FRONTLINE EMPLOYEES' PERSONALITY TRAITS:

CUSTOMER PREFERENCES AND THE HOMOPHILY EFFECT

Sandra Streukens[1]

Hasselt University

Tor W. Andreassen[2]

BI Norwegian School of Management

[1]**Sandra Streukens** Hasselt University, Faculty of Business Economics, Department of Business Studies Agoralaan-Building D B-3590 Diepenbeek, Belgium. T: +32 11 26 8628 E: sandra.streukens@uhasselt.be.

[2]**Tor W. Andreassen** BI Norwegian School of Management, Department of Marketing Nydalsveien 37 N-0484 Oslo, Norway. T: +47 464 10525 E: tor.w.andreassen@bi.no.

FRONTLINE EMPLOYEES' PERSONALITY TRAITS:

CUSTOMER PREFERENCES AND THE HOMOPHILY EFFECT

ABSTRACT

Despite the agreement among researchers that the frontline employee (FLE) is crucial in creating value in retailing and other services, no empirical work exists that examines the customer's preferences regarding FLE personality traits. Building on leading work in personality and services research, our empirical study aims to gain insight in customer preferences for FLE personality traits. In particular, we assess whether customer preferences for FLE personality traits vary as a function of the customer's own personality ("homophily effect"), customer gender and the level of employee-customer interaction. The results provide strong support for the homophily in shaping customers' preferences for FLE personality traits. Furthermore, the homophily effect appears to be largely invariant across customer and service characteristics.

INTRODUCTION

The service-dominant logic identifies frontline employees (FLEs) as an important operant resource in co-creating and delivering customer value (Vargo and Lusch 2004; (Lusch, Vargo, and O'Brien 2007). In retailing and other services, the importance of FLEs in creating satisfied and loyal customers has been widely acknowledged in the literature (see for example Brown and Lam 2008; Gremler and Gwinner 2008; Netemeyer and Maxham 2007). Despite this emphasis on the crucial role of the frontline employee in value creation, knowledge pertaining to customers' preferences for service employees' personalities is at best scarce. This is somewhat surprising as the impact of improved personality match on customer satisfaction, customer life time value, and customer equity may be profound (van Dolen, de Ruyter, and Lemmink 2004; de Jong, Ruyter, and Lemmink 2004). In line with this gap in the literature, the aim of our research is to investigate customers' preferences for FLE personality traits. Specifically, we want to examine whether customer preferences for particular FLE personality traits vary as a function of the customer's own personality ("homophily effect") and whether these relationships are influenced by customer gender and the level of employee-customer interaction.

From a managerial point of view more insight in customers' preferences regarding employee personality traits is especially valuable as employee personality is related to service performance (Brown, Mowen, Donavan, and Licata, 2002), can be objectively measured as part of an employee selection procedure (Barrick and Mount, 2005), and provides insight in communicating the service (Harris and Fleming, 2005).

To assess the research objective stated above the remainder of this paper is organized as follows. First, we review the literature on the importance of employees in service delivery and on employee personality traits. Second, drawing upon the service management and personality

2

literature we develop a conceptual model and a set of hypothesis for the research objective at hand. Third, we describe the design and results of an empirical study performed to assess our hypotheses. Finally, we discuss our empirical results, touch upon the managerial implications that follow from our results, and focus on several limitations that might stimulate further research.

LITERATURE REVIEW

The Importance of Frontline Employees

By their very nature, services typically involve employees interacting with customers (Hurley, 1998). First, customer presence and/or participation makes the issue of service delivery more dependent on interpersonal interactions than is true for the production or goods (Schneider et al., 2003). Second, the issue of asymmetric information often associated with competence-based services and the tailor-making of many services increases the importance of the customer contact employees (Bitner and Hubbert 1994; Crosby, Evans, and Cowles 1990). As a consequence of this essential role of FLE-customer interaction in service delivery and value creation, the employee has a profound influence in shaping customers' service evaluations (Hurley 1998; Kelley, Donnelly, and Skinner, 1990). In fact, to most customers the FLE is the service. Following the logic underlying Heskett et al's (1994) Service Profit Chain, insight in the employee-customer personality interplay is therefore important to understand and manage as it may have a profound impact on the service firm's financial performance. As employers' decisions about the selection of employees are fundamental to the operations of the organization, selecting the right FLE for the job at hand is vital. This idea is also shared by Ford, Heaton, and

3

Brown (2001) who concluded that the selection and hiring of proper employees is an important success factor for service firms.

Frontline Employee Personality Traits

Personality traits are stable over time, they provide reasons for a person's behavior, and are psychological in nature (Williamson, Pemberton, and Lounsbury, 2005). As personality traits are expected to be consistent and stable over time, examining a person's personality profile is considered to be a useful predictor about his or her behavior across a variety of different (occupational) settings (Robertson and Callinan, 1998). In particular, Brown et al. (2002), Frei and McDaniel (1998), and Mount, Barrick, and Stewart (1998) document the criterion-related validity of service employee personality traits in explaining customer service behavior constructs. Furthermore, assessing personality traits in the selection and hiring of employees is relevant as personality differences explain a substantial additional amount of variance in behaviors at work that cannot be explained adequately by general mental ability, job knowledge, or the situation itself (Barrick and Mount, 2005).

With regard to the conceptualization of personality profiles, a significant degree of convergence has taken place in the literature and it is widely accepted that several key traits underlie human individual differences in personality. Previous work has shown that in particular the traits of conscientiousness, extraversion, agreeableness, and neuroticism (or its opposite emotional stability) are predictive of service worker performance (Hurley 1998; Mount et al. 1998; Liu & Chen 2006; Brown et al. 2002). The remainder of this paper will therefore focus on these four personality traits. Before turning to the development of the hypotheses predicting the

preferences customers have for specific employee personality traits, we first describe the four focal traits and explain how these traits are connected to relevant FLE behaviors in services.

Conscientiousness indicates an individual's degree of organization, persistence, hard work, and motivation in the pursuit of goal accomplishment (Costa and McCrae, 1992). Conscientiousness is positively related to being dependable (Colbert et al., 2004), hardworking, achievement-oriented, and persevering, and organized and precise (Lui and Chen 2006). Extraversion is associated with being sociable, gregarious, assertive, talkative, and active (Barrick and Mount, 1991), outgoing and a preference for being with people (Hurley, 1998). People who score high on extraversion tend to be cheerful, like people and large groups, and seek excitement and stimulation. People who score low on extraversion prefer to spend more time alone and are characterized as reserved, quiet, and independent (Costa and McCrae, 1992). Agreeableness assesses one's interpersonal orientation. Individuals high on agreeableness can be characterized as trusting, forgiving, caring, altruistic, and gullible. The high end of agreeableness represents someone who has cooperative values and a preference for positive interpersonal relationships. Someone at the low end of the dimension can be characterized as manipulative, self-centered, suspicious, and ruthless (Costa and McCrae, 1992). In work settings, agreeableness is positively related to being courteous, flexible, trusting, good-natured, cooperative, forgiving, soft-hearted, and tolerant (Barrick and Mount, 1991) and caring, patient, friendly, nice, and helpful (Hurley, 1998). Neuroticism represents individual differences in adjustment and emotional stability. Emotional stability or the evenness of a person's general emotional make-up (Brown et al., 2002), is the opposite of neuroticism. Individuals who are low on emotional stability (high on neuroticism) tend to experience a number of negative emotions including anxiety, hostility, depression, self-consciousness, impulsiveness, and vulnerability. People who

score high on emotional stability (low on neuroticism) can be characterized as self-confident, calm, even tempered, and relaxed (Costa and McCrae, 1992). In service settings, emotional stability is associated with positivity (Hurley, 1998) and relaxedness (Mount et al., 1998). In turn, emotional instability or neuroticism is linked to being moody and fluctuating emotions (Liu and Chen, 2006).

HYPOTHESIS DEVELOPMENT

A graphical overview of our conceptual model reflecting our hypotheses is provided in Figure 1 below.

INSERT FIGURE 1 ABOUT HERE PLEASE

The Homophily Effect

Drawing from self-categorization theory, the personality similarity effect hypothesis argues that people (e.g. in the role of customer) have a preference for people (e.g. in the role of FLE) similar to them in terms of the social category on which they base their identity (Strauss, Barrick, and Connerley, 2001). In sociology, this phenomenon is known as homophily ("love of the same")[3]. The literature proposes several reasons why similarity in interpersonal relationships is perceived to be attractive. First of all, similarity is attractive because shared beliefs result in

---

[3] The theory of homophily, defined by Lazarsfeld and Merton (1964), is that most human communication will occur between a source and a receiver who are alike (i.e., homophilous and have a common frame of reference). Homophily is the degree to which individuals in dyad are congruent or similar in certain attributes, such as demographic variables, beliefs and values (Touchey 1974). Tarde (1903) also noted that social relations are generally between individuals who resemble each other in occupation and education. Hetrophily is the degree to which pairs of individuals are different in certain attributes. Thus, heterophily is the opposite of homophily.

validation of one's views and fewer disagreements and conflicts among parties (Byrne, Griffitt, and Stefaniak, 1967). Second, in line with the work of Schaubroeck and Lam (2002), a customer prefers an employee that is perceived to be similar in terms of personality as this is likely to assure the customer that a service employee will behave as he wishes even when others means to control this are lacking. Third, relationships with similar others provide positive reinforcement. Morry (2005) offers three explanations for this reinforcement effect. First, according to the effectance-arousal model, positive and negative reinforcers (e.g. perceptions about similarity and dissimilarity respectively) serve as stimuli for customer evaluative judgments. Second, uncertainty reduction theory states that similarity creates a preferred state of predictability and reduced uncertainty. Third, as a result of increased ease of communication and reduced potential of conflict, similarity may directly contribute to enjoyable interactions.

In line with the notion that individuals have preferences for individuals who they perceive to be similar to them, we develop the following hypothesis regarding customers' preferences for FLE personality traits.

H1: Customers prefer a front line employee that is perceived to be similar to themselves in terms of personality traits, thus:

(a) There is a positive relationship between the customer's preference for a conscientious employee and the customer's own level of conscientiousness (homophily effect conscientiousness)

(b) There is a positive relationship between the customer's preference for an extravert employee and the customer's own level of extraversion (homophily effect extraversion)

(c) There is a positive relationship between the customer's preference for an agreeable employee and the customer's own level of agreeableness (homophily effect agreeableness)

(d) There is a positive relationship between the customer's preference for a emotionally stable employee and the customer's own level of emotional stability (homophily effect emotional stability)

7

Moderating Influence Employee-Customer Interaction Intensity

The extent to which an employee interacts with a customer varies across service types. As such, the influence of FLE characteristics and behavior on customer perceptions is higher in contexts where there is more contact between the employee and the customer, as opposed to situations where there is less contact between the two parties (Homburg and Stock, 2004). As customer preferences are stronger influenced by elements that are relevant to a successful service delivery episode (Schwer and Daneshvary, 2000) it can therefore be expected that in service contexts characterized by a high level of employee-customer interaction, customers have more distinct preferences regarding employees' personality traits. Consequently, we assume that the homophily effect is stronger for services with a higher level of employee-customer interaction.

H2:   Compared to services where there is a relatively low level of FLE-customer interaction,

(a) The homophily effect for conscientiousness is stronger for services characterized by a high level of front line employee-customer interaction.

(b) The homophily effect for extraversion is stronger for services characterized by a high level of front line employee-customer interaction.

(c) The homophily effect for agreeableness is stronger for services characterized by a high level of front line employee-customer interaction.

(d) The homophily effect for emotional stability is stronger for services characterized by a high level of front line employee-customer interaction.

Moderating Influence Customer Gender

Information-processing models argue that cognitive processing is required for judgments of similarity evolve (Strauss et al. 2001). Research on gender differences in information

processing (Meyers-Levy and Maheswaran 1991; Meyers-Levy and Sternthal 1991) and social behavior (Skitka and Maslach, 1990) reveals important differences between men and women. Compared to men, women are perceived to be more responsive to subtle cues, have a lower threshold for elaborative processing, and are more socially focused. In light of these gender differences we believe that women pay more attention to FLE personality traits and exhibit clearer preferences for FLE personality traits. Consequently, we hypothesize that the homophily effect if stronger for women than for men.

H3:   Compared to male customers,

    (a) The homophily effect for conscientiousness will be stronger for female customers

    (b) The homophily effect for extraversion will be stronger for female customers

    (c) The homophily effect for agreeableness will be stronger for female customers

    (d) The homophily effect for emotional stability will be stronger for female customers

Moderating Effect Employee-Customer Interaction Intensity* Customer gender

The higher the level of contact between service employee and customer, the more important the role of service process becomes in shaping customer evaluations (Goldstein 2003; Gwinner, Gremler, and Bitner 1998). Key service process quality indicators are related to the social interaction between customer and frontline employee (Mohr and Bitner, 1995). In turn, the development of interpersonal relationships and their perceived quality are determined significantly by respectively the personality traits of the individuals involved (Barrick et al. 1998) and their degree of personality similarity (Glaman, Jones, and Rozelle, 1996). Given that research shows that women attach more importance to the service process than men (Wharton and Erickson, 1995), we believe that the previously hypothesized moderating influence of interaction intensity (H2) and gender (H3) on the homophily effect strengthen each other.

Overall, this leads to the following hypothesis concerning a possible three-way interaction effect among gender, interaction intensity, and the homophily effect (H4).

H4   In services characterized by a high level of frontline employee-customer interaction

(a) The homophily effect for conscientiousness will stronger for women than for men

(b) The homophily effect for agreeableness will stronger for women than for men

(c) The homophily effect for extraversion will stronger for women than for men

(d) The homophily effect for emotional stability will stronger for women than for men

METHODOLOGY AND ANALYTICAL RESULTS

Sampling

The target population consisted of adult men and women of a North-European country who had experience with at least one of the services under study. More specifically, respondents were asked to state their FLE personality trait preferences for either a grocery store setting (representing a service context with low interaction intensity) or a hair-dressing setting (representing a service context with high interaction intensity). From this target population a quota sample was obtained consisting of 407 respondents in which all four combinations of gender (male-female) and level of interaction (low-high) were represented by approximately an equal number of respondents. Listwise deletion of respondents that did not fill out questions relating to one or more of the personality characteristics resulted in an effective sample size of 394 respondents, with n=98 for the male-low interaction combination, n = 97 for the male-high interaction combination, n=101 for the female-low interaction combination, and n=98 for the female-high interaction combination. Furthermore, the average age of the respondent is 34 years,

the median yearly gross income bracket is 36,000-54,000 USDollar, and 89.1% of the respondents had a finished education level of at least high school.

Measurement Instruments

So-called ultra-short Big Five scales were used to assess the customer's own personality and their preferences for FLE personality traits. The psychometric performance of these scales in terms of reliability and validity has been thoroughly assessed and has been found adequate in different studies like Denissen et al. (2008), Woods and Hampson (2005), and Gosling, Rentfrow, and Swann (2003). Woods and Hampson's (2005) SIMP scale was used to measure the customer's own personality traits. Whereas customer's FLE personality preferences were assessed using Gosling et al's (2003) TIPI. To adjust the TIPI scale to the context under study, a pretest of was conducted among 100 respondents and ultimately resulted in three items for FLE extraversion, 4 items for FLE agreeableness, 3 items for FLE conscientiousness, and 3 items for FLE emotional stability.

A confirmatory factor analysis (CFA) on customer preferences for FLE personality traits shows that the TIPI scale indeed possesses favorable psychometric properties. Unidimensionality of the scales was evidenced as the goodness of fit criteria exceeded their recommended cut-off level (GFI = 0.92; AGFI = 0.88; CFI = 0.91; RMSEA = 0.08). Furthermore, the composite reliability and the average variance extracted figures provided further evidence for, respectively, the reliability and convergent validity of the scales used in this study (FLE Extraversion: ρ = 0.82, ave = 0.60; FLE Agreeableness: ρ = 0.86, ave = 0.61; FLE Conscientiousness: ρ = 0.82, ave = 0.60; FLE Stability: ρ = 0.81, ave = 0.59). Finally, discriminant validity is established by comparing for each pair of constructs the squared correlation coefficients with the relevant

average variance extracted figures. Table 1 below provides an overview of the item level estimates obtained in the CFA as well as the descriptive statistics and correlations among the different variables used in this study.

PLEASE INSERT TABLE 1 ABOUT HERE

Hypotheses Testing

To empirically assess the hypothesized relationships a moderated regression analysis (MRA) was conducted for each of the different personality traits. To reduce the effects of multicollinearity due to the inclusion of interaction terms, the independent variables "gender" and "interaction intensity" were effect coded (Keppel, 1991). Two-way interaction terms were computed for each customer personality trait variable and gender and level of interaction respectively, as well as between gender and level of interaction. A three-way interaction term was constructed between gender, level of interaction, and the relevant personality trait. Overall, the hypothesized relationships are reflected by the equation.

$$PTE_i = \alpha_i + \beta_{1i}PTS_i + \beta_{2i}I + \beta_{3i}G + \beta_{4i}PTS_i \cdot I + \beta_{5i}PTS_i \cdot G + \beta_{6i}PTS_i \cdot I \cdot G + \varepsilon_i \qquad (1)$$

Where

PTE_i	=	Customer's preference for employee personality trait i
PTS_i	=	Customer's own evaluation for personality trait i
I	=	Dummy variable for intensity of customer-employee interaction
G	=	Dummy variable for customer's gender
i	=	Extraversion, Agreeableness, Conscientiousness, and Stability

12

The results of the MRAs are presented below in Table 2. Starting with an evaluation of the overall model fit, we can conclude that for each FLE personality trait a significant part of the variance is explained by the personality trait of the respondent, the level of interaction, the respondent's gender, and possible interaction effects among these variables.

PLEASE INSERT TABLE 2 ABOUT HERE

For all four personality traits, the hypothesized homophily effect is reflected in the data. This means that customers have a clear preference for FLEs they perceive to have a similar personality to their own personality. In decreasing order of magnitude the effects are as follows: conscientiousness ($\beta_{13} = 0.35; p < 0.01$), agreeableness ($\beta_{12} = 0.27; p < 0.01$), extraversion ($\beta_{11} = 0.25; p < 0.01$), and emotional stability ($\beta_{14} = 0.22; p < 0.01$). This implies that our hypothesis H1 is fully supported by the data.

Turning to hypothesis H2 regarding the influence of "level of interaction intensity" on the magnitude of the homophily effect we can conclude that this hypothesis can be rejected for all but one personality trait. More specifically, as evidenced by the significant result for the two-way interaction effect between the customer's own level of conscientiousness and the degree of employee-customer interaction ($\beta_{43} = 0.58; p = 0.05$), we can conclude that the homophily effect for conscientiousness is stronger for high contact services than for low contact services.

Concerning the impact of "gender" on the magnitude of the homophily effect as put forward in hypothesis H3, we only find significant results for the personality trait agreeableness.

As hypothesized, the homophily effect for agreeableness is stronger for women than for men ($\beta_{52} = 0.63; p = 0.03$).

As evidenced by the non-significant three-way interaction for each of the four personality traits, we conclude that the homophily effect in high contact services is similar for men and women.

In summary, table 3 below provides an overview of our results regarding the empirical assessment of the homophily effect as put forward in hypotheses H1-H4.

PLEASE INSERT TABLE 3 ABOUT HERE

DISCUSSION

Summary

The aim of this study was to extend our knowledge on the influence of FLE personality traits in service settings. The objective of this study was twofold. First, to empirically assess whether customer preferences for FLE personality traits vary as a function of customers' own personality (homophily effect). Second, to examine the moderating influence of customer gender and the intensity of employee-customer interaction on the hypothesized homophily effect.

Overall, our results indicate that the homophily effect hypothesis is supported for all four traits under study. These results clearly reveal that customers prefer to be served by an employee who is perceived to be similar to them in terms of conscientiousness, agreeableness, extraversion, and emotional stability. With two exceptions, which are to be discussed below, the

14

homophily effect is independent of the level of employee-customer interaction and customer gender.

Regarding customer's FLE personality preferences, customer gender only moderates the homophily effect for agreeableness. More specifically, the homophily effect for agreeableness is stronger for women. A possible explanation for the fact that this result is restricted to agreeableness may be found in social role theory which posits that gender differences in, and thus preferences for, personality traits reflect traditional gender roles in society. Costa, Terracciano, and McCrae (2001) show that agreeableness is indeed higher for women. An alternative explanation for the moderating effect of gender is offered by Iacobucci and Ostrom (1993), who state that women typically process information using a communal approach, implying that they are more orientated towards social relationships. With regard to explanation offered by Iacobucci and Ostrom (1993), agreeableness is known to have a favorable impact on social relationships as agreeable persons tend to deal with conflict cooperatively, strive for common understanding, and maintain social affiliations (Witt et al., 2002).

Regarding the moderating influence of the employee-customer interaction's intensity on customer's preferences for FLE personality traits we find that this effect is only supported to conscientiousness. In particular, the homophily effect for conscientiousness is stronger in high contact service settings. Conscientiousness relates stronger than other personality traits to phenomena that are indicative of favorable customer evaluative judgments in service settings. First of all, conscientiousness is related to job performance via motivational variables such self efficacy and goal setting. High levels of employee self efficacy are valued by customers as this represents increased levels of perseverance and effort in their encounters with customers (de Jong, de Ruyter, and Wetzels, 2006). This is especially relevant as customers seek to obtain

advice and information of the employee that requires an expertise they lack may explain this (Johnson and Zinkhan, 1991). In a sales context, Barrick, Mount, and Strauss (1993) demonstrate that employee goal setting is positively related to sales performance and supervisory ratings of job performance. Third, Mount and Barrick (1995) show that there is a strong positive relationship between conscientiousness and work quality. They attribute this link to the fact that more conscientious employees plan and organize their work and careful, thorough and detail oriented in both processes and outcome.

Contribution to Existing Literature

In relation to the existing literature, our study contributes to the body of knowledge in the following ways. Past research indicated that FLE personality traits are indeed significantly related to customer oriented behavior and service performance (Brown et al. 2002; Hurtz and Donovan, 2000). In particular, these studies stressed the importance of FLE conscientiousness, agreeableness, and emotional stability. In contrast to existing work, our study is to our best knowledge the first study that assesses customer preferences for FLE personality traits. In line with existing work, our results also support for the relevance of FLE conscientiousness and agreeableness. However, the extent to which these traits are needed to positively influence customer service evaluations seems to depend on the customers own personality traits (homophily effect conscientiousness agreeableness, conscientiousness), the customer's gender (strengthened homophily effect agreeableness for women) and the intensity of customer and employee interaction gender (strengthened homophily effect conscientiousness for higher levels of interaction). Finally, although the personality trait of extraversion is not found to be significantly related to service performance in previous studies (Hurtz and Donovan, 2000) our

study demonstrates that customers do have a preference for extravert employees when consider themselves as being extravert.

Managerial Implications

Overall, the empirical support for the importance of the homophily effect in the interaction between customer and service employees has several managerial implications in terms of the selection and training of service employees and the service companies' internal and external communication.

First of all, it is important to emphasize that regarding the homophily effect, it is the perceived similarity that matters rather than actual personality similarity per se (Ferris and Judge, 1991). As such support for the homophily or similarity-attraction effect underscores the importance of employee adaptability and behavioral mimicry in the interaction with customers. Besides the positive effect of employee adaptability and mimicry on customer evaluative judgments and customer persuasion (see also Maddux, Mullen, and Galinsky 2008; Tanner et al. 2008), it represents an interaction strategy that is easy to implement as it requires little training. Another strategy in line with the homophily effect companies can pursue is so-called "mirror imaging". This approach entails that when, for example, a young male customer enters the store he is approached by a young male FLE. Gallery Furniture, a large US retailer, uses this approach (Linville, 2001).

Second, in line with the support for the homophily effect, service companies could select employees who score high on self-monitoring skills. Snyder (1974) describes self-monitoring as the extent to which individuals differ meaningfully in the extent to which they can and do engage in the expressive control required for the creation of appropriate self-expressions. As such it can

be expected that people who score high on self-monitoring are also very well capable of displaying behavior that is in line with the ideas of employee adaptability and behavioral mimicry.

Third, the results provide insights that can be used in external marketing communications. According to Harris and Fleming (2005) the promotion of the service personality is an effective strategy to persuade customers. Based on this study, marketing communications could for example stress themes such as conscientiousness (e.g., "our employees strive for perfection"), agreeableness (e.g., "our cooperative staff), extraversion (e.g., "our active staff"), or stability (e.g., "our employees keep their heads cool"). Furthermore, following the principle of matching the message and mind in order to create more effective marketing communications (Labarbera, Weingard, and Yorkston, 1998), current technological advances provide an increasing number of opportunities to make use of the homophily effect in personalized messages.

Fourth, closely related to the use of personality traits in external marketing communication is use of personality traits in branding decisions. According to Aaker (1996) a strong brand represents a value strategic asset and the personality of the brand adds depth, feelings, and liking to the relationship between an organization and its customers. Insight in what customers value in terms of brand or service personality, may consequently provide precious information is building and managing strong service brands.

Finally, according to (Gremler, Bitner, and Evans, 1994) service employees can be viewed as internal service customers. Similar to service delivery to external customers, the interaction between an organization and its employees is a major determinant of the employees' evaluative judgments. Therefore, the results of this study are also valuable for designing internal

marketing communications. Besides setting an example of the desired employee service behavior, this is particularly relevant as satisfied internal customers are related to satisfied external customers, which turn drives financial performance (Heskett et al., 1994).

Limitations and Future Research

As with most research, this study is subject to limitations that may warrant further investigation. First of all, we examined customer's preferences for employee personality traits in two settings (i.e. grocery store and hairdresser) which both are retail service settings. Future research may be undertaken to test whether our findings hold in other service settings like B2B services as well. Second, the relationships found in this study may be moderated by situational factors such as price, relationship quality, and organizational characteristics. Exploring these possible moderator effects would enrich our knowledge on effectively managing the service encounter. Third, although our results reveal that customers have clear preferences regarding employee personality traits, it is not evident which specific behaviors related to the employees' personality actually underlie the customers' preferences. Fourth, it would be interesting to examine how customers incorporate experiences in terms of employee personality traits in their overall service evaluation and how this subsequently translated in behaviorally oriented constructs like loyalty and intention to recommend. Fifth, besides the Big Five personality traits several other employee traits like proactiveness and self-efficacy have been shown to influence employee behavior. Extending the research model by including these variables may yield more knowledge on which (potential) candidates are especially appropriate for service jobs.
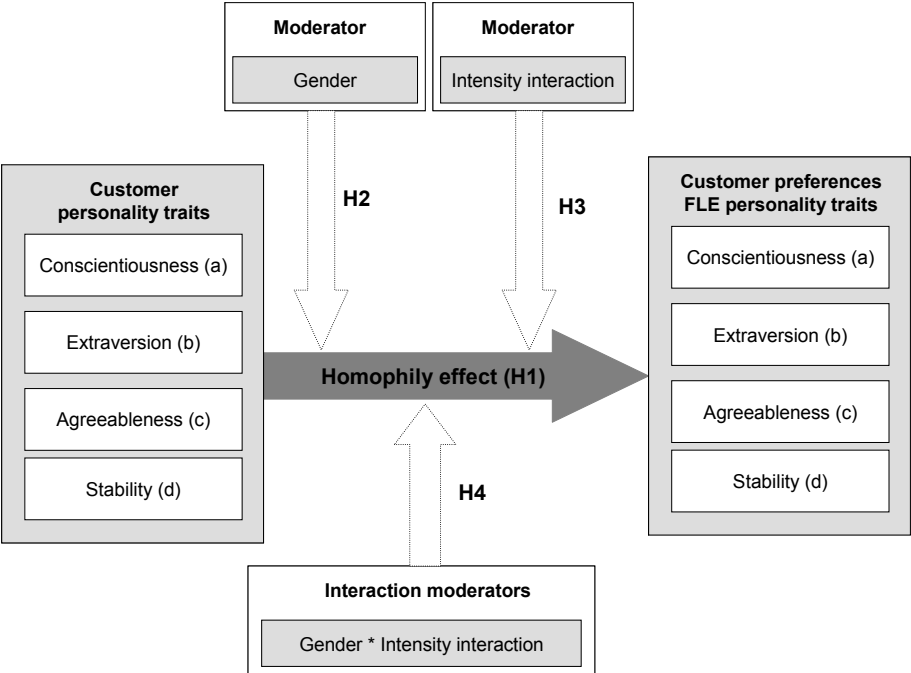
TABLE 1: ITEM LEVEL STATISTICS

		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	FLE Ext1	1																
2	FLE Ext2	0.50	1															
3	FLE Ext3	0.34	0.53	1														
4	FLE Agr1	0.34	0.46	0.41	1													
5	FLE Agr2	0.32	0.48	0.34	0.66	1												
6	FLE Agr3	0.34	0.36	0.30	0.42	0.59	1											
7	FLE Agr4	0.30	0.27	0.39	0.29	0.37	0.37	1										
8	FLE Con1	0.28	0.34	0.34	0.35	0.46	0.40	0.53	1									
9	FLE Con2	0.40	0.35	0.29	0.28	0.37	0.38	0.34	0.45	1								
10	FLE Con3	0.25	0.34	0.36	0.24	0.33	0.33	0.42	0.45	0.53	1							
11	FLE Sta1	0.19	0.27	0.36	0.24	0.27	0.26	0.35	0.27	0.25	0.32	1						
12	FLE Sta2	0.22	0.26	0.29	0.17	0.28	0.25	0.38	0.36	0.32	0.38	0.47	1					
13	FLE Sta3	0.17	0.24	0.28	0.20	0.25	0.27	0.33	0.32	0.31	0.36	0.44	0.48	1				
14	Self Ext	0.19	0.18	0.30	0.18	0.12	0.11	0.13	0.12	0.11	0.14	0.20	0.09	0.12	1			
15	Self Agr	0.30	0.28	0.30	0.21	0.23	0.22	0.26	0.18	0.18	0.28	0.25	0.12	0.26	0.52	1		
16	Self Con	0.20	0.24	0.30	0.21	0.26	0.18	0.23	0.21	0.23	0.41	0.23	0.26	0.28	0.30	0.57	1	
17	Self Sta	0.15	0.26	0.18	0.21	0.25	0.15	0.13	0.09	0.12	0.11	0.19	0.14	0.16	0.36	0.27	0.21	1
	Loading	0.59	0.80	0.66	0.72	0.84	0.68	0.51	0.68	0.68	0.70	0.65	0.72	0.67				
	t-value	9.62	11.45		9.25	9.80	9.98		11.26	11.19		9.83	10.32					
	Mean	4.25	3.94	3.82	3.80	4.06	4.04	4.44	4.46	3.64	4.01	4.05	3.82	4.10	4.09	4.19	4.27	4.06
	S.D.	0.98	1.00	0.96	1.08	0.95	0.97	0.77	0.72	1.05	0.94	0.89	0.92	0.92	0.76	0.68	0.74	0.77

TABLE 2: EMPIRICAL RESULTS MODERATED REGRESSION ANALYSIS

DEPENDENT VARIABLE	INDEPENDENT VARIABLES	B	β	T-VALUE	P-VALUE
FLE extraversion	Constant term	2.94		14.64	<0.01
$R^2_{adj} = 0.16$	Self-extraversion	0.26	0.25	5.40	<0.01
$F_{7,386} = 11.614$ ($p < 0.001$)	Context	-----	-----	-----	-----
	Gender	-----	-----	-----	-----
	Self-extraversion * Context	-----	-----	-----	-----
	Self-extraversion * Gender	-----	-----	-----	-----
	Self-extraversion * Context * Gender	-----	-----	-----	-----
FLE agreeableness	Constant term	2.85		13.54	<0.01
$R^2_{adj} = 0.22$	Self-agreeableness	0.29	0.27	5.88	<0.01
$F_{7,386} = 16.576$ ($p < 0.001$)	Context	-----	-----	-----	-----
	Gender	0.35	0.48	1.66	0.09
	Self-agreeableness * Context	-----	-----	-----	-----
	Self-agreeableness * Gender	0.11	0.63	2.20	0.03
	Self-agreeableness * Context * Gender	-----	-----	-----	-----
FLE conscientiousness	Constant term	2.56		11.77	
$R^2_{adj} = 0.12$	Self- conscientiousness	0.35	0.35	6.93	
$F_{7,386} = 8.792$ ($p < 0.001$)	Context	0.39	0.53	1.77	0.08
	Gender	-----	-----	-----	-----
	Self- conscientiousness * Context	0.10	0.58	1.98	0.05
	Self- conscientiousness * Gender	-----	-----	-----	-----
	Self- conscientiousness * Context * Gender	-----	-----	-----	-----
FLE stability	Constant term	3.15		16.18	<0.01
$R^2_{adj} = 0.07$	Self- stability	0.21	0.22	4.398	<0.01
$F_{7,386} = 4.004$ ($p < 0.001$)	Context	-----	-----	-----	-----
	Gender	-----	-----	-----	-----
	Self- stability * Context	-----	-----	-----	-----
	Self- stability * Gender	-----	-----	-----	-----
	Self- stability * Context * Gender	-----	-----	-----	-----

TABLE 3: OVERVIEW RESULTS HOMOPHILY EFFECT

		Extraversion	Agreeableness	Conscientiousness	Emotional Stability
H1	Homophily effect	Supported	Supported	Supported	Supported
H2	Moderator effect "Homophily effect * Interaction intensity"	Not supported	Not supported	Supported	Not supported
H3	Moderator effect "Homophily effect * Customer gender"	Not supported	Supported	Not supported	Not supported
H4	Interaction effect moderators "Homophily effect * Interaction intensity * Customer gender"	Not supported	Not supported	Not supported	Not supported

REFERENCES

Aaker, Jennifer L. (1999). "Dimensions of Brand Personality," *Journal of Marketing Research*, 36(1): 347-356.

Barrick, Murray R. and Michael K. Mount (2005). "Yes, Personality Matters: Moving on to More Important Matters," *Human Performance*, 18(4): 359-372.

Barrick, Murray R. and Michael K. Mount (1991). "The Big Personality Dimensions and Job Performance: A Meta-Analysis," *Personnel Psychology*, 44(1): 1-26.

Bitner, Mary Jo and Amy R. Hubbert (1994). "Encounter Satisfaction versus Overall Satisfaction versus Quality: The Customer's Voice," Pp. 72-94 in *Service Quality: New Directions in Theory and Practice,* Roland T. Rust and Richard L. Oliver, (eds). Thousand Oaks, CA: Sage Publications.

Brown, Steven P. and Son K. Lam (2008). "A Meta-Analysis of Relationships Linking Employee Satisfaction to Customer Responses," *Journal of Retailing*, 84(3): 243-255.

Brown, Tom J., John C. Mowen, D. Todd Donavan and Jane W. Licata (2002). "The Customer Orientation of Service Workers: Personality Trait Effects on Self-and Supervisor Performance Ratings," *Journal of Marketing Research*, 39(1): 110-119.

Byrne, Donn, William Griffitt and Daniel Stefaniak (1967). "Attraction and Similarity of Personality Characteristics," *Journal of Personality and Social Psychology*, 5(1): 82-90.

Colbert, Amy E., Michael K. Mount, James K. Harter, L. Alan Witt and Murray R. Barrick (2004). "Interactive Effects of Personality and Perceptions of the Work Situation on Workplace Deviance," *Journal of Applied Psychology*, 89(4): 599-609.

Costa, Paul T. and Robert R. McCrae (1992). *Revised NEO Personality Inventory (NEO PI-R) and NEO Five-Factor Inventory (NEO-FFI): Professional Manual*, Odessa, FL: Psychological Assessment Resources.

Costa, Paul T., Antonio Terracciano and Robert R. McCrae (2001). "Gender Differences in Personality Traits Across Cultures: Robust and Surprising Findings," *Journal of Personality and Social Psychology*, 81(2): 322-331.

Crosby, Lawrence A., Kenneth R. Evans and Deborah Cowles (1990). "Relationship Quality in Services Selling: An Interpersonal Influence Perspective," *Journal of Marketing*, 54(3): 68-81.

de Jong, Ad, Ko de Ruyter and Jos Lemmink (2004). "Antecedents and Consequences of the Service Climate in Boundary-Spanning Self-Managing Service Teams," *Journal of Marketing*, 68(2): 18-35.

de Jong, Ad, Ko de Ruyter and Martin Wetzels (2006). "Linking Employee Confidence to Performance: A Study of Self-Managing Service Teams," *Journal of the Academy of Marketing Science*, 34(4): 576-587.

Denissen, Jaap J., Rinie Geenen, Maarten Selfhout and Marcel A.G. van Aken (2008). "Single-item Big Five Ratings in a Social Network Design," *European Journal of Personality*, 22(1): 37-54.

Ferris, Gerald R. and Timothy A. Judge (1991). "Personnel/Human Resources Management: A Political Influence Perspective," *Journal of Management*, 17(2): 447-488.

Ford, Robert C., Cherrill Heaton and Stephen W. Brown (2001)."Delivering Excellent Service: Lessons from the Best Firms," *California Management Review*, 44(1): 39-56.

Frei, Richard L. and Michael A. McDaniel (1998). "Validity of Customer Service Measures in Personnel Selection: A Review of Criterion and Construct Evidence," *Human Performance*, 11(1): 1-27.

Glaman, Joan M., Allan P. Jones and Richard M. Rozelle (1996). "The Effects of Co-Worker Simiilarity on the Emergence of Affect in Work Teams," *Group & Organization Management*, 21(2): 192-215.

Goldstein, Susan M. (2003). "Employee Development: An Examination of Service Strategy in a High-Contact Service Environment," *Production and Operations Management*, 12(2): 186-203.

Gosling, Samuel D., Peter J. Rentfrow and William B. Swann (2003). "A Very Brief Measure of the Big-Five Personality Domains," *Journal of Research in Personality*, 37(6): 504-528.

Gremler, Dwayne D., Mary Jo Bitner and Kenneth R. Evans (1994). "The Internal Service Encounter," *International Journal of Service Industry Management*, 5(2): 34-56.

Gremler, Dwayne D. and Kevin P. Gwinner (2008). "Rapport-Building Behaviors Used by Retail Employees," *Journal of Retailing*, 84(3): 308-324.

Gwinner, Kevin P., Dwayne D. Gremler and Mary Jo Bitner (1998). "Relational Benefits in Services Industries: The Customer's Perspective," *Journal of the Academy of Marketing Science*, 26(2): 101-114.

Harris, Eric G. and David E. Fleming (2005). "Assessing the Human Element in Service Personality Formation: Personality Congruency and the Five Factor Model," *Journal of Services Marketing*, 19(4): 187-198.

Heskett, James L., Thomas O. Jones, Gary W. Loveman, W. Earl Sasser, Jr. and Leonard A. Schlesinger (1994). "Putting the Service Profit Chain to Work,". *Harvard Business Review*, 72(2): 164-170.

Homburg, Christian and Ruth M. Stock (2004). The Link between Salespeople's Job Satisfaction and Customer Satisfaction in a Business-to-Business Context: A Dyadic Analysis," *Journal of the Academy of Marketing Science*, 32(2): 144-158.

Hurley, Robert F. (1998). "Customer Service Behavior in Retail Settings: A Study of the Effect of Service Provider Personality," *Journal of the Academy of Marketing Science*, 26(2): 115-127.

Hurtz, George M. and John J. Donovan (2000). "Personality and Job Performance: the Big Five Revisited," *The Journal of applied psychology*, 85(6): 869-879.

Iacobucci, Dawn and Amy L. Ostrom (1993). "Gender Differences in the Impact of Core and Relational Aspects of Services on the Evaluation of Service Encounters," *Journal of Consumer Psychology*, 2(3): 257-286.

Johnson, Madeline and George M. Zinkhan (1991). "Emotional Responses to a Professional Service Encounter," *Journal of Services Marketing*, 5(2): 5-16.

Kelley, Scott W., James H. Donnelly, Jr. and Steven J., Skinner (1990). "Customer Participation in Service Production and Delivery," *Journal of Retailing*, 66(3): 315-335.

Keppel, Geoffrey (1991). *Design and analysis: A researcher's Handbook*, Upper Saddle River, NJ: Prentice-Hall.

Labarbera, Priscilla A., Peter Weingard and Eric A. Yorkston (1998). "Matching the Message to the Mind: Advertising Imagery and Consumer Processing Styles" *Journal of Advertising Research*, 38(5): 29-30.

Lazarsfeld, Paul, F. and Robert K. Merton (1954). "Friendship as a Social Process: A Substantive and Methodological Analysis," Pp. 18-66 in *Freedom and Control in Modern Society*, Monroe Berger, Theodore Abel, and Charles H. Page (eds). New York, NY: Octagon Books.

Linville, Jeff (2001). "Don't Drop Babies - Or Customers," *Furniture Today*, 26(1): 36.

Liu, Chu-Mei and Kuang-Jung Chen (2006). "Personality Traits as Antecedents of Employee Customer Orientation: A Case Study in the Hospitality Industry," *International Journal of Management*, 23(3): 478-485.

Maddux, William. W., Elizabeth Mullen and Adam D. Galinsky (2008). "Chameleons Bake Bigger Pies and Take Bigger Pieces: Strategic Behavioral Mimicry Facilitates Negotiation Outcomes,". *Journal of Experimental Social Psychology*, 44(2): 461-468.

McCrae, Robert R. and Paul T. Costa (1989). "Reinterpreting the Myers-Briggs Type Indicator From the Perspective of the Five-Factor Model of Personality," *Journal of Personality*, 57(1): 17-40.

Meyers-Levy, Joan and Darairaj Maheswaran (1991). "Exploring Differences in Males' and Females' Processing Strategies," *Journal of Consumer Research*, 18(1): 63-70.

Meyers-Levy, Joan and Brian Sternthal (1991). "Gender Differences in the Use of Message Cues and Judgments," *Journal of Marketing Research*, 28(1): 84-96.

Mohr, Lois A. and Mary Jo Bitner (1995). "The Role of Employee Effort in Satisfaction with Service Transactions," *Journal of Business Research*, 32(3): 239-252.

Morry, Marian M. (2005). "Relationship Satisfaction as a Predictor of Similarity Ratings: A test of the Attraction-Similarity Hypothesis,". *Journal of Social and Personal Relationships*, 22(4): 561-584.

Mount, Michael K., Murray R. Barrick and Greg L. Stewart (1998). "Five-Factor Model of personality and Performance in Jobs Involving Interpersonal Interactions," *Human Performance*, 11(2&3): 145-165.

Netemeyer, Richard G. and Maxham, James G. (2007). "Employee versus Supervisor Ratings of Performance in the Retail Customer Service Sector: Differences in Predictive Validity for Customer Outcomes," *Journal of Retailing*, 83(1): 131-145.

Robertson, Ivan and Militza Callinan (1998). "Personality and Work Behaviour" *European Journal of Work and Organizational Psychology*, 7(3): 317-336.

Schaubroeck, John and Simon S. K.Lam (2002). "How Similarity to Peers and Supervisor Influences Organizational Advancement in Different Cultures," *Academy of Management Journal*, 45(6): 1120-1136.

Schneider, Benjamin, Ellen G. Godfrey, Seth C. Hayes, Mina Huang, Beng-Chong Lim, Lisa H. Nishii, Jana L. Raver and Jonathan C. Ziegert (2003). "The Human Side of Strategy: Employee Experiences of Strategic Alignment in a Service Organization," *Organizational Dynamics*, 32(2): 122-141.

Schwer, R. Keith and Rennae Daneshvary (2000). "Keeping Up One's Appearance: Its Importance and the Choice of Type of Hair-Grooming Establishment. *Journal of Economic Psychology*, 21(2): 207-222.

Skitka, Linda J. and Christina Maslach (1990). "Gender Roles and the Categorization of Gender-Relevant Behavior," *Sex Roles*, 22(3): 133-150.

Snyder, Mark (1974). Self-Monitoring of Expressive Behavior. *Journal of Personality and Social Psychology*, 30(4): 526-537.

Strauss, Judy P., Murray R. Barrick and Mary L. Connerley (2001). "An Investigation of Personality Similarity Effects (Relational and Perceived) on Peer and Supervisor Ratings and the

Role of Familiarity and Liking," *Journal of Occupational and Organizational Psychology*, 74(5): 637-657.

Tanner, Robin J., Rosselina Ferraro, Tanya L. Chartrand, James R. Bettman and Rick Van Baaren (2008). "Of Chameleons and Consumption: The Impact of Mimicry on Choice and Preferences," *Journal of Consumer Research*, 34(6): 754-766.

Tarde, Gabriel (1903). *Laws of Imitation*, New York, NY: Henry Holt and company.

Touchey, John C. (1974). "Situated Identities, Attitude Similarity, and Interpersonal Attraction", *Sociometry*, 37(3): 363-374.

van Dolen, Willemijn, Ko de Ruyter and Jos Lemmink (2004). "An Empirical Assessment of the Influence of Customer Emotions and Contact Employee Performance on Encounter and Relationship Satisfaction," *Journal of Business Research*, 57(4): 437-444.

Vargo, Stephen L. and Robert F. Lusch (2004), "Evolving to a New Dominant Logic for Marketing," *Journal of Marketing*, 68(1): 1-17.

Wharton, Amy S. and Rebecca J. Erickson (1995). "The Consequences of Caring: Exploring the Links between Women's Job and Family Emotion Work," *The Sociological Quarterly*, 36(2): 273-296.

Williamson, Jeanine M., Anne E. Pemberton and John W. Lounsbury (2005). "An Investigation of Career and Job Satisfaction in Relation to Personality Traits of Information Professionals," *The Library Quarterly*, 75(2): 122-141.

Witt, L. Alan, Lisa A. Burke, Murray R. Barrick and Michael K. Mount (2002). "The Interactive Effects of Conscientiousness and Agreeableness on Job Performance," *Journal of Applied Psychology*, 87(1): 164-169.

Woods, Stephen A. and Sarah E. Hampson (2005). "Measuring the Big Five with Single Items using a Bipolar Response Scale," *European Journal of Personality*, 19(5): 373-390.