ORIGINAL ARTICLE

AN EMPIRICAL STUDY OF EMOTIONAL LABOR ON CUSTOMER LOYALTY INTENTIONS WITH MEDIATING ROLE OF PERCEIVED SERVICE QUALITY IN BANKING SECTOR

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ABSTRACT – The study aimed to investigate the relationship between emotional labor strategies and customer loyalty intentions with mediating role of perceived service quality between them. A theoretical model was developed to test the association among emotional labor strategies (surface acting and deep acting), customer loyalty intentions and perceived service quality. A causal research design was employed, while quantitative data provided support for the hypotheses from participants of 350 bank customers recruited by convivence sampling in Malakand division KP, Pakistan. The results demonstrated that emotional labor strategies i.e., deep acting and surface acting differentially affect customers' loyalty intentions. Likewise, the effect of deep acting on customer loyalty intentions is comparatively more than the effect of surface acting. Furthermore, perceived service quality significantly mediates the relationship between emotional labor and customer loyalty. The findings of this study suggest that employers need to regulate deep acting instead of surface acting among employees to gain long term customer loyalty. Therefore, the efforts to build long term customer relationship by customer loyalty might effectively be accomplished. Despite contribution this study has few limitations. first the collected data of this study is not from all provinces of pakistan, because of large geographical dispersion and less financial resources. Second the less understanding of respondents about study variables such as emotional labor and service quality. Third, the study is limited to customers and employs quantitative research method. To understand the topic more holistically and thoroughly explanatory mixed-method research approach and data from both customer and employees will be required. Future studies may consider these limitations as a gap for further research.

Introduction

Service industry recognized as an important sector which empowers transformation of socio-economic conditions around the globe. The Motivation for research in quality services era has been understood to make it representation, acceptable to customers and competitive in the global markets (Su et al., 2021). Increasing consideration of researchers towards perceived service quality PSQ and customer outcomes specifically customer loyalty intentions CLI has motivated managers of business world into action and as a result these efforts marked improvements in many services quality. Similarly, in Pakistan research in services industry gain a wide attention since agriculture industry wasn't capable of economy stabilization in last decade (Abdullah et al., 2021). Accordingly, the World Bank 2020 economic report demonstrate that services industry in Pakistan covers a foremost portion of economic activity having 56% contribution in GDP (Mufti & Ali, 2021).

Arlie Russell Hochschild (1979) firstly explained the term 'emotional labor' (Ward, 2019). Airline industry was her research area; she measured and tested the study of emotional labor by the flight attendants. As this concept was firstly explained by Hochschild, most of the researchers like (Brotheridge & Grandey, 2002; Huppertz et al., 2020; Dewaele & Wu, 2021; Li et al., 2021) have contributed further to refine the concept and the strategies regarding emotional labor. Hochschild suggests that employee's emotion regulation to comply with organizational norms as "emotional labor", Emotional labor as "the management of feeling to create a publicly observable facial and bodily display; emotional labor is sold for a wage and therefore has exchange value" (Ward, 2019). Similarly, Hochschild, n.d. further present two dimensions of emotional labor. One is surface acting SA which includes emotions of employee's that is actually not felt, even by changing their external expressions i.e., tone of the voice, Body gestures and facial expression. Second one is deep acting happens when the feeling of employees is not able to match with the situation; they therefore get help from their past experiences and trainings to propagate expected emotions (Hochschild, n.d.).

Perceived service quality PSQ is mediate variable in proposed model because of its importance in services providing organizations. PSQ refers to customer perception or impression of superiority regarding service, its technical and

functional quality (Abdullah et al., 2021). As customer's loyalty to a service and frontline employee's performance bridges by service quality (Heskett et al., n.d.), To conduct study banking sector is best option for authenticity because of frontline employee's and his direct interaction with customers. Furthermore, researcher will investigate perceived service quality mediating role on two dimensions of emotional labor (employee deep and surface acting) with relation to customer loyalty intentions.

Customer loyalty intentions are term related to customer repeat buying intentions or the relationships which are long-term among the customers and service businesses (Zeithaml et al., 1996). Mean that customer with high perceived service quality and perceived employees' orientation will try to sustain relation with company and make repeat or post purchases. Regarding to banking sector; researcher have taken two propose variables which is emotional labor (employee deep acting and surface acting) and services quality perceived as a core value for customer loyalty intentions in banking sector. As all these propose variables properly existing in banking sector, researcher is interested to conduct study in banking sector because very direct link among employees, service quality and customers.

Plenty of research work has been contributed which indicates the link and association among the selected variables leading to different models and the moderating factors effecting from different services organizations in various countries. Little evidence is available from banking sector in proposed linear model. Especially in Pakistan with specific concentration of KPK, northern area no study has been discussed regarding proposed model.

litrature review

Emotional Labor

Since emotional labor concept introduced by Arlie Russell Hochschild, to refine concept of emotional labor researchers Brotheridge & Grandey, (2002) put efforts. According to them, emotional labor is "the process of regulating both feelings and expressions for organizational goals". Moreover, emotional labor has two strategies such as deep acting and surface acting. Surface acting comprises simulating emotions of employees actually that are not felt, even if external appearances changed such as gestures, facial expression or voice tone, during service interaction when regulating company required or desired emotions. By means of the Surface acting mechanism, outward expression of emotion alters by employees to alter inner feelings in the service interaction with customer, By altering bodily or facial expressions i.e., bowed head, of drooping mouth, slumped shoulders, internal emotional state can be changed to a resultant corresponding expression. Surface acting refers to changing the outer expression of emotions without changing the underlying felt emotions (Brotheridge & Grandey, 2002).

Deep acting occurs when employees' feelings do not fit the situation; they then use their training or past experience to work up appropriate emotions. Deep acting implies deep emotional and cognitive change that can be felt before its suppression and display. Primary purpose of this mechanism is to maintain balance between displayed emotions with felt emotions (Brotheridge & Grandey, 2002). Thus, employee has to change its inside feelings and emotions to regulate the required and directed emotional display by organization (Zapf et al., 1999). So employees regulating deep acting should consider the use different things e.g. images, thoughts, and past memory to practice desired emotion (Konijn, 2000). One study found that that deep acting of employee is an emotion regulation technique that is totally antecedent-focused (Gross & John, 2003).

Association Between Surface Acting and Customer Loyalty Intentions

The effect of emotional labor surface acting on customer loyalty intentions need investigation to be deliberate in the form of literature. To be specific Emotional labor mechanisms like surface acting can be useful for the advantage of workforces. Lo & Huang, (2017) specified such strategies adopting for the customer loyalty should be the core objective. The purpose of this statement is that "emotional labor, to deal with management of emotions, it should be the first priority in the mind of employee to create high level impression of company and services in the customer mind" (Hasford et al., 2015). For further consideration and attention, study would underscore studies to comprehend that how emotional labor surface acting influences on customer loyalty intentions are precisely positioned. Therefore, to understand customer loyalty intentions is important to be investigated, there is a foremost school of thought that elaborate its effect upon customer loyalty intentions. According to that school of thought surface acting strategy has capability to increase and enhance customer loyalty intentions (Wessel & Steiner, 2014). To strengthen this thought foundation claim that though internal emotions of employee may not be calm but they pretend to show external impression and expression of loyalty and calmness while deals customer.

Association Between Deep Acting and Customer Loyalty Intentions

Conclusion of studies conducted previously in the body of present literature, specifically about the deep acting effect on customer loyalty intentions are more directed to a conclusion which is very familiar than effect of surface acting on customer loyalty intentions. Because examined evidence from high number of literatures clearly recommends that deep acting and customer loyalty are related positively to each other throughout service interaction. Employees whose uses deep acting during interaction of services with customer, expectations of their customers will fulfill and meet having higher chances of loyalty intentions (X. (Roy) Zhao et al., 2014). According to Grant, (2012) for customer loyalty deep acting might not be an automatic mechanism, although there is more chances that customers may incline to express disloyalty with those employees who are uses this mechanism with less expected performance. Furthermore, to strengthen such understanding, Lo & Huang, (2017) stated that in emotional managing mechanisms deep acting is more

comprehensive and different. The comprehensiveness of deep acting need numerous physical and emotional actions having various cognitive strategies for instance empathic imagery, dissociation, control or no instruction and reflections (Huang & Lin, 2021).

Emotional Labor Strategies and Perceived Service Quality

Surface acting and deep acting is positively associated to perceived service quality. Previously a study shown that emotional labor positive expressions is associated to service quality, including evaluations and tips of service quality (Kleef & Côté, 2021). Therefore, when employees display organization desired and precise emotional impression to influence customer, customer will detect and notice employee's emotional expression as part of service quality. To enhance service quality companies thought deep acting, because it shows emotional expressions that perceived sincere by customers. While trying to understand the customer's perspective deep acting may also involve, which shows emotional expression is sincere and positive and that met the needs of the customers. To support this perspective, association found between emotional labor strategies and service quality in a study has an (Restubog et al., 2020).

Customer loyalty intentions to Perceived service quality

The fact that the perceived quality of the services is becoming the most important competition factor in business world has been the reason of naming the present business era as "Quality Era" (Sambo et al., 2021). Providing service quality means consistently conforming customer expectations (Wah et al., 2020). Emotional labor also related to key dimensions of service quality such as assurance ("employees instill confidence"), responsive- ness ("employees are willing to help you"), and reliability ("employees show a sincere interest"), (Amperawati et al., 2020).

Providing customers with perceived value or customer loyalty is widely recognized as a means of improving loyalty intentions and actual retention (Parr & Kim, 2020). However, research demonstrates that these relationships are potentially complex and dynamic and that the drivers of intentions change and evolve over time (Goić et al., 2021).

Consumer's intent to stay with an organization having post purchase buying behavior is customer loyalty (Ahsan Athar et al., 2021). Those who have a low relative attitude toward the organization but are constrained to repeat purchase with genuinely loyal customers (Saini & Singh, 2020). Taking a behavioral intentions perspective of loyalty rather than a behavioral or repeat purchase perspective avoids confusing spurious loyal. It represents a commitment by the customer to purchase more and varied products from the focal organization and to help it, where possible, to succeed (e.g., through word-of-mouth recommendations) (Ahsan Athar et al., 2021).

We define service quality according to its two forms identified by (Abrar et al., n.d.). Technical service quality refers to the quality of the service output (Sharma & Patterson, 1999). Functional service quality relates to the nature of the interaction between the service provider and customer and the process by which the core service is delivered.

Hypothesis

On the basis of the literature, the following hypotheses have been developed:
H1. There is a significant relationship between employee deep acting and customer loyalty intentions.
H2. There is a significant relationship between employee deep acting and Perceived service quality.
H3. Perceived service quality has significant relationship with customer loyalty intentions.
H4. There is a significant relationship between employee surface acting and customer loyalty intentions.
H5. Employee surface acting has significant relationship with perceived service quality.
H6. Perceived service quality has significant mediating role on the relationship between employee deep acting and customer loyalty intentions.
H7. Perceived service quality has significant mediating role on the relationship between employee surface acting and customer loyalty intentions.

Theoretical perspective of emotional labor and customer loyalty intentions

There are different theories which support proposed model of emotional labor and customer loyalty intentions but in some extent of variables. One school of thought has postulated the following theory on emotional labor and customer loyalty intentions and this theory are given bellow.

Affective event theory

Affective event theory (AET) model is developed by organizational psychologist Howard M. Weiss in 1996, to explain how employee emotional labor and moods effect on their work performance and customer satisfaction (J. L. Zhao et al., 2019). The model also explains the relationship between employees' internal influences such as cognitions, emotions, mental states, and their actions to incidents that occur in their work environment which make effect on their performance and customer loyalty intentions. Moreover, the theory proposes that affective work behaviors are explained by moods of employees and their emotions while cognitive base behavior is the best predictors of customer satisfaction. In addition, this theory also proposes that positive inducing like a uplifts as well as negative inducing like hassles or emotional incidents at work and have distinguishable significant psychological impact on worker performance and customer loyalty.

(Weiss et al., n.d., 1996), demonstrated that affective event theory that emphasizes organizational events as proximal causes of work context, affective reactions like organizational or supervisory support influence not only affective states

such as anger, anxiety, unhappiness and tiredness but also behavioral reactions of service employees such as emotional labor, customer loyalty intentions and perceived service quality.

Weiss et al., n.d., (1996) viewed that understanding emotional labor at work has significantly helped by a model called affective event theory. Affective event theory suggest that employees react emotional to things that happen to them at work and that this influences their job performance and customer satisfaction as well as loyalty.
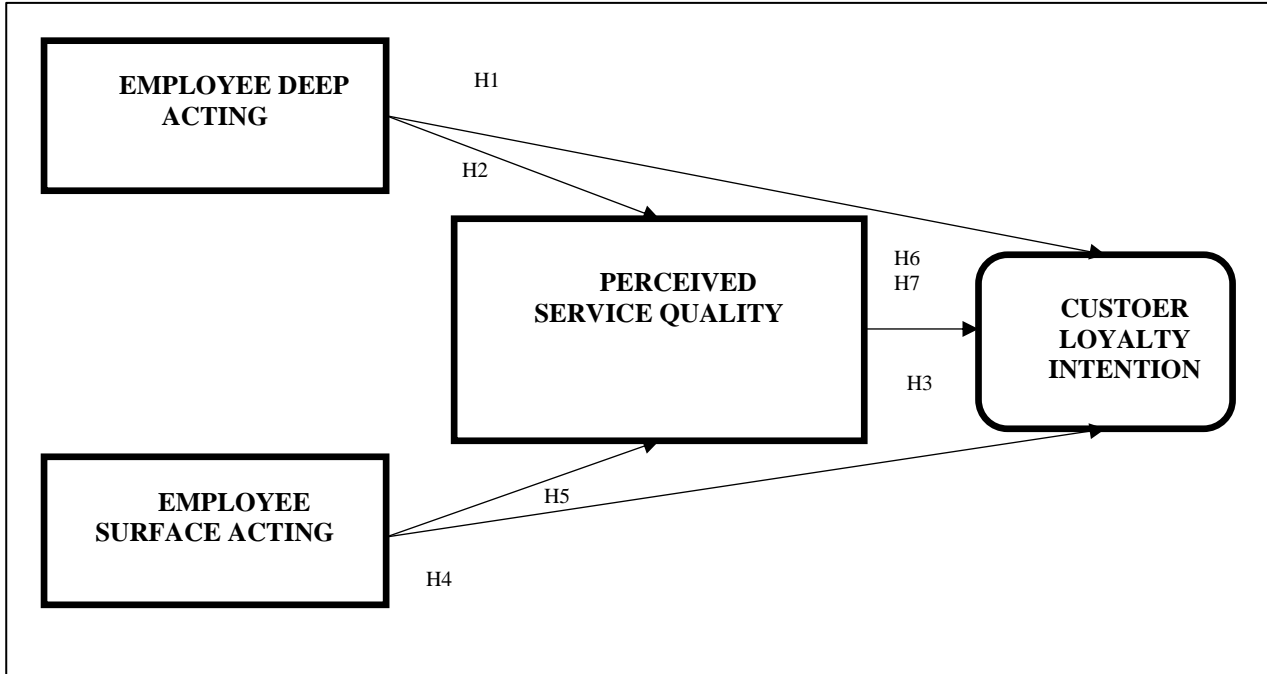
Theoritical framwork

Figure 1. Theoretical Framework

Methodology

This study was conducted by using quantitative questionnaire method. A questionnaire consisted of 30 items based on five-point Likert scale (from agree to strongly disagree) was used to measure Emotional Labor on Customer Loyalty Intentions with Mediating Role of Perceived Service Quality in Commercial Banking Sector of Malakand Division KP, Pakistan. Emotional labor deep acting and Emotional labor surface acting contain on 6 items developed by (Groth et al., 2009). Similarly, Perceived service quality contain on 19 items and developed by (Siddiqi, 2011). Moreover, a customer loyalty intention contains on 5 items and adopted by (Odunlami & Matthew, 2015). A total of 350 customers of the Banks were the population of the study. Due to time and cost constraints the convenience sampling method were used for data collection, as convienince sampling is considers better option in such case (Firdaus Anuar et al., 2017). After the data collection for statistical analysis statistical package of social sciences (SPSS) package 21 has been used. Descriptive statistics, correlation, and PROCESS are used to analysis the data to get the required results. PROCESS is an logistic regression path analysis modeling tool (Hayes, 2017).

Results

Reliability Analysis

To study internal consistency of data Cronbach (1955) technique and method usually uses. According to this method the data will be considered reliable if the value of data lies between range of 0.70 and 0.90. Although Table 1 Shows that values of all "α" are in the range between 0.70 and 0.90. Therefore, the collected data is reliable for further statistical analysis such as Preacher regression analysis known as PROCESS.

Table1. Reliability analysis of the data (N=350)

Description	Cronbach Alpha	Previous	No of Items
Customer Perception of Employees Deep Acting (CPEDA)	.716	.90	3
Customer Perception of Employees Surface Acting (CPESA)	.740	.92	3
Perceive Service Quality (PSQ)	.881	.94	19
Customer Loyalty Intentions (CLI)	.851	.94	5

Descriptive Statistics of Data

To conduct regression analysis as it is compulsory for researcher to check the molds and assumptions for the purpose of the regression. The values of minimum, maximum, standard deviation, mean statistics, kurtosis and skewness are demonstrated. The symbol N shows the number of total respondents which were 350 in the study. The value for minimum and maximum illustrate the genuineness of data and calculation. In the below table 2 all variables Mean values are above 3, which demonstrate that respondents provided more confirmatory replies and also they were willing to agreement. Correspondingly it was originate from the above table that mean values are predisposing to come to an agreement side, but somewhat at the side of unbiased. While in the above table 2 values of kurtosis and skewness are lies between range of 1 and-1, and 3 and -3 correspondingly. So researcher were interpreted that the obtainable data is very normal and satisfying as well for the assumptions and molds of Preacher regression analysis.

Table 2. Descriptive Statistics and Normality (N=350)

	Min	Max	Mean	S.D	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Statistic	Statistic	S.E	Statistic	S.E
CPEDA	1.00	5.00	3.20	0.86	-.777	.162	0.366	.323
CPESA	1.00	5.00	3.31	0.88	-.355	.162	0.432	.323
PSQ	1.00	5.00	3.11	0.77	-.550	.162	0.489	.323
CLI	1.00	5.00	3.43	0.60	-.052	.162	0.611	.323

Mean, Standard Deviation, and Correlation

To find the strength of relationship and association among independent variables and dependent variable correlation analysis is used and the matrix of correlation shows the result value of these correlations. The means, standard deviations and inter-correlations can be found in Table 3 for the variables. Table 3 shows the linear association among the independent variables that is Customer Perception of Employees Deep Acting (CPEDA) and Customer Perception of Employees Surface Acting (CPESA) and dependent variable Customer Loyalty Intentions (CLI). Researcher of this study examined through bellow results of correlation and all the variables are correlated and significant with each other. It means that there is significant correlation arises between Employees Deep Acting (CPEDA) and Customer Perception of Employees Surface Acting (CPESA), PSQ and CLI.

Table 3. Mean, Standard Deviation and Correlations (N=350)

Variables	M	SD	CPEDA	CPESA	PSQ	CLI
CPEDA	3.20	0.86	1			
CPESA	3.31	0.88	.54**	1		
PSQ	3.11	0.77	.45**	.51**	1	
CLI	3.43	0.60	.42**	.62**	.43**	1

Regression Analysis

The analysis of regression used for statistical process of measuring the relationship amongst the variables. According to Sekaran (2003) regression analysis also demonstrate model fitness and value of R square that estimates the descriptive supremacy of model that is required. Regression analysis also finds change occurs in the dependent variable because of change in independent variable, also when independent variable is varied and other independent variables in the study are set aside as constant. Furthermore, regression analysis shows the significance of variable in model to process further analysis of different mediation and moderation analysis. Researcher of this study proceeded multi regression technique for the sack of analyzing data as required in model and investigation. In this research Hayes and Preacher analysis known as conditional process modeling PROCESS in press for multi-regression is used for regression analysis.

Direct Relationship between Independent Variable (Employees Deep Acting), Mediate Variable (Perceived Service Quality) and Dependent Variable (Customer Loyalty Intentions)

As per discussed in literature and methodology, researcher of this study used multi-regression analysis to find out relationship between variables. More specially to find direct relationship among Employees Deep Acting, Perceived Service Quality and Customer Loyalty Intentions researcher used Hayes and Preacher analysis known as conditional process modeling PROCESS in press for multi-regression Hayes (2016). Results of below table 4 support all of three proposed hypotheses and also confirmed significant relationship among these variables which is necessary for further mediation analysis and regression in PROCESS analysis.

In the following Table 4 the very first row shows the relationship between Independent Variable (Employees Deep Acting) and Dependent Variable (Customer Loyalty Intentions), this results confirmed that Employees Deep Acting has significant impact on Customer Loyalty Intentions having R^2= 0.257, F= 120.597, P=0.000, T=10.982, LLCI = .433 and ULCI=.622, As claimed in H1 of the study. Therefore H1 would be accepted and could not be rejected because of the result support. In the second row results shows the relationship between Mediating variable Perceive Service Quality (PSQ) and Dependent Variable Customer Loyalty Intentions (CLI), the results shows that relationship between these two variables is significant having result values of R^2= .389, F= 110.499, P=0.000, T=8.650, LLCI = .513 and ULCI=.815. Hence H2 would not be rejected as per results support. In third row results shows the relationship between Independent Variable Customer Perception of Employees Deep Acting (CPEDA) and mediating variable Perceive Service Quality (PSQ), the results supporting H3 which proposed significant relationship between these variables having result values of R^2= .422, F=254.510, P=0.000, T=15.953, LLCI = .426and ULCI=.546.

Table 4. Direct Relationship between CPEDA, PSQ and CLI (N=350) using Process Macros Model – 4

	R	R^2	F	P	t	LLCI	ULCI
Effect of CPEDA on CLI	.507	.257	120.597	0.000	10.982	.433	.622
Effect of PSQ on CLI	.624	.389	110.499	0.000	8.650	.513	.815
Effect of CPEDA on PSQ	.650	.422	254.510	0.000	15.953	.426	.546

Direct Relationship between Independent Variable (Employees Surface Acting), Mediate Variable (Perceived Service Quality) and Dependent Variable (Customer Loyalty Intentions)

Direct relationship among variables is fined through preacher regression analysis. In the bellow table 5 the very first row contained results of direct relationship between Independent Variable (Employees Surface Acting) and Dependent Variable (Customer Loyalty Intentions) having result values of R^2= .071, F= 26.729, P= 0.000, T= 5.170, LLCI = -.277and ULCI= -.124. This results shows that there is a significant relationship between Customer Perception of Employees Surface Acting and Customer Loyalty Intentions, as H4 accepted based upon significant results in the table 5 Second row of the table contained results of direct relationship between Perceived Service Quality and Customer Loyalty Intentions, these results shows that there is significant relationship between these variables having result values of R^2= .372, F= 102.90, P=0.000, T=12.89, LLCI =.684 and ULCI= .930, supporting again H2 with different results. In third row there are results of direct relationship between Customer Perception of Employees Surface Acting and Perceived Service Quality, the results shows that there is a significant between these two variables, so H5 would not be rejected based on following results support, that there is a significant relationship between Employees Surface Acting and Perceived Service Quality.

Table 5. Direct Relationship between CPESA, PSQ and CLI (N=350) using Process Macros Model – 4

	R	R^2	F	P	t	LLCI	ULCI
Effect of CPESA on CLI	.267	.071	26.729	0.000	5.170	-.277	-.124
Effect of PSQ on CLI	.610	.372	102.90	0.000	12.89	.684	.930
Effect of CPESA on PSQ	.324	.105	40.843	0.000	6.39	-.229	-.121

Mediation analysis of PSQ between CPEDA and CLI

In the model under study PSQ has been taken as mediator variable which intervenes between independent variable (CPEDA) and dependent variable (CLI). The role of PSQ as a mediator has been tested in this study through Process Macros Model – 4 developed by Hayes (2016). Below Table 6 exhibits "0.00" is p-value among relationships of variables. Which demonstrates relationship among outcome variable and predictor. Total effect of predictor (CPEDA) on outcome variable (CLI) is "0.52" which means the coefficient "0.52" comprises of the effect of mediator (PSQ) as well as the predictor variable (CPEDA). in absence of the mediator variable (PSQ) coefficient value is "0.20" in direct effect of CPEDA on CLI. Predictor variable indicates in indirect relationship that having "0.32" value measured PSQ effect on outcome variable. Both upper level and lower (ULCI & LLCI) confidence intervals are positive and in all of three circumstances of Total, Direct and Indirect effect "0" value doesn't exist among them. Therefore, it demonstrates that significant and positive relationship of mediator (PSQ) exist both with predictor and outcome variable.

Sobel test Table 6 shows significant relationship, coefficient is validated as "0.32" while z value which is more than "10" (12.62) demonstrates significant effect. Therefore, based on analysis the proposed hypothesis H6 has been proved: "PSQ mediates the relationship between CPEDA and CLI".

Further elaboration of this study having all result values is given. After the direct relationship, which is significant as discussed in above paragraph, researcher have done mediation analysis between Independent Variable (Employees Deep Acting) and Dependent Variable (Customer Loyalty Intentions) having Mediating Role of Perceive Service Quality. It first step it is found that CPEDA is predicted CLI and also shows that CPEDA regress CLI significant having total effect results of B=.527, P=0.000, t=10.982, LLCI =.433 and ULCI= .622. Second step demonstrate direct relationship between CPEDA and CLI exist having B=0.205, P=0.000, t=3.567, LLCI =0.092 ULCI=0.318. Third step shows mediation effect of PSQ between CPEDA and CLI, B=0.323 remain same in indirect effect and normal theory tests, another evidence is

positive values of LLCI=0.226 and ULCI=0.433, P=0.000 and the value of z=12.62. Therefore, the hypothesis H6 would not be rejected that PSQ significantly mediates between CPEDA and CLI.

Table 6. Mediation analysis OF PSQ between CPEDA and CLI using Process Macros Model - 4

	B	P	Z	t	LLCI	ULCI
Total Effect of CPEDA on CLI	.527	0.000		10.982	.433	.622
Direct Effect of CPEDA on CLI	.205	0.000		3.567	.092	.318
Indirect Effect of CPEDA on CLI						
PSQ	.323				.226	.433
Normal theory tests for indirect effect	.323	0.000	12.62			

Mediation analysis OF PSQ between CPESA and CLI

In the model under study PSQ has been taken as mediator variable in the model under study which intervenes between of independent variable (CPESA) and dependent variable (CLI). PSQ role as a Mediator has been tested in this study through Process Macros Model – 4 developed by Hayes (2016) in bellow Table 7 which shows relationships. This demonstrates that there is significant relationship between the predictor and outcome variable. Total effect of predictor (CPESA) on outcome variable (CLI) is "0.201" which means the coefficient "0.201" comprises of the effect of mediator (PSQ) as well as the predictor variable (CPESA). In absence of mediator variable (PSQ) the coefficient of direct effect of CPESA on CLI is "0.059". The predictor variable indirect relationship shows that PSQ impact on outcome variable having measured value "0.141". The confidence intervals at both upper level and lower (ULCI & LLCI) are negative, Direct and Indirect effect, which proves that the mediator (PSQ) has significant relationship at both side with predictor (CPESA) and outcome variable (CLI). The result of Sobel test at Table 7 exhibits significant relationship, and measured coefficient is "0.321" while value of z is "13.71" which demonstrates significant effect. Therefore, through mediation analysis hypothesis H7: "PSQ mediates the relationship between CPESA and CLI" has been proved.

Further elaboration of this study having all result values is given. After the direct relationship which is significant as discussed in above paragraph, researcher have done mediation analysis between Independent Variable (Employees Surface Acting) and Dependent Variable (Customer Loyalty Intentions) having Mediating Role of Perceive Service Quality. It first step it is found that CPESA is predicted CLI and also shows that CPEDA regress CLI significant having total effect results of B=0.201, P=0.000, t= 5.170, LLCI = -.277and ULCI= -.124 Second step demonstrate direct relationship between CPESA and CLI exist having B= 0.067, P=0.079, t= 1.760, LLCI = -.126 ULCI= -.007. Third step shows mediation effect of PSQ between CPESA and CLI, B= -.141 remain same in indirect effect and normal theory tests, another evidence is both negative values of LLCI= -.238 and ULCI= -.079, P=0.000 and the value of z= 13.71. Therefore, the hypothesis H7 would not be rejected that PSQ significantly mediates between CPESA and CLI.

Table 7. Mediation analysis OF PSQ between CPESA and CLI using Process Macros Model - 4

	B	P	Z	t	LLCI	ULCI
Total Effect of CPESA on CLI	.201	0.000		5.170	-.277	-.124
Direct Effect of CPESA on CLI	.059	0.043		1.760	-.126	-.007
Indirect Effect of CPESA on CLI						
PSQ	.141				-.238	-.079
Normal theory tests for indirect effect	.141	0.000	13.71			

Hypotheses

Based on above analysis results the given proposed hypotheses have been acknowledged:

H1	*There is a significant relationship between employee deep acting and customer loyalty intentions.*	Accepted
H2	*There is a significant relationship between employee deep acting and Perceived service quality.*	Accepted
H3	*Perceived service quality has significant relationship with customer loyalty intentions.*	Accepted
H4	*There is a significant relationship between employee surface acting and customer loyalty intentions.*	Accepted
H5	*Employee surface acting has significant relationship with perceived service quality.*	Accepted
H6	*Perceived service quality has significantly mediated the relationship between employee deep acting and customer loyalty intentions.*	Accepted

| **H7** | *Perceived service quality has significantly mediated the relationship between employee surface acting and customer loyalty intentions.* | Accepted |

Discussions

Considering the study, previous literature, and analysis, and testing of proposed hypotheses results now we can draw certain conclusions and give answer to the research questions for recommendations. In instruction to conclude the discussion first we have to take a look at the propositions of the study and their conclusions. The key objective in current study was to find out the role of CPEDA, CPESA and PSQ for CLI in a banking sector which provides services to their customer in terms of many financial dealings. Different hypotheses were developed to answer the research questions and then tested these hypotheses to dig out whether any relationship exists between the dimensions of Employees Emotional Labor (Employees Surface Acting and Deep Acting) and Customer Loyalty Intentions. In addition, researcher in this study also investigated that whether Perceived Service Quality is playing the role of mediator between dimensions of Employees Emotional Labor (Employees Surface Acting and Deep Acting) and Customer Loyalty Intentions.

The finding of correlation and regression analyses shows that Employees Deep Acting and Customer Loyalty Intentions are significantly related. It is mean that when the human resource management of banking sector implements Employees Deep Acting in their organization, the loyalty intentions of the customers will increase. The current findings are aligned with the findings of previous study carried out by scholars (Groth et al., 2009).

The empirical obtained analysis results of this study show that Employees Deep Acting & Perceived Service Quality is significantly related. The employee's regulation of emotions through Deep Acting strategy adaptation in banking sector will certainly have a positive impact on the customers and their intent to be loyal with organization for long term. The current study findings are united with the findings of the study carried out by scholars (Groth et al., 2009).

The empirical obtained analysis results of this study show that Employees Deep Acting & Perceived Service Quality is significantly related. The employee's regulation of emotions through Deep Acting strategy adaptation in banking sector will certainly have a positive impact on the customers and their intent to be loyal with organization for long term. The current study findings are united with the findings of the study carried out by scholars (Groth et al., 2009).

The finding of correlation and regression analyses shows that Employees Surface Acting and Customer Loyalty Intentions are significantly. It is mean that the human resource management of banking sector should work to stop and decrease Employees Surface Acting in their organization, because surface acting is fake emotional display. By doing and implementation of this policy the loyalty intentions of the customers will increase. The current findings are aligned with the findings of previous study carried out by scholars (Groth et al., 2009).

This study found out that customer perceived service quality plays significant mediating role between the first dimension customer perception of employees deep acting of emotional labor and customer loyalty intentions. These findings are in line with those found by other scholars (Groth et al., 2009).

In this study one of the objectives was set to check the mediation role of PSQ between customer perception of employees' deep acting and customer loyalty intentions and question was enclosed as " does PSQ has role of mediation between the relationship of CPEDA and CLI?". Hypothesis was developed to give an answer to this question. The proposed hypothesis was "H6: PSQ has significant role of mediation between the relationship of CPEDA and CLI" Researches has delivered enough understanding into the role of PSQ between CPEDA and CLI. As shown in results mediation analysis was performed and significant relationship of PSQ as a mediator on both sides with the independent variable (CPEDA) as well as with the dependent variable (CLI) in the display results. Researcher of this study claimed on the basis of following results that the quality of service perceived by customer significantly mediates between the relationship of customer perception of employees' deep acting and customer loyalty intentions. It is mean that organization having good quality of service can strengthen the linkage of their customer and employees. Though customer is loyal with their organization because of employee's deep acting strategy of acting.

This study found out that customer perceived service quality has significant mediating role between the second dimension customer perception of employees surface acting of emotional labor and customer loyalty intentions. These findings are in line with those found by other scholars (Groth et al., 2009).

In this study, one of the objectives was set to check the mediation role of PSQ between customer perception of employees' surface acting and customer loyalty intentions and question was enclosed as " does PSQ has role of mediation between the relationship of CPESA and CLI?". Hypothesis was developed to give an answer to this question. The proposed hypothesis was "H7: PSQ has significant role of mediation between the relationship of CPESA and CLI" Researches has delivered enough understanding into the role of PSQ between CPESA and CLI. As shown in results mediation analysis was performed and significant relationship of PSQ as a mediator on both sides with the independent variable (CPESA) as well as with the dependent variable (CLI) in the display results. Researcher of this study claimed on the basis of following results that the quality of service perceived by customer mediates between the relationship of customer perception of employees' surface acting and customer loyalty intentions. It means that organization having good or either bad quality of service would effect on the linkage of their customer and employees when there is surface acting of employees emotion regulation exist, because customer having encounter of employees surface acting are less loyal or not loyal to their organization but perceived service quality significantly mediating this relationship. Present research suggests that presence of surface acting of employees in the organization suffers customer loyalty which could be controlled by good service quality up to some extent.

Conclusion

The objectives of the study concerned to address and investigate the problem which has been identified in service industry. Most of services providing organizations often tilt towards productivity and in doing so often neglect the other factors that may be important for the benefit of these companies. Most of the Companies frequently fail to balance the productivity output and service performance of the employees and do not consider other factors including CPEDA and CPESA which could be beneficial if properly address internally by the employees for enhancing their creativity and performance and externally, creating a better long-term relationship with customers to keep them retain and loyal for future terms and also creating reputed image of the organization. This research specifies that only relations with the customers in not just important, to have efficiency and profitability factors like CPEDA, CPESA and PSQ is also important for customer loyalty intentions development. But very small number of services organizations' adopted these strategies for customers' satisfaction and loyalty. While developing countries like Pakistan require lots of work to improve these things in organizations especially in services organizations. This research has been investigated on service industry more especially in banking sector of Malakand division, KP Pakistan.

On the basis of problems discussed in above paragraph many objectives were set accordingly to investigate the roles of different variables of any service providing organization. The role of mediator was assigned to perceived service quality PSQ. In the analysis chapter research objectives and questions were framed which have been answered. Furthermore, the purpose to determine the relationship in previous research and effect on other variables literature was reviewed from history and previous research work. Questionnaire was adopted from previous literature and 350 questionnaires were distribution in customers of banking sector inside Malakand division. To investigate objectives and questions of study seven hypotheses were proposed which were later tested through analysis using correlation, regression, and mediation. Convenient sampling method was used to collect data from respondents and 350 questionnaires were received. All collected questionnaires were found appropriate for further analysis. And after that various test were applied on them to examine research questions on the basis of the developed hypotheses.

Proposed hypotheses were showing different association among four variables including CPEDA, CPESA, PSQ and CLI. Based analysis results, all of the hypotheses have been accepted which were proved from literature based on past research work.

Core findings of this research are CPEDA of employee's emotional labor and perceived service quality of customers PSQ play an important role in customers' loyalty of banking sector in Malakand division KP, Pakistan. The customers who encounter appropriate employees deep acting EDA and service quality SQ in service providing company feel satisfied and having intentions of loyalty with that organization. More especially in both of these two factors customers remarked CPEDA as a mandatory element, because those employees who regulates emotions that is expected by customers show respect and huge interest in customer perspective, also CPEDA shows sincerity of employees towards customers. That is why this type of emotions regulation creates a perception of quality services in the mind of the customers, means emotional labor deep acting relates to key dimensions of service quality such as reliability "employees show a sincere interest", responsiveness "employees are willing to help you", and assurance "employees instill confidence". So, organizations offering services to their customers should focus mainly on CPEDA to ensure service quality and customer loyalty intentions.

Implications

During collection of data in banks researcher asked employees about emotions regulation strategies, but most of employees were unaware of the term emotional labor and its dimensions, which is very atypical for organization such as banks and other service providing organizations. This study recommends services industry specially banking sector management to arrange seminars and workshops about learning and understanding emotional labor and dimensions of emotional labor such as deep acting and surface acting. After enough understanding about emotional labor importance managers have to implement these emotions regulation strategies which is publically observable in front of customers to attract more customers and keep retain and loyal the existing customers. Similarly, managers have to adopt deep acting strategy and mainstream employees towards this strategy for the purpose of customer loyalty, as this study found deep acting as an important key element for customer loyalty intentions.

Limitations

Despite theoritical and practicle contribution this study has few limitations also, first it was inconvenient to collect data from all provinces of Pakistan, because of large geographical dispersion and less financial resources. Second the less understanding of respondents about study variables such as emotional labor service quality. Third, the study is limited to customers and employs quantitative research method to achieve the objectives. To understand the topic more holistically and thoroughly explanatory mixed-method research approach and data from both customer and employees is required. Some notable of the limitations of this research are:

- The data collected in this study was only from Malakand division which is not representative of all Pakistan based on different customers preferences.
- The data collected in this study was only from banking sector which is not representative of all service providing organizations such as telecom and airline industry etc.

Future recommendations

During the model of the current research emotional labor dimensions (employees deep acting and surface acting) were used as independent variables, customer loyalty intentions as dependent variable and perceived service quality as mediator was studied. In future studies this relationship might be check with different variables such as frequency of interaction, emotional intelligence, emotional exhaustion and burnout etc. Similarly, there are various other variables which may play the role of either moderator or mediator like, perceived organization support, perceived customer orientation, employee training and customer detection accuracy. At the same time emotional labor and its dimensions may also be investigated with positive outcomes like customer satisfaction, customer brand loyalty and customer positive word-of-mouth creation.

This study only targeted banking sector of Pakistan more specifically Malakand division banking customers. Scope can be expanded in future to other private service and manufacture sectors. Similarly, in the same line comparative study between the public and private sectors can be conducted.

It will be very interesting if a qualitative research is conducted which actually study antecedents and factors that influences on employees emotional labor and it outcomes in customer perspective. Instead of simple regression analysis and use of SPSS the Partial Least Squares Structural Equation Modelling version 3 will be more suitable for accuracy and authenticity of data results, which is modern technique for correlation and other statistical analysis (Adeleke et al., 2021). During qualitative research it would be easier to find out reasons of surface acting which is considered negative in past research works. Also qualitative research will thoroughly dig out factors that can encourage the capabilities of employees towards emotional labor positive aspects.

Acknowledgement

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CONFLICT OF INTEREST

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