent in store indirectly through customer in-store positive moods. Carlson, Charlin, and Miller (1988) indicated that people have a motive to maintain a positive mood. They also suggested that positive moods would cause people to perceive stimuli in a more positive light. As staying in a store is viewed favorably by customers, customers in positive moods are more likely to spend more time in stores to maintain or prolong their positive moods. Empirical evidence by Donovan and colleagues (1994) suggested that customers' positive moods significantly influence their time spent in store, even controlling for the effects of price and product characteristics. Thus, the following is proposed:

Hypothesis 6: Customer in-store positive moods will be positively related to time spent in store.

Second, EAD may influence time spent in store due to the norm of reciprocity (Gouldner, 1960). If an employee expressed positive emotions to the customer, and the customer did not repay the employee with a purchase, the customer might feel guilty. Thus, the customer feels the need to remain in the store, to at least repay the employee with a good faith effort to find a pair of shoes, or repay with valuable time. Thus, we add a direct link from EAD to time spent in store.

Hypothesis 7: There will be a direct positive relationship between EAD and time spent in store.

Customers staying a bit longer in the store could not only maintain their own positive moods but also bring benefits to the store. Customers receive more in-store product information as a result of their stays, thus triggering their new purchase needs (Park, Iyer, & Smith, 1989). We argue that customers with new purchase needs may not make an immediate purchase in shoe stores due to price (e.g., they cannot afford to buy the shoes they like then) or other considerations (e.g., the right shoe size is unavailable). Instead, they may develop good intentions toward the store (e.g., intentions toward future visits).

Hypothesis 8: Customer time spent in store will be positively related to customer behavioral intentions.

Control Variables

We treat "customer prior positive moods" as the control variable when the effect of EAD on customer in-store positive moods is assessed. Holbrook and Gardner (2000) indicated that customers' moods reflect the combined influences of their prior moods and the recent consumption experiences. Thus, by controlling for prior positive moods, it becomes more likely that the observed in-store mood variations are really due to differences in EAD.

Following the lead of environmental psychologists, marketing researchers have included "store atmosphere" as one important antecedent of customers' moods. Thus, we treat it as another control variable. Store atmosphere refers to the physical properties of the retail environment, such as music, lighting, and layout (Engel, Blackwell, & Miniard, 1995). Empirical evidence suggests that when these environmental stimuli are perceived as more attractive, customers will experience more positive moods (Sherman et al., 1997; Yoo, Park, & MacInnis, 1998). For example, Sherman et al. (1997) asked fashion store shoppers to evaluate the attractiveness of the store's atmosphere and their own moods. They found that store atmosphere had a positive influence on customers' positive moods. Why does store atmosphere correlate positively with customer positive moods? Spies et al. (1997) suggested that pleasant store atmosphere reminds customers of other positive experiences (e.g., interesting events occurred in leisure time), which in turn induce positive moods on the part of customers.

Employees generally spend a longer period of time in the store than customers; thus store atmosphere should also have an effect on employee positive moods (Bitner, 1992). Van Maanen and Kunda (1989) indicated that employees who are in positive moods are more likely to display positive emotions because such expressions often take less effort on the part of the employees. When the store atmosphere induces positive moods in employees, employees are likely to express positive emotions. Thus, we add a link from store atmosphere to EAD.

Method

Participants

To test our model, we used a different data collection than in our previous study (Tsai, 2001), although the instrumentation involved in the two studies was quite similar. Sales clerks and customers of 169 retail shoe stores in northern Taiwan were included in this study. Of the 169 shoe stores, the majority (i.e., 132 stores) were independent businesses, while

the remaining were chain stores belonging to 14 different organizations. The sample comprised 352 clerk–customer interactions involving 352 sales clerks and 352 customers. One hundred and three of the 352 sales clerks (29.3%) were men. Customers' mean age was 23.30 (SD = 6.27), and 89 of them (25.3%) were men. In general, three clerk–customer interactions were observed in each store.

Procedure

Ten research assistants were recruited for this study and were grouped into five teams. Each team consisted of two people who acted as observers to collect information on store atmosphere and EAD as well as to solicit opinions from customers. In general, each of the five teams shared data collection duties. To reduce error variance caused by data collector heterogeneity, a 2-hr in-house training session provided opportunities for observers to practice how to accurately rate the affective delivery of a target person playing the role of a sales clerk. In addition, all research assistants were asked to make field visits to several shoe stores to practice how to rate the store's atmosphere and EAD and to familiarize themselves with all aspects of the data collection process. Ratings made during these visits were not included in the final analysis.

Two observers visited each store during regular business hours. As Rafaeli and Sutton (1990) indicated that norms for conveying positive emotions are valid only during slow times, observers did not visit the stores that were busy (i.e., each employee served no more than three customers). They first observed the interaction between a sales clerk and a customer and then independently rated the store's atmosphere and the emotions displayed[1] by the sales clerk throughout the entire interaction. Note that the observers did not record the data until after leaving the store. After the customer left the store, observers followed the customer and invited him or her to fill out a questionnaire concerning customer in-store positive moods and behavioral intentions. Of 516 customers contacted, 352 accepted the invitation, yielding a response rate of 68.2%. Customers were told they would receive a gift worth about US$3.00 if they participated, but they did not actually see what the gift was until they completed the survey. This was to minimize the possibility that the gift might have different effects on customers' moods.

Measures

Employee affective delivery. Five indicators from Tsai (2001) were used, including greeting, thanking, speaking in a rhythmic vocal tone, smiling, and establishing eye contact. EAD was scored by two observers simultaneously. Observers assigned a value of 1 if a behavior was displayed and a value of 0 if it was not displayed. In this study, 74.6% of the observations reflected a perfect agreement between observers. The mean interrater agreement (Lindell, Brandt, & Whitney, 1999) was .89 (SD = .20). Results of factor analysis suggested a one-factor solution. The sum of the scores on five indicators was computed, and the scores given by the two observers were then averaged. The Cronbach's alpha was .73 in this study.

Store atmosphere. This construct was measured by four indicators from Yoo et al. (1998). Two observers rated the store's atmosphere independently. They indicated their perceptions of the satisfactory level of a store's lighting, air quality, music, and layout on a 3-point Likert-type scale. The sum of the scores on four indicators (α = .70) was computed, and the scores given by the two observers were then averaged. The interrater reliability based on ICC(1) (Shrout & Fleiss, 1979) was .69.

Perceived friendliness. Three items (α = .89) constructed for this study were used to measure this construct. Customers were asked to indicate their perceptions on a 5-point Likert-type scale about sales clerks' positive emotions actually conveyed during the interaction. Items include "The sales clerk had a kind smile during our interaction," "The sales clerk provides the service in a friendly manner," and "The sales clerk treats me nicely."

In-store positive moods. Four positive affect terms (i.e., contented, excited, pleased, and satisfied) from Yoo et al. (1998) were used to measure this construct. These terms had been developed to characterize customer retail experiences rather than general human emotions. Customers were asked to recall the extent to which each of the terms described how they had felt while they were in the store on a 4-point Likert-type scale. The sum of the four terms was computed to represent customers' in-store positive moods (α = .87). As we asked customers to complete this measure just a minute or so after leaving the store, the retrospective recall of in-store moods should be quite accurate.

Prior positive moods. The same four positive affect terms (see above) were used to measure this construct. Customers were asked to recall the extent to which each of the terms described how they had felt prior to their entry into the store (α = .79). In this study, nearly ninety percent of the participants stayed in the stores for less than 10 min. Thus, accurately recalling moods 10 or 15 min ago was expected to not be difficult. Moreover, customers were able to draw a distinction (t = 5.33; $p < .01$) between their prior moods (M = 7.47) and in-store moods (M = 6.78), providing some support for the validity of these two measures.

Customer behavioral intentions. Six items (α = .84) obtained from Tsai (2001) were used to measure customers' degree of willingness to return to the store and pass positive comments to friends, using a 5-point Likert-type scale. Although the six items were initially written to measure two different constructs, Tsai (2001) found a high correlation between the two measures (r = .94 after correcting for unreliability). He consequently combined the measures into one variable. We followed Tsai's (2001) action in the present study. Sample items of this construct include "If I need to buy a new pair of shoes, I wouldn't come to this store" (reverse scored), "I would visit this store again," and "I would recommend this store to my friend when he or she needs to buy a new pair of shoes."

Time spent in store. Observers used a stopwatch to compute customers' actual amount of time spent in the store. On average, customers spent 4.95 min in the store in this study.

Analyses

We assessed the proposed model with maximum likelihood estimation using LISREL 8 (Joreskog & Sorbom, 1993). All subsequent analyses were based on the covariance matrix. In this model, all the manifest variables were treated as single indicators of latent factors. Following Barrick, Mount, and Strauss (1993), the error variances of the manifest variables were set equal to $(\sigma_i^2) \times (1 - \alpha)$, where σ_i^2 is the observed variance of the manifest variable and α is its reliability. The paths from the latent factors to the manifest variables were set equal to $\sigma_i^2 \times \alpha$. Note that the reliability of time spent in store was assumed to be 1.00 because of the objective nature of this measure (see Schmidt, Hunter, & Outerbridge, 1986).

Results

The means, standard deviation, and simple product–moment correlations of all major variables are presented in Table 1.

[1] Affective delivery data was collected without receiving consent from sales clerks (i.e., sales clerks were not aware of being observed) and permission from store management. Nevertheless, Tsai (2001) indicated that using mystery shoppers to evaluate sales clerks' service friendliness was a common practice for shoe stores. Moreover, American Psychological Association Ethical Standards explicitly state that research involving naturalistic observation does not require the informed consent of research participants. Thus, observing sales clerks' affective delivery without receiving any informed consent was believed not to pose an ethical problem. This is because the behaviors observed are public and are routine requirements in employees' jobs.

Table 1
Means, Standard Deviations, and Correlation Matrix Among Variables

Variable	*M*	*SD*	1	2	3	4	5	6	7
1. Affective delivery	2.02	1.57	.73						
2. Store atmosphere	8.05	1.77	.18**	.70					
3. Perceived friendliness	9.84	2.48	.28**	.07	.89				
4. In-store positive moods	6.78	2.62	.18**	.08	.44**	.87			
5. Prior positive moods	7.47	2.46	.04	.03	.26**	.56**	.79		
6. Customer behavioral intentions	19.55	3.44	.20**	.04	.40**	.36**	.11*	.84	
7. Time spent in store	4.95	5.46	.41**	.10	.17**	.20**	.05	.20**	—

Note. Values on the diagonal are Cronbach's alphas.
* $p < .05$. ** $p < .01$.

The hypothesized structural model displayed in Figure 1 fits the data well, χ^2 (9, N = 352) = 9.24, $p > .05$; RMSR = .02; GFI = .99; AGFI = .98; NFI = .98; CFI = 1.00. Figure 1 shows the path coefficients for this analysis. All hypothesized paths were statistically significant (either at $p < .01$ or $p < .05$ levels) and in the predicted directions, offering support for all eight hypotheses. With respect to control variables, store atmosphere was found to correlate significantly with EAD ($\beta = .23$, $p < .01$) but not to correlate with customer in-store positive moods ($\beta = .03$, $p > .05$). Furthermore, there was a significant link between customer prior positive moods and customer in-store positive moods ($\beta = .66$, $p < .01$).

In addition, we examined the plausibility of an alternative model. The alternative model differs from the hypothesized model in the causal direction between two mediating variables. As indicated before, it is possible that customers experience more positive moods due to a higher level of perceived friendliness, suggesting a causal path from perceived friendliness to customer in-store positive moods. Results showed that the fit of this model was significantly worse than the hypothesized model, $\Delta\chi^2 = 22.74$, $p < .01$; RMSR = .06; GFI = .98; AGFI = .91; NFI = .92; CFI = .94, offering support for the superiority of our hypothesized model.

Although not specifically hypothesized, we wonder whether the proposed mediating variables can fully account for the relationship between EAD and customer behavioral intentions. Thus, we estimated an alternative model that included a direct link between EAD and customer behavioral intentions. Results showed that the fit of this model was not significantly better than the hypothesized model, $\Delta\chi^2 = 0.57$, $p > .05$. Moreover, the direct link between EAD and customer behavioral intentions was not statistically significant ($\beta = .05$, $p > .05$). This suggests that customer in-store positive moods and perceived friendliness (as well as time spent in store) do account for the relationship between EAD and customer behavioral intentions.

Post Hoc Analysis

There may be concerns about the reported relationship between store atmosphere and EAD ($r = .18$; see Table 1) being inflated by common method variance, as the two variables were both rated by observers. Thus, we computed the correlation using Observer A's rating for store atmosphere and Observer B's rating for EAD and obtained a value of .17 ($p < .01$). We then computed it the other way (Observer B's rating for store atmosphere and Observer A's rating for EAD) and obtained a value of .15 ($p < .01$). As the magnitudes of these two correlations were similar to that of the reported relationship, common method variance may have little influence on the result.

Discussion

The present study found that the influence of EAD on customer behavioral intentions was indirect through the mediating processes

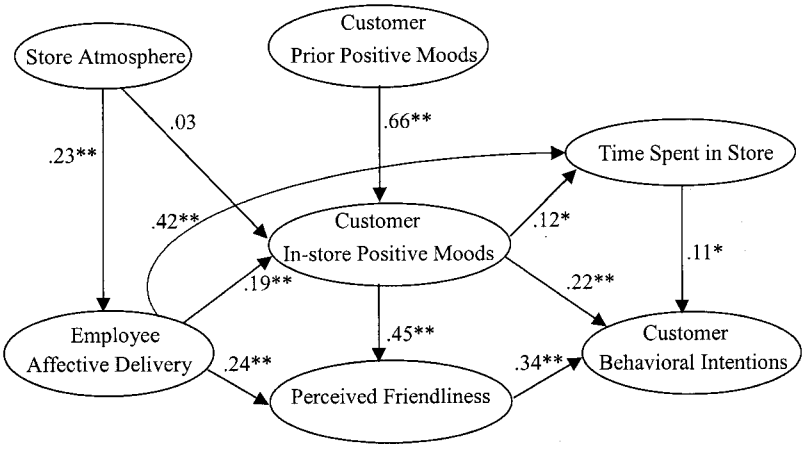

Figure 1. Standardized parameter estimates for the hypothesized model. * $p < .05$. ** $p < .01$.

of customer in-store positive moods and perceived friendliness. These results extend the findings of Brown and Sulzer-Azaroff (1994) and Tsai (2001) by providing some explanations as to how and why EAD influences customer behavioral intentions. As more research suggests that EAD can lead to organizational benefits, it becomes increasingly important that research provides theories to help explain these results. This study contributes to the literature by filling this research gap.

Results of this study showed that customer in-store positive moods mediated the relationship between EAD and customer behavioral intentions. Similarly, Pugh (2001) found that bank tellers' affective delivery influenced customer evaluations on service quality through the mediating process of customer positive moods. Gutek and colleagues (1999) made a distinction between service encounters and service relationships. In a service encounter, neither the provider nor the customer expects to interact with the other party in the future (e.g., buying a hamburger at a fast food restaurant). In contrast, customers who receive service in a relationship can identify a particular person as their service provider. Through repeated interaction, customers and providers get to know each other, sometimes as acquaintances or even friends (e.g., a relationship with hairstylists). It seems that service delivered in both shoe stores and banks falls into the category of service encounters, although the interactions in shoe stores are slightly more intense and diversified.

Employees' affective delivery appears to be contagious in service encounters. Can it also occur in service relationships? Bartel and Saavedra (2000) indicated that the possibility of emotional contagion will be higher when individuals are more socially interconnected. In addition, Bernieri and colleagues (1988) found that mothers showed greater behavioral synchrony (and consequently more mood convergence) with their own children than with unrelated ones. As employee-customer interactions in service relationships may develop into an acquaintanceship or even a friendship, we expect that EAD would be more contagious in service relationships than in encounters. Future research is needed to test this hypothesis.

Results of this study also showed that EAD correlated weakly with perceived friendliness ($r = .28$), suggesting that sales clerks' mechanical presentations of verbal and nonverbal cues, such as smiling, thanking, and rhythmic tone of voice, may not be sufficient for creating a sense of perceived friendliness on the part of customers.[2] The literature on emotional labor (e.g., Ashforth & Humphrey, 1993; Grandey, 2000) suggests the importance of "genuine" emotional displays in service work. Hochschild (1983) argued that service employees may engage in two forms of acting to meet the requirement of the organization's display rules. Employees who engage in "deep acting" consciously work on their feelings so that they can actually feel the emotions they wish to display. Employees who are surface acting, however, focus directly on their outward behavior without modifying the internal state. Although both surface and deep acting techniques may result in the required emotional expression, past research has demonstrated that employees who are deep acting are likely to be perceived as more sincere and friendly (Grandey, in press). Thus, managers should train employees how to use various deep acting strategies in performing their service roles (e.g., thinking about events that induce positive emotions; see Grandey, 2000). In this way, EAD could produce higher perceived friendliness, which in turn would lead to higher customer behavioral intentions.

Moreover, EAD was found to have a positive influence on amount of time spent by customers in stores, beyond the effects of customer in-store positive moods. This suggests that customers may stay longer in the store due to factors other than their positive moods. As indicated earlier, it is possible that customers stay for the purpose of reciprocating employees' affective delivery. Employees' expressions of positive emotions to customers create almost a debt which the customers can repay with their purchase decisions. If customers do not purchase, their obligations can be discharged by staying in the store for a longer period of time.

Our previous study (i.e., Tsai, 2001) showed that EAD did not increase the likelihood of shoe purchases by customers. It is likely that marketing factors such as price and product characteristics produced stronger effects on purchase decisions. In contrast, the present study found that EAD was able to influence how customers allocate their time resources in the store and their subsequent behavioral intentions. These findings suggest that EAD produces long-term rather than immediate benefits for the organization.

As expected, this study found a positive linkage between store atmosphere and EAD. However, store atmosphere was shown to have no direct effect on customer in-store moods. Perhaps a pleasant store atmosphere influences employees' moods and their subsequent affective delivery and thus has an indirect influence on customer moods and reactions. Employees obviously inhabit the store much more extensively than do customers. Note that for the purpose of minimizing shared method variance between store atmosphere and customer in-store moods, we asked observers to evaluate store atmosphere. Consequently, the level of store atmosphere as rated by observers may not match the perceptions of the employee nor the customer.

People may wonder if male and female clerks' affective delivery had different customer outcomes. Thus, hierarchical regressions of the outcome variable (customer behavioral intentions or time spent in store) on EAD, three gender variables (sex of clerk, sex of customer, same sex of clerk–customer pair), and three interaction terms (Gender Variables × EAD) were performed. Results showed that across the two regressions, none of the interaction terms (nor the gender variables) significantly predict outcome variables, indicating that positive benefits generated by EAD may not be influenced by the gender makeup of the employee–customer dyads.

There may also be concerns about cultural differences in EAD. Matsumoto and Ekman (1989) asked American and Asian students to rate the facial expressions on a set of pictures and found that subjects from different cultures had similar accuracy of recognition for emotions such as happiness. Winsted (1997) found that employee service behaviors such as greeting, smiling, and establishing eye contact were viewed favorably by both American and

[2] Another potential explanation is the gender differences between observers and customers. For this reason, we computed two correlations between EAD and perceived friendliness, one for cases where observer and customer were of the same sex and the other where observer and customer were of opposite sex. Results showed that the magnitudes of the two correlations were not different from one another (.284 vs. .296), suggesting that this explanation should be ruled out.

Asian customers. Thus, it appears that the present sample in Taiwan would perceive EAD similarly to the American customers.[3]

A few limitations of this study should be noted. First, in order to avoid the possibility of common method bias, we made efforts to collect the data with multiple sources. For example, we asked observers to rate EAD, whereas customers evaluated their own moods. Despite this effort, not all variables in our theoretical model can be measured by any sources. For example, variables such as customer in-store moods and customer behavioral intentions both represent customers' inner states rather than observable behaviors. As a result, these variables are best measured by customers. This means some of the reported relationships in the proposed model may be inflated due to common method bias.

Second, as one purpose of this study was to extend Tsai's (2001) research, we have not taken employees' negative emotional expressions into consideration. Future studies should explore whether and how negative affective delivery (e.g., rudeness, hostility), along with EAD, influence customer behavioral intentions.

The present study has one strength. As opposed to survey studies, we have measured the customer's behavioral intentions following the service encounter where we collected the affective delivery data. Thus, it is reasonable to treat customer behavioral intentions as a consequence of EAD.

[3] However, the set of emotional indicators associated with friendliness may not be identical across cultures (Wierzbicka, 1994).

References

Ashforth, B. E., & Humphrey, R. H. (1993). Emotional labor in service roles: The influence of identity. *Academy of Management Review, 18,* 88–115.

Barrick, M. R., Mount, M. K., & Strauss, J. P. (1993). Conscientiousness and performance of sales representatives: Test of the mediating effects of goal setting. *Journal of Applied Psychology, 78,* 715–722.

Bartel, C. A., & Saavedra, R. (2000). The collective construction of work group moods. *Administrative Science Quarterly, 45,* 197–231.

Bernieri, F. J., Reznick, J. S., & Rosenthal, R. (1988). Synchrony, pseudosynchrony, and dissynchrony: Measuring the entrainment process in mother–infant interactions. *Journal of Personality and Social Psychology, 54,* 243–253.

Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing, 56,* 57–71.

Bitner, M. J. (2000). The servicescape. In T. A. Swartz & D. Iacobucci (Eds.), *Handbook of services marketing and management* (pp. 37–50). Thousand Oaks, CA: Sage.

Brown, C. S., & Sulzer-Azaroff, B. (1994). An assessment of the relationship between customer satisfaction and service friendliness. *Journal of Organizational Behavior Management, 14,* 55–75.

Carlson, M., Charlin, V., & Miller, N. (1988). Positive mood and helping behavior: A test of six hypotheses. *Journal of Personality and Social Psychology, 55,* 211–229.

Chebat, J., Filiatrault, P., Chebat, C. G., & Vaninsky, A. (1995). Impact of waiting attribution and consumer's mood on perceived quality. *Journal of Business Research, 34,* 191–196.

Clark, M. D., & Teasdale, J. D. (1982). Diurnal variation in clinical depression and accessibility of memories of positive and negative experiences. *Journal of Abnormal Psychology, 91,* 87–95.

Cronin, J. J., & Taylor, S. A. (1992). Measuring service quality: A reexamination and extension. *Journal of Marketing, 56,* 55–68.

Donovan, R. J., & Rossiter, J. R. (1982). Store atmosphere: An environmental psychology approach. *Journal of Retailing, 58,* 34–57.

Donovan, R. J., Rossiter, J. R., Marcoolyn, G., & Nesdale, A. (1994). Store atmosphere and purchase behavior. *Journal of Retailing, 70,* 283–294.

Engel, J. F., Blackwell, R. D., & Miniard, P. W. (1995). *Consumer behavior* (8th ed.). Orlando, FL: Dryden.

Friedman, H. S., Prince, L. M., Riggio, R. E., & DiMatteo, M. R. (1980). Understanding and assessing nonverbal expressiveness: The affective communication test. *Journal of Personality and Social Psychology, 39,* 333–351.

Gardner, M. P. (1985). Mood states and consumer behavior: A critical review. *Journal of Consumer Research, 12,* 281–300.

Gotlieb, J. B., Grewal, D., & Brown, S. W. (1994). Consumer satisfaction and perceived quality: Complementary or divergent construct? *Journal of Applied Psychology, 79,* 875–885.

Gouldner, A. W. (1960). The norm of reciprocity: A preliminary statement. *American Sociological Review, 25,* 161–178.

Grandey, A. (2000). Emotional regulation in the work place: A new way to conceptualize emotional labor. *Journal of Occupational Health Psychology, 5,* 95–110.

Grandey, A. (in press). When the "show must go on": Surface acting and deep acting as determinants of emotional exhaustion and peer-rated service delivery. *Academy of Management Journal*.

Gutek, B. A., Bhappu, A. D., Liao-Troth, M. A., & Cherry, B. (1999). Distinguishing between service relationships and encounters. *Journal of Applied Psychology, 84,* 218–233.

Hatfield, E., Cacioppo, J. T., & Rapson, R. L. (1994). *Emotional contagion*. New York: Cambridge University Press.

Headley, D. E., & Miller, S. J. (1993). Measuring service quality and its relationship to future consumer behavior. *Journal of Health Care Marketing, 13,* 32–41.

Hochschild, A. R. (1983). *The managed heart: The commercialization of human feeling*. Berkeley: University of California Press.

Holbrook, M. B., & Gardner, M. P. (2000). Illustrating a dynamic model of the mood-updating process in consumer behavior. *Psychology & Marketing, 17,* 165–194.

Holbrook, M. B., & Hirschman, E. C. (1982). The experiential aspects of consumption: Consumer fantasies, feelings, and fun. *Journal of Consumer Research, 9,* 132–140.

Isen, A. M., & Shalker, T. E. (1982). The effect of feeling state on evaluation of positive, neutral, and negative stimuli: When you "accentuate the positive," do you "eliminate the negative"? *Social Psychological Quarterly, 45,* 58–63.

Isen, A. M., Shalker, T. E., Clark, M., & Karp, L. (1978). Affect, accessibility of material in memory, and behavior: A cognitive loop? *Journal of Personality and Social Psychology, 36,* 1–12.

Joreskog, K. G., & Sorbom, D. (1993). *LISREL 8 user's reference guide*. Chicago: Scientific Software.

Kelloway, E. K. (1996). Common practices in structural equation modeling. *International Review of Industrial and Organizational Psychology, 11,* 141–180.

Kurtz, D. L., & Clow, K. E. (1998). *Service marketing.* New York: Wiley.

Lindell, M. K., Brandt, C. J., & Whitney, D. J. (1999). A revised index of interrater agreement for multi-item ratings of a single target. *Applied Psychological Measurement, 23,* 127–135.

Matsumoto, D., & Ekman, P. (1989). American–Japanese cultural differences in intensity ratings of facial expressions of emotion. *Motivation and Emotion, 13,* 143–157.

Nyer, P. U. (1997). A study of the relationships between cognitive appraisals and consumption emotions. *Journal of the Academy of Marketing Science, 25,* 296–304.

Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1988). SERVQUAL: A multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing, 64,* 12–40.

Park, C. W., Iyer, E. S., & Smith, D. C. (1989). The effects of situational factors on in-store grocery shopping behavior: The role of store environment and time available for shopping. *Journal of Consumer Research, 15,* 422–433.

Pugh, S. D. (2001). Service with a smile: Emotional contagion in the service encounter. *Academy of Management Journal, 44,* 1018–1027.

Rafaeli, A., & Sutton, R. I. (1990). Busy stores and demanding customers: How do they affect the display of positive emotions? *Academy of Management Journal, 33,* 623–637.

Schmidt, F. L., Hunter, J. E., & Outerbridge, A. N. (1986). Impact of job experience and ability on job knowledge, work sample performance, and supervisory ratings of job performance. *Journal of Applied Psychology, 71,* 432–439.

Sherman, E., Mathur, A., & Smith, R. B. (1997). Store environment and consumer purchase behavior: Mediating role of consumer emotions. *Psychology & Marketing, 14,* 361–378.

Shrout, P. E., & Fleiss, J. L. (1979). Intraclass correlations: Uses in assessing rater reliability. *Psychological Bulletin, 86,* 420–428.

Skinner, B. F. (1953). *Science and human behavior.* New York: Macmillan.

Spies, K., Hesse, F., & Loesch, K. (1997). Store atmosphere, mood and purchasing behavior. *International Journal of Research in Marketing, 14,* 1–17.

Sutton, R. I. (1991). Maintaining norms about expressed emotions: The case of bill collectors. *Administrative Science Quarterly, 36,* 245–268.

Swinyard, W. R. (1993). The effects of mood, involvement, and quality of store experience on shopping intentions. *Journal of Consumer Research, 20,* 271–280.

Taylor, S. A., & Baker, T. L. (1994). An assessment of the relationship between service quality and customer satisfaction in the formation of customers' purchase intentions. *Journal of Retailing, 70,* 163–178.

Totterdell, P., Kellet, S., Teuchmann, K., & Briner, R. B. (1998). Evidence of mood linkage in work groups. *Journal of Personality and Social Psychology, 74,* 1504–1515.

Tsai, W. C. (2001). Determinants and consequences of employee displayed positive emotions. *Journal of Management, 27,* 497–512.

Van Maanen, J., & Kunda, G. (1989). Real feelings: Emotional expression and organizational culture. *Research in Organization Behavior, 11,* 43–103.

Wierzbicka, A. (1994). Emotion, language, and cultural scripts. In S. Kitayama & H. R. Markus (Eds.), *Emotion and culture: Empirical studies of mutual influence* (pp. 133–196). Washington, DC: American Psychological Association.

Winsted, K. F. (1997). The service experience in two cultures: A behavioral perspective. *Journal of Retailing, 73,* 337–360.

Yoo, C., Park, J., & Maclnnis, D. J. (1998). Effects of store characteristics and in-store emotional experiences on store attitude. *Journal of Business Research, 42,* 253–263.

Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing, 60,* 31–46.

Received March 20, 2001
Revision received January 24, 2002
Accepted January 30, 2002 ■