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Does Frontline Employees' Empowerment Make A Difference In Data Driven Services?

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Abstract

Purpose: In high contact services, customers anticipate a service offering that well meet their specific needs over a standardised service (Di Mascio 2010; Gwinner et al. 2005; Wilder et al. 2014). With the evolving big data (BD) driven services, service adaptation is becoming feasible (Rust and Huang 2014). Frontline employees' (FLEs) empowerment plays a vital role in service adaptation as it provides them organisational support to make decisions while they serve the customers (Chebat and Kollias 2000). The extant literature stresses that service adaptation contributes to customer satisfaction. However, there are very few studies that examined the role of empowerment on service adaptation (Brown et al. 2014; Kiron et al. 2014; Sony and Mekoth 2014). We conceptualise that internal marketing orientation (IMO) with BD derived insights about customers and competition enables the market sensing and customer linking capabilities (external marketing capabilities, EMC) of FLEs in service adaptation.

Research Approach: Based on a systematic literature review, we propose a conceptual model linking FLEs' empowerment, market sensing capability, customer linking capability and service adaptation.

Implications: The research extends the empowerment, IMO and service adaptation theories to high contact BD driven service contexts (Fang et al. 2014). The study contributes new knowledge about the relationships among empowerment, IMO/EMC and service adaptation. On a practical end, the investigation provides valuable insights to managers on how to orient the FLEs towards service adaptation in real time in BD driven service contexts. By virtue, the customers are becoming more informed due to BD; consequently, firms need to continually enhance the EMC of their FLEs.

Future Research: Adopting a mixed methods approach (Creswell 2014) , we plan to undertake semistructured interviews to confirm the model, and a survey of the FLEs serving in high contact BD driven service contexts to validate the model through a structural equation modelling (SEM) technique (Henseler et al. 2016).

Originality/Value: The research addresses one of the top 12 priorities identified for services research (Ostrom et al. 2015). The research creates new knowledge about the influence of FLEs empowerment on service adaptation in high contact BD driven services, and uniquely extends the empowerment, IMO/EMC and service adaptation. The research analyses the roles of FLEs and service typologies on service adaptation. The research contributes to the stream of BD within services research where major knowledge gap exists between research priorities and know-how. For practice, the study provides valuable insights to managers on how to orient their frontlines to manage the informed customer.

Disciplines

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Does Frontline Employees' Empowerment Make A Difference In Data Driven Services?

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Abstract

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Keywords:

Frontline Employee (FLE); Empowerment, Internal Marketing Orientation (IMO), Market Sensing Capability, Customer Linking Capability, External Marketing Capability (EMC), Service Adaptation, Big Data (BD), Frontline Employee Typology, Service Typology.

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