

Service Excellence by Inspired Frontline Employees

Abstract:

Retailers struggle to stay competitive without cutting payroll expenses for frontline employees (FLEs). Against rising cost pressure, they need to deliberate about how to achieve excellent service offerings without increasing costs. Therefore, retailers try to reengage with their customers by positioning themselves as providers of inspiring shopping experiences. FLEs are one important source of such inspiring shopping experiences. Indeed, recent findings in the literature have indicated that inspired FLEs pass on new ideas to customers. Inspired FLEs' new ideas help uncover customers' latent needs faster, solve service problems creatively, and promote adaptive service offerings. We administered an online survey to 248 FLEs and showed that FLE inspiration significantly mediates the effect of retailers' perceived service climate and structural empowerment on three FLE variables, namely empathy, anticipation, and creativity. These three variables precede adaptive service offerings.

Keywords: Frontline Employee Inspiration; Adaptive Service Offerings; Service Interactions

Track: Retailing & Omni-Channel Management