



Antecedents and Consequences of Front-line Employee Brand Commitment in the Retail

Sector: The Case of Falabella Tiendas por Departamento in Colombia

Presentado por:

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1. Introduction

Brands are considered to be relationship builders for service organizations because of the intimate bond they create with customers. In order for this relationship to thrive, the brand promise needs to be fulfilled at each service encounter. Some studies of the relationship marketing literature have determined that the firm–employee relationship is a prerequisite to the customer–firm relationship and, consequently, to organizational success (Herington, Johnson, & Scott, 2006). The development of this relationship can be particularly challenging for retailers due to the high degree of complexity inherent to the service component of the environment where they normally operate. This complexity is further compounded by factors such as variable employee performance and the strong connection that exists between production and consumption in the retail context (Devlin, 2003). When a branding strategy is executed within this context it relies strongly on the capability of a brand to perform as a relationship builder for the service organization. This relationship can be developed not only with customers but also with employees as the brand identity and its values are transmitted to customers and employees not only through mass media but also through the interactions that take place between service staff and consumers.

The brand oriented behavior displayed by employees during interactions with customers has become extremely important for organizations because of the impact it has on the firm–customer relationship, customer experience (Lemon & Verhoef, 2016) and consequently on brand loyalty (Aaker, 2012). Within this context, the relationship with customers can be analyzed through two perspectives: external and internal. From the external perspective companies worry

about how customers perceive and interact with the behavior displayed by their front-line employees (FLEs) and ultimately how this affects sales. From the internal perspective, there is a necessity to engender a specific set of employee behaviors that companies attempt to cultivate, namely brand citizenship behavior (BCB) (Porricelli, Yurova, Abratt, & Bendixen, 2014). BCB refers to brand oriented behavior displayed by employees and can be divided into two components: (1) in-role brand-building behavior (IRBBB), guided by internal brand management norms with the goal of aligning the organizational brand to the behavior displayed by their FLEs resulting in a more consistent delivery of the customer experience, and (2) extra-role brand building behavior (ERBBB) defined by behaviors displayed by FLEs that are entirely voluntary (not part of a job description) and help support the brand (Morhart, Herzog, & Tomczak, 2009).

The organizational vision of turning FLEs into brand ambassadors has been attracting a lot of attention lately but how can retailers leverage internal resources to help support its development? We argue that the adoption of branding behavior by FLEs is influenced by the level of commitment FLEs display towards the brand and that this commitment towards the brand is in turn influenced by both the organization's brand identity and FLEs' clear perception of their role within the organization. Additionally, because of the relationship with role clarity, employee brand commitment can also affect FLE's level of satisfaction with their current jobs. With that in mind, this study will address the following questions: how does brand identity and FLE role clarity impact brand commitment and what impact does brand commitment have on brand behavior and FLE job satisfaction? In order to achieve these goals, the authors use IRBBB to represent brand behavior and propose a model designed to account for both brand and human resources characteristics that help explain how in-role brand-building behavior (IRBBB) can be engendered through the commitment employees display towards the brand. The model consists of a set of

antecedent behaviors identified after a thorough literature review and will be justified through the review and incorporation of various interrelated key concepts such as brand identity, role clarity, brand commitment and IRBBB. The data used to assess the proposed model was collected through questionnaires completed by FLEs that currently work at a major department store chain in Bogota, Colombia.

2 – Theory and hypotheses

2.1 – Brand Commitment

Burmann, Zeplin, and Riley (2009, p. 266) defined brand commitment as “the extent of psychological attachment of employees to the brand, which influences their willingness to exert extra effort towards reaching the brand’s goals”. The brand commitment concept originated from the OCB literature and as a consequence has been used interchangeably with the term organizational commitment (Katz, 1964). More specifically, as Burmann and Zeplin (2005) stated, the brand commitment construct is synonymous with organizational commitment and accounts for the organization-employee psychological bond. Organizational commitment has been defined as "the relative strength of an individual's identification with and involvement in an organization" (Mowday, Porter, & Steers, 1982) and various models have been developed to show the link of employee commitment with OCBs. For example, Scholl's model represents commitment as "a stabilizing force that acts to maintain behavioral direction when expectancy/equity conditions are not met and do not function (Scholl, 1981, p. 593)", whereas Weiner's model characterizes commitment as the entirety of employee internalized beliefs and as an antecedent for behaviors that (a) reflect employee personal sacrifice for the organization, (b) independent of reinforcements or punishments, and (c) express personal concern for the organization (Wiener, 1982). Burmann et al. (2009) suggested that brand commitment consisted of three constructs similar to those of

organizational commitment: obedience, identification and internalization. Obedience reflects the degree of flexibility on the part of the employee to mold beliefs or actions to those of a brand. Identification represents employee feelings of brand belongingness and internalization measures the degree of influence a brand has over employees' beliefs and actions. Kimpakorn and Tocquer (2010, p. 381) supported the idea of a single construct measure of commitment treating brand commitment as “the degree employees identify themselves with the brand and are willing to exert additional effort to achieve the goals of the brand (affective commitment) and are interested in remaining with the service organization (continuance commitment)”.

Employee comprehension of brand-related information is important to the brand internalization process and directly linked to FLE understanding of the brand. According to Xiong et al. (2013), brand understanding consists of three dimensions developed from Hackman and Oldham (1975) job characteristics theory. The three dimensions are (1) employee perceived brand knowledge (understanding of the brand and the fulfillment of the brand promise made to customers), (2) employee perceived brand importance (understanding of the importance of brand success for the organization) and (3) perceived brand role relevance (understanding of the importance of their role to achieve brand success). Therefore, the premise of internalizing the brand and its promise is crucial for the delivery of the brand promise to the customer (Piehler et al., 2016). This can only occur when organizational well-defined brand values, practices, and behaviours are properly aligned with organisational efforts. Lack of clarity can lead to disruption of the brand behavior process leading to inconsistent service delivery.

O'Reilly and Chatman (1986) examined the dimensions of commitment to the organization as antecedents of employee behavior and suggested that organizational commitment also impacts individuals' psychological attachment to organizations. Brand commitment helps ensure that

employees are not only able but also desire to deliver the brand promise. The level of employee brand commitment is also an indication of employee brand knowledge and when employees gain knowledge to help them succeed in their roles the clarity regarding organizational expectations increases the employee's commitment to the organization (Siguaw, Brown, & Widing, 1994). In summary, the dissemination of brand related information is also an integral component of successful employee performance and increases employee's role clarity and identification with organizational values.

2.2 – Antecedents of Brand Commitment

2.2.1 – Brand Identity

Brand identity is a complex construct that not only represents a brand both visually and verbally but also communicates to customers its qualities and characteristics (Wheeler, Richey, Tokkman, & Sablynski, 2006). Brand identity is a concept better understood when examined holistically as it is developed from the resulting interaction between brands and consumers across many different points (Wong, 2010). Ghodeswar (2008) characterized brand identity as having a core and an extended identity, with the core identity representing the brand's essence that remains constant regardless of market or product changes and the extended identity dealing with the personality, relationships and symbol associations of the brand. Azoulay and Kapferer (2003) described it as a six-sided prism consisting of: physical facet, relationship, reflected customer, consumer mentalization, culture (values), and personality. Balmer (2008) later segmented brand identity theory into five key schools of thought: “corporate identity (the identity of the organization), communicated corporate identification (identification from the organization), stakeholder corporate identification (an individual, or stakeholder group's, identification with the organization), stakeholder cultural identification (an individual, or stakeholder group's,

identification to a corporate culture), and envisioned identities and identifications (how an organization, or group, envisions how another corporation or group characterizes their identity or mode of identification)” p.(879). Corporate branding literature acknowledges the role of FLEs in influencing customers brand perceptions through the design and delivery of service (De Chernatony & Segal-Horn, 2001). The literature also presents corporate branding as a way to achieve differentiation (Bick, Jacobson, & Abratt, 2003), as a process to build a positive corporate reputation (Einwiller & Will, 2002) and as a tool to align the organization around a core brand identity (Harris & De Chernatony, 2001). Brand alignment is particularly challenging because brand knowledge tends to be asymmetrical among brand stakeholders (marketers, consumers and channel members) (Dilip & Saikat, 2014).

Corporate brands must be correctly represented by FLEs in a service environment in order to be effective. FLEs represent the organization’s brand when communicating with both internal and external stakeholders. The reception and processing of corporate identity cues empowers FLEs to act as decoders of corporate identity signals to the customer. By doing so FLEs are able to determine the strength and influence of the organization’ brand identity and help to build, support and influence the brand identity by providing feedback to the organization (Glanfield, Saunders, Evanschitzky, & M. Rudd, 2017). The identity of the brand is very important within this context as it enables FLEs to develop a better understanding of the firm through its visual identity as represented by symbols and logos (Gioia, Schultz, & Corley, 2000) allowing this understanding to shape their behavior when interacting with customers. This was supported by Suvatjis and de Chernatony (2005) who argued that not only does an organization’s visual identity system transmits messages to its employees but it also indirectly sends out messages about itself to the outside world through its employees. When considering FLEs as the audience of an organization’s

corporate identity a lot of the understanding they gain regarding the organization itself comes from physical and behavioral cues witnessed through internal interactions (Shee & Abratt, 1989) as well as formal internal branding programs. During the service encounter employees can transmit psychological signals expressing attitudes and behaviors that are inherent to their organization (Van Knippenberg, 2000). The strength of these signals is directly correlated to the strength of the customer's identification with the organization based on the perception of its core characteristics (Bhattacharya & Sen, 2003).

Employees committed to a company display a higher self-appreciation and appreciation of their work and as a consequence the satisfaction and motivation to perform their work increases. (Buil, Catalán, & Martínez, 2014). Because of the need for employees to emotionally internalize brand values in order to deliver the brand promise (Thomson, De Chernatony, Arganbright, & Khan, 1999) it is hypothesized that:

H1 – Brand identity positively impacts FLE brand commitment.

2.2.2 – Role Clarity

Role clarity is defined as “the level of clarity an employee has of their role as a result of having brand knowledge” (King & Grace, 2010, p. 946). Role clarity represents the employee feeling of understanding the brand's expectations and the responsibilities associated to it. In order to behave according to a company's brand standards employees must clearly understand their roles as lack of clarity can result in wasted efforts and underperformance. Role clarity can be supported by feedback provided by a supervisor and can ultimately be very influential on employee job performance. The main objective of role clarity is to imprint a type of goal-oriented behavior on employees that is aligned with the company's brand expectations (Gong, Huang, & Cheung, 2014).

The clarification of employees' roles within their work environment can also be improved through the communication of information regarding service offerings, customer needs and wants, product, service benefits and characteristics, corporate aims and objectives (Lings & Greenley, 2005). Guest and Conway (2002) argued that this type of information is a prerequisite to align employees' attitudes and behaviors with organizational goals because of its aptitude to modify individual behavior. Employees also need to feel psychologically safe within the work environment in order to be able to perform without fear of negative consequences to self-image, status, or career (Kahn, 1990). Psychological safety can be influenced by organizational processes and norms and according to Kahn (1990) the presence of a management team that is supportive, trusting, and clarifying can help support employee psychological safety feeling and job satisfaction. The relationship between employee understanding role requirements and employee satisfaction is supported in the role clarity literature (Boselie & Van der Wiele, 2002).

The successful implementation of internal brand management practices with employees requires the organization to acknowledge the fact that "employment represents an exchange process whereby the provision of material and socio-emotional benefits by the organization is exchanged for employee effort and loyalty" (King & Grace, 2010, p. 942). It is also very important for management to better understand employees' needs and wants in regards to their roles and responsibilities because it offers management the opportunity to better align the dissemination of knowledge according to what they learn. Vallaster and De Chernatony (2005) showed that by encouraging employees to agree on an appropriate style of brand supporting behavior, an organizational leader can play a key role in the development of a shared service brand. This can help eliminate role ambiguity and build stronger working relationships between group members through knowledge dissemination. Knowledge dissemination in turn helps employees better

understand not only the overall brand strategy but also management's rationale regarding employees, customers and service (King & Grace, 2008) and as a consequence it helps reduce employee role conflict (Jones, Busch, & Dacin, 2003) and to increase role clarity (Babin & Boles, 1996). Thus, it is hypothesized that:

H2 – Role clarity positively impacts FLE brand commitment

2.3 – Consequences of Brand commitment

2.3.1 – In-role Brand Building Behavior (IRBBB)

Miles and Mangold (2004, p. 68) define employee branding as “the process by which employees internalize the desired brand image and are motivated to project the image to customers and other organizational constituents”. It was not until recently that scholars have started to focus on the benefits of internal marketing, strategy formulation and management (Burmamann & Zeplin, 2005; Vallaster & De Chernatony, 2005). Many researchers agree that internal marketing is instrumental in shaping how the brand can affect employee behavior and many different models have been proposed to explain how this happens and its consequences. One of the latest models was developed by Morhart et al. (2009) and differentiated itself from previous studies through the inclusion of a relatively new construct named IRBBB. It refers to “frontline employees’ meeting the standards prescribed by their organizational roles as brand representatives (either written in behavioral codices, manuals, display rules, and so forth, or unwritten)” (Morhart et al., 2009, p. 123). The idea behind its inclusion in the model is based on the two forms of service behaviors that employees can exhibit: in-role and extra role behaviors. In-role behaviors are those specified in job descriptions (MacKenzie, Podsakoff, & Ahearne, 1998) whereas extra-role behaviors are discretionary in nature and are not part of a job description (Ackfeldt & Coote, 2005). Berry (2000) was one of the first to point out that employee performance affects not only customer satisfaction

and retention but brand image as well. The research on employee branding tends to focus mostly on the effects of this type of behavior or on how it can be managed. The line of research that focuses on the effect side of employee branding investigates its value and effects on customers and brand image. This is done by analyzing how customers perceive FLE in terms of brand image and if and how the brand building performance is acknowledged by customers. The research on employee branding management is more process driven and focuses on the steps necessary for the implementation of the brand personality into the brand building behavior to be displayed by employees (Fichtel, Blankenberg, & Ammler, 2010) and is the focus of this study.

IRBBB can be engendered, supported and managed internally by the firm and is what marketers should strive to cultivate among employees with the goal of improving the organization's relationship with customers and differentiate itself from the competition. Nevertheless, the management of IRBBB presents its own set of challenges. One of the biggest challenges has to do with the nature of the construct and its reliance on processes clearly defined internally by the organization that are for the most part performance oriented. This subject FLEs to performance reviews based on a very black and white scenario grounded on a reward and punishment system that can impact FLE job satisfaction. For this reason, some authors have suggested the coordination of the efforts of marketers and HR managers to underpin any branding programs (Hankinson, 2004; Punjaisri & Wilson, 2007).

A major concern remains regarding the extent to which employees buy-in to these values and norms and live the brand (Burmann & Zeplin, 2005). As members of an organization FLEs develop a set of meanings through which they remember, describe and relate to the organization (Melewar et al., 2012). This implies the existence of a psychological relationship between the FLE and the firm where FLEs make cognizant decisions about the firm that influence how they

represent it (Balmer & Soenen, 1999) as well as their commitment towards the brand. Because of the role brand commitment plays in the will of FLEs to represent the brand we propose that:

H3 – Brand commitment will have a positive impact on IRBBB

2.3.2 – Job Satisfaction

In order to be successful at employee branding, organizations must develop a clear understanding of the employer-employee relationship (Miles & Mangold, 2004). A psychological contract is established between these two parties when a new employee joins an organization (Rousseau, 1995). This contract is based on expectations established between the two parties and highly dependent on messages employees receive about the organization from the moment they are recruited through their tenure with the company. In case there is a breach of contract employees might start displaying diminished loyalty, negative word-of-mouth, decrease in productivity and ultimately termination of employment with the organization (Robinson & Rousseau, 1994). The psychological contract is one of the foundations of the successful implementation of employee brand image (Miles & Mangold, 2004). Employees have also been considered internal customers with employee satisfaction being seen as vital to satisfying customers (Berry, 1981). Job satisfaction can be defined as an individual's total evaluation of a firm according to his/her personal experiences over time (Voss, Godfrey, & Seiders, 2010). Some authors argue that besides the obvious benefits gained by companies that prioritize employee job satisfaction (organizational commitment and loyalty, lower turnover) job satisfaction can also impact customer satisfaction (Zablah, Carlson, Donovan, Maxham III, & Brown, 2016). Job satisfaction has been shown to affect customer engagement and the exchanges between customers and FLEs (Zablah et al., 2016) causing companies to prioritize and invest significant resources on FLE job satisfaction.

The positive relationship between these two constructs has been well-documented in various studies (Evanschitzky, Groening, Mittal, & Wunderlich, 2011; Netemeyer, Maxham III, & Lichtenstein, 2010). Barnard (1938) suggested that one of the benefits of job satisfaction is that it can foster individual cooperation and contribution sentiments in an employee when performing in a team environment. Nevertheless, a direct positive relationship between job satisfaction and traditional measures of job performance has still not been unanimously supported by empirical research (Jaffaldano & Muchinsky, 1985). It has been argued however that there is a positive relationship between satisfaction and other more formal measures of performance in the form of in and extra role behaviors (Organ, 1977). Through social exchange theory (Carrall, 1988) suggested that this might due to employees desire to reciprocate when they are satisfied with their jobs. This reciprocation can take the form of intention to stay with the organization and other behaviors such as organizational citizenship. The more traditional measures of job performance present in job descriptions and standard operating procedures increase the likelihood of employee reciprocity occurring as citizenship behaviors (Pearce & Gregersen, 1991). Job satisfaction is the most frequently examined correlate in the organizational citizenship behavior studies (Williams & Anderson, 1991). Because of the positive relationship documented will brand citizenship behaviors in the marketing literature we posit that:

H4 – Brand commitment has a positive impact on FLE job satisfaction.

2.4 - Conceptual framework

With the notion of brand commitment, the objective of this research is to investigate the nature of the relationship of its antecedents at the FLE level and how it is supported within the retail environment. The development and management of employee brand commitment poses challenges for retailers and the search for a model capturing how it impacts employee behavior has become an important topic lately for companies seeking to provide customers with a more manageable and consistent customer experience. The impact of such a model is of particular importance to organizations because managers need to know not only whether or not their employees are displaying the type of behavior desired by the organization, but most importantly what is currently driving such behavior. In essence, the model was to designed to show that FLE brand commitment within a retail environment can be influenced by the firm's brand identity and employees' perception of their roles and how FLE brand commitment affects FLE in-role brand behavior and job satisfaction. Figure 1 summarizes the conceptual framework proposed by the authors.

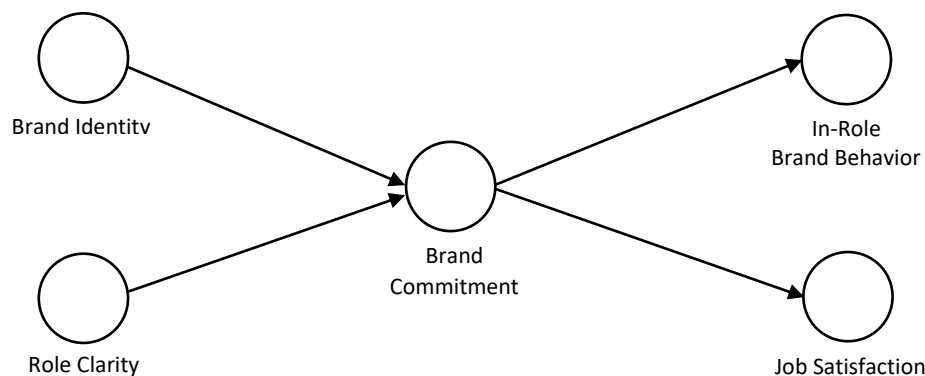


Figure 1 Theoretical model

3. Methodology

3.1 – Research Context

3.1.1 The role of FLEs in the retail sector

Brand experience has become an important component for retailers because of the inseparability that exists between service-oriented deliveries and the physical retail setting (Khan & Rahman, 2016). Branding does not only shape customers' perceptions but also plays a crucial role in shaping employees perceptions (Berry, 2000) in the sense that a brand represents not only the relationship an organization has with its customers but also with its employees (Jacobs, 2003). Schultz and Schultz (2003) argued that for this reason the need to align FLEs' behavior with the brand values was developed. This is important because incongruences in employee behavior during service transactions thwart the successful management of performances and brand experiences customers are subjected to (Clemes, Mollenkopf, & Burn, 2000). This is easily observable within the retail environment where FLEs facilitate the interaction between the brand and the customer through the service they provide. In this particular context, FLEs are directly responsible for the delivery of services and goods to customers (Bettencourt, Brown, & MacKenzie, 2005).

According to Di Mascio (2010) FLEs tend to adopt one of three different service encounter models in a retail context. First, they can efficiently and courteously provide customers with what they request. Second FLEs can attempt to accomplish their immediate objectives (such as sales goals) and third they can attempt to develop a mutually beneficial relationship with customers. It is through the service encounter that the FLE and customer co-create the experience of the encounter that will impact service quality and the customer's resulting satisfaction and loyalty (Vargo & Lusch, 2004). Service encounters can not only shape a customer's perception of the

service delivered (Lytle, Hom, & Mokwa, 1998) but also the quality level associated with it (Winsted, 2000). In particular the behaviors displayed by FLEs at such occasions can influence a customer's perception of service quality (Farrell, Souchon, & Durden, 2001), value and customer satisfaction (Brady & Cronin, 2001). During the service encounter FLEs can transmit psychological signals expressing attitudes and behaviors that are inherent to their organizational brand (Van Knippenberg, 2000). The strength of these signals is directly correlated to the strength of the customer's identification with the organization based on the perception of its core characteristics (Bhattacharya & Sen, 2003). It is then fair to assume that an FLE's role in a retail context revolves around service encounters with customers and directly impacts the organization's profitability.

The role of FLEs in the service context and its impact on the customer experience process has been well-discussed in the literature (Bettencourt et al., 2005; Parasuraman, Zeithaml, & Berry, 1985) but service organizations still cannot predict all appropriate behaviors an employee should display in order to achieve organizational success. In fact, many of these behaviors fall outside the control of the organization (Deluga, 1994; Morhart et al., 2009). Nevertheless, the idea of employees as part of the brand-building process is still not very clear. There are plenty of references to their behavior such as brand ambassadors, brand maniacs, brand champions or brand evangelists without a concrete conceptualization that goes beyond the delivery of high quality service (Morhart et al., 2009).

3.1.2 – The retail sector in Colombia

Colombia is an emerging market that is very similar to other Latin American emerging markets in terms of its retail structure and consumer behavior. As a consequence, many of the main cities in the country started to witness the arrival of modern retailers such as supermarkets, hypermarkets

and department stores among other formats. Colombia's retail reality is still quite different the one observed in more developed economies such as in Europe and the United States where between 10 to 20 per cent of the mass consumption market occurs through small retailers. Same as in other Latin America countries, Colombian small retailers still compete with the big chains, and in some notable cases such as in Brazil and Argentina they have actually gained market share.

As a consequence of its development, Colombia recently witnessed the arrival of international brands in every single product category represented by the following retailers: Easy, Sport Line América, Burger King, Mango, Office Depot, Berskha, Stradivarius, Pull and Bear, Massimo Dutti, Zara Home, Desigual, Casa Ideas, Topitop, Carolina Herrera, Clarks, Steve Maden, The North Face, Camper, Women Secret, Victoria Secret, Pylones, Furla, Aita, Swarovski, Longchamp, Bebe, Express, Coach, Forever 21, Parfois, Funky Fish, Burberry, Paris Hilton, Bimba y Lola, Price Smart, Jerónimo Martins, Dolce yamp; Gabanna, Faconable, Tiffany yamp; Co, Gap, La Polar, Ripley, Aeropostal, Celio, Hooters, Chili's, Papa John's, Sbarro, Buffalo Wings and Subway (EDMTOV, 2014).

3.1.3 – Study Unit: Falabella

Falabella is a holding Chilean retail marketer founded in 1889 that operates department stores, home improvement home centers, supermarkets, hypermarkets and employs over 105 500 people. Additionally, the company is active in the financial, insurance and real estate sectors. All different operations are present in Chile, Argentina, Peru and Colombia. Its first international store was opened in Mendoza, Argentina in 1993. In 1995, it entered the Peruvian market through the acquisition of the local chain Saga. Falabella currently owns and operates thirty-three stores in Chile, seven in Argentina (Mendoza, Rosario, Córdoba, San Juan, Buenos Aires and 15 in Peru (Lima, Arequipa, Trujillo, Chiclayo, Piura, Cajamarca and Ica). It opened its first store in

Colombia in November 2006 at Centro Comercial Santa Fe de Bogota. Today Falabella operates a total of 25 stores in Colombia (12 in Bogota, 1 in Barranquilla, 4 in Cali, 2 in Medellin, 1 in Cartagena and 1 in Pereira, 1 in Villavicencio, 1 in Ibague and 2 in Bucaramanga) (Falabella, 2017).

Falabella's strategic focus revolves around women. Its vision is to be women's favorite retail brand (Falabella, 2017). For that reason, most marketing campaigns are developed with women in mind even though all stores also have sections dedicated to men, shoes, beauty, children, appliances and home decoration. In order to support its positioning Falabella employs a differentiation strategy based on safety and quality. Human resources plays a very active role within the company in terms of employee training. It works closely with its internal communications department in order to make sure all employees are always aware of new brand initiatives and promotions. According to the latest ranking published by GPTW (GPTW, 2016), Falabella is currently ranked as the twenty first best company to work at in Latin.

3.2 – Sample

Data collection was conducted among Falabella's associates in Bogota. The chain employs over 7,000 people in Colombia and operates 25 stores. For logistical issues the survey was conducted only in the stores located in Bogota. In order to avoid operations disruption, the human resources department of the company opted to request employees' voluntary participation either before or after their work shifts. Respondents were asked to indicate their agreement or disagreement with several statements on a five-point Likert scale ranging from 1=strongly disagree to 5=strongly agree. The final sample description is presented in table 1. The survey produced a total of 400 completed forms and resulted in 392 usable responses.

Table 1 Socio-demographic traits

Gender		Type of Employment	
Male	40%	Full Time	83%
Female	60%	Part Time	15%
		Weekend	2%
Age		Position	
16-24	13%	Supervisor	45%
25-31	51%	Employee	55%
32-47	34%		
48 and over	2%		
Generation		Seniority	
Before 1946	1%	Less than 1 yr	24%
Between 1946 and 1964	3%	1-4 yrs	32%
Between 1965 and 1981	23%	5-7 yrs	27%
Between 1982 and 2000	73%	8-14 yrs	17%
Average Daily Interactions with Clients			
1-5 times	25%		
6-10 times	21%		
10-20 times	17%		
All day long	37%		

3.3 – Research Instrument

Table 2 Measurement Items

Latent variables	Measurement items	Item	References
Brand Identity	I know the core components of the (company name withheld) brand	BID1	Burmam et al. (2008), Keith Glanfield (2013)
	The description of our mission statement is understandable	BID2	
	The description of our mission statement is easy to memorize	BID3	
	The description of our mission statement is convincing	BID4	
	There is total agreement of our mission across all levels and business areas	BID5	
	Our company transmits a consistent visual presentation through facilities, equipment, personnel and communications material.	BID6	
	Our consumables (e.g. e-mails, letters) are designed to match the overall visual elements/image of our company.	BID7	
	The company's values and mission are regularly communicated to employees.	BID8	
	I knew what was expected of me on my team.	RCLTY1	

Role Clarity	I felt that I had sufficient time to perform.	RCLTY2	Rizzo, House, and Lirtzman (1970), Cammann, Fichman and Jenkins (1983), Fritz, Narasimhan, and Rhee (1998), Hart, Wearing and Conn (2000)
	I know what my responsibilities are.	RCLTY3	
	I feel certain about how much authority I have.	RCLTY4	
	Clear, planned goals and objectives exist for my job.	RCLTY5	
	My work objectives are always well defined.	RCLTY6	
	I know exactly what is expected of me on my job.	RCLTY7	
	Explanations are clear about what has to be done.	RCLTY8	
	Brand Commitment	I will work harder than I am expected in order to make Falabella successful	
I am proud to work for Falabella		BCOMMIT2	
I feel very loyal to Falabella		BCOMMIT3	
I talk about Falabella to my friends as a great company to work for		BCOMMIT4	
I really care about the future of Falabella		BCOMMIT5	
My values are similar to those of Falabella		BCOMMIT6	
I feel like I really fit in at Falabella		BCOMMIT7	
In-Role Brand Behavior	In customer-contact situations, I pay attention that my personal appearance is in line with our corporate brand's appearance.	IRBBB1	Morhart et al (2009)
	I see that my actions in customer contact are not at odds with our standards for brand-adequate behavior.	IRBBB2	
	I adhere to our standards for brand-congruent behavior.	IRBBB3	
Job Satisfaction	Please select how satisfied you are about job security working for Falabella	JSAT1	Firth et al. (2004), Siong et al. (2006)
	Please select how satisfied you are about physical conditions (e.g. safety, break rooms, etc) of this company	JSAT2	
	Please select how satisfied you are about fringe benefits working for Falabella	JSAT3	
	Please select how satisfied you are about the pay you receive for your job working for Falabella	JSAT4	
	Please select how satisfied you are about the recognition that you get when you do a good job working for Falabella	JSAT5	
	Please select how satisfied you are about the freedom you have to do the best you can at job working for Falabella	JSAT6	
	Please select how satisfied you are about opportunities for career advancement working for Falabella	JSAT7	
	Please select how satisfied you are about the type of work you do working for Falabella	JSAT8	

3.4 – Method of Analysis

We opted for partial least squares path modeling (PLSPM) over traditional structural equation modeling (SEM) to test the proposed model (Fig. 1). PLSPM is better suited than traditional SEM modeling for operations with small sample sizes (Chin & Newsted, 1999) and is more flexible when dealing with the normality distributional assumptions often violated in survey data. PLSPM also allows for the examination and testing of hypotheses through distribution-free permutation tests and bootstraps along with the examination of differences between subsamples (Chin & Dibbern, 2010). Face validity of the instrument used is claimed by the fact that all the questions used are based on previously validated instruments. Additionally, common method bias was assessed through Harman's one factor test and found to not be an issue.

3.4.1 – Measurement Model Analysis

3.4.2 – Convergent Validity

SmartPLS 3.2.7 (Ringle, Wende, & Becker, 2015) was used to assess the proposed research model. A confirmatory factor analysis was initially conducted and resulted in the removal of some of the manifest variables because of low loadings and co-variance issues. As a result, the items BID 1, 2 and 6 were excluded from brand identity. The items RCLTY 1, 2, 5, 6, and 7 were excluded from role clarity. BCOMMIT 4 was excluded from brand commitment and the items JSAT 1 and 2 were excluded from job satisfaction. A list of retained construct items and details for their factor loadings, Cronbach, rhoA, CR and AVE is presented in Table 2. Once a final model emerged, the two-stage analytical procedures recommended by Anderson and Gerbing (1988) were used to test the measurement model for validity and reliability of the measures. An examination of the structural model followed in order to test the hypothesized relationships. As reported in Table 2, the average variance extracted (AVE) for each latent variable was greater

than 0.5, factor loadings were higher than 0.6 (Chin, 1998) and the composite reliability indexes (ρ) had a value of at least 0.8. Based on this our model claims convergent validity.

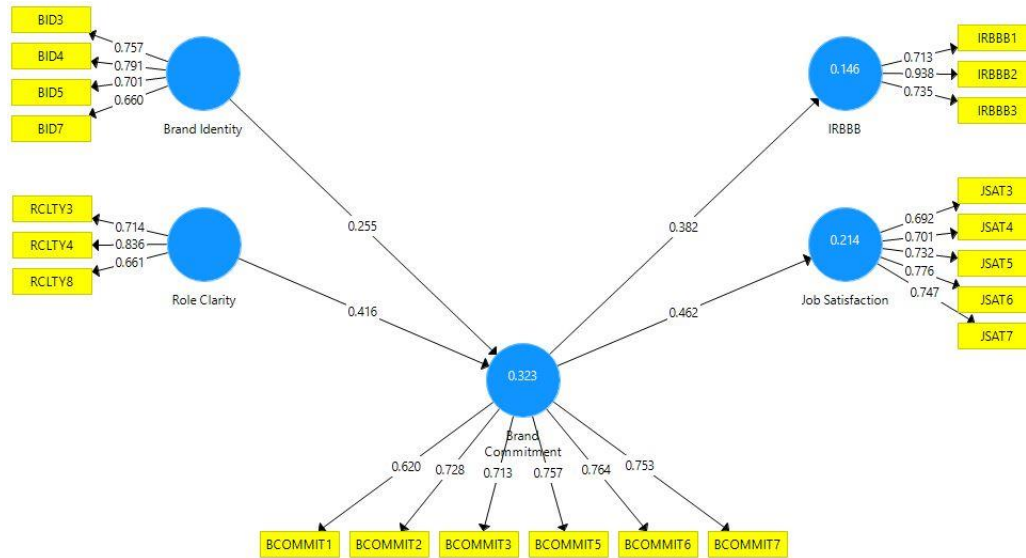


Figure 2 Measurement Model Results

Table 3 Convergent Validity

Constructs	Items	Loadings	Cronbach	ρ A	CR	AVE
Brand Identity	BID3	0.757	0.816	0.823	0.819	0.531
	BID4	0.791				
	BID5	0.701				
	BID7	0.660				
Role Clarity	RCLTY3	0.714	0.778	0.793	0.783	0.548
	RCLTY4	0.836				
	RCLTY8	0.661				
Brand Commitment	BCOMMIT1	0.620	0.866	0.871	0.868	0.524
	BCOMMIT2	0.728				
	BCOMMIT3	0.713				
	BCOMMIT5	0.757				
	BCOMMIT6	0.764				
	BCOMMIT7	0.753				
In-Role Brand Behavior	IRBBB1	0.713	0.834	0.860	0.842	0.643
	IRBBB2	0.938				
	IRBBB3	0.735				
Job Satisfaction	JSAT3	0.692	0.851	0.852	0.851	0.533
	JSAT4	0.701				
	JSAT5	0.732				
	JSAT6	0.776				
	JSAT7	0.747				

3.4.3 – Discriminant Validity

Discriminant validity for the model was assessed in two different ways. First, the Fornell and Larcker (1981) criterion was examined and as reported in Table 3 discriminant validity was assessed through a comparison of the construct's AVE values with the squared correlation between any pair of constructs. The square root of the average variance extracted (AVE) of each latent variable of the model is higher than the correlations between it and the other latent variables as can be observed in table 3, therefore supporting discriminant validity.

Table 4 Fornell-Larcker Criterion

Constructs	Brand Commitment	Brand Identity	In-Role BB	Job Satisfaction	Role Clarity
Brand Commitment	0.724				
Brand Identity	0.423	0.729			
In-Role BB	0.382	0.365	0.802		
Job Satisfaction	0.462	0.349	0.017	0.730	
Role Clarity	0.519	0.405	0.406	0.415	0.741

As the Fornell-Larcker criterion has been subjected to criticism lately because of its lack of reliability to detect lack of discriminant validity in common research situations (Henseler, Ringle, & Sarstedt, 2015) discriminant validity was also assessed through the heterotrait-monotrait ratio of correlations. The results presented in Table 4 passed both Gold, Malhotra, and Segars (2001) recommendation of values lower than 0.90 and Kline (2011) more strict recommendation of HTMT values lower than 0.85 ascertaining that there is no problem of discriminant validity.

Table 5 Heterotrait-Monotrait Ratio (HTMT)

	Brand Commitment	Brand Identity	In-Role BB	Job Satisfaction	Role Clarity
Brand Commitment					
Brand Identity	0.425				
In-Role BB	0.386	0.371			
Job Satisfaction	0.462	0.350	0.084		
Role Clarity	0.521	0.410	0.409	0.418	

3.5 – Structural Model Analysis

3.5.1 – Model Fit Test and Hypothesis Testing Results

Standardized Root Mean Square Residual (SRMR) measures for the saturated and estimated model were 0.053 and 0.077, below the 0.08 threshold recommended by Hu and Bentler (1998), confirming that the data fits the model well. Path coefficient significance was assessed through a bootstrap procedure with 5000 replications (Hair Jr, Hult, Ringle, & Sarstedt, 2016). All path coefficients and standardized coefficients of the paths representing each of the proposed hypotheses were found to be statistically significant at the 5% level therefore supporting all hypotheses as presented in figure 3. The results were further corroborated by the predictive relevance (Q2) and effect size (f2) measures reported in Table 5.

Brand identity ($\beta = 0.255$, $t = 4.209$, $p < 0.05$, $f^2 = 0.080$) and role clarity ($\beta = 0.416$, $t = 6.299$, $p < 0.05$, $f^2 = 0.213$) were found to have a positive influence on brand commitment and explained 32.3% of the variance in brand commitment supporting H1 and H2. Brand commitment was found to be a significant predictor of IRBBB ($\beta = 0.382$, $t = 6.936$, $p < 0.05$, $f^2 = 0.171$) and job satisfaction ($\beta = 0.462$, $t = 9.395$, $p < 0.05$, $f^2 = 0.272$) explaining 14.6% of the variance in IRBBB and 21.4% of the variance in job satisfaction therefore supporting H3 and H4.

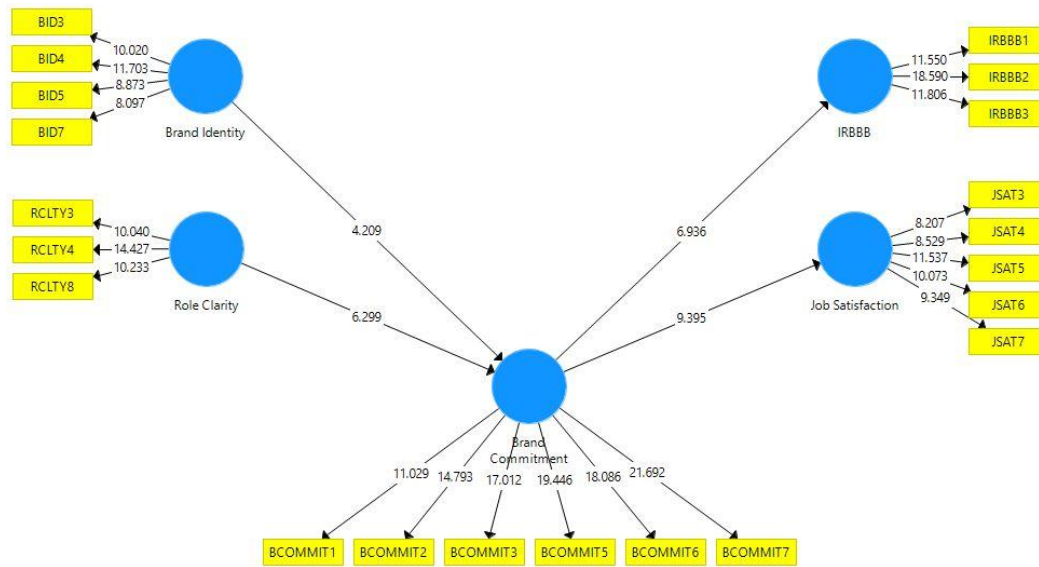


Figure 3 Bootstrapping Results

Table 6 Research Hypotheses Results

Hypothesis	Path	Std. Beta	Std. Error	t-value	Decision	2.50%	97.50%	VIF	R2	Q2	f2
H1	BID→BCOMMIT	0.255	0.060	4.209**	Supported	0.135	0.374	1.197	0.323	0.131	0.080
H2	RCLTY → BCOMMIT	0.416	0.066	6.299**	Supported	0.285	0.543	1.197	0.323	0.131	0.213
H3	BCOMMIT→ IRBBB	0.382	0.055	6.936**	Supported	0.274	0.492	1.000	0.146	0.074	0.171
H4	BCOMMIT→JSAT	0.462	0.049	9.395**	Supported	0.366	0.559	1.000	0.214	0.089	0.272

4 – Discussion and Theoretical Contributions

This study explores the impact of brand commitment on FLE behavior in the retail context. It does so by examining the relationship of the brand identity and role clarity constructs with brand commitment and the impact of brand commitment on FLE brand behavior represented by IRBBB and job satisfaction. The findings presented here offer valuable insight for scholars and practitioners regarding the engendering process of employee brand behavior in a retail environment.

From an academic standpoint, this study provides additional empirical support for relationships that had been discussed in the branding literature but not been empirically tested in the retail sector. It contributes to the marketing literature in many ways. First, it examines employee branding from a normative perspective in the form of in-role behavior as opposed to the more frequently researched extra-role behavior. In-role behaviors are usually presented to employees through a job description document. These are presented as minimum requirements required of employees by an organization against which employee performance is measured. In-role brand behavior existence is linked to a more transactional environment as opposed to extra-role brand behavior, which thrives in a more transformational environment (Morhart et al., 2009). A transactional environment is characterized by a system designed around metrics used to assess employee performance according to a set of key performance indicators normally found in an employee job description. This normally operates as a reward or punishment system, with employees being rewarded for doing the job as described or punished for failure of doing so.

The general assumption behind the model proposed for this study lies in the premise that other methods of motivation might be available to organizations to mitigate the impact of this type of system. This led us to propose the relationship between brand identity and role clarity with brand commitment. We argue that the internalization of the brand (H1) and a clear understanding of their role (H2), can cause FLEs to become more committed to the organization. These hypotheses were supported in our study. We also suggested that as a consequence brand commitment could positively affect IRBBB (H4) and FLE job satisfaction (H4). Both hypotheses were supported as well. These two findings hold profound implications to retailers. First, the contact between a consumer and a brand involves functional and emotional values (De Chernatony & Segal-Horn, 2001) and it is magnified when it occurs through an employee. This type of

interaction present companies with the opportunity to show customers how committed they are to serve them through a proper display of IRBBB. Second, brand commitment was found to have a strong relationship with FLE job satisfaction. Job satisfaction is a very important indicator for organizations as it affects employee intention to quit. The impact of intention to quit is captured by company employee turnover once it materializes and has a direct financial impact represented by costs associated with employee selection and training.

The other contribution of this study was the development and testing of a model using the Consistent PLS algorithm available in the SmartPLS 3 software (Dijkstra & Henseler, 2015a; 2015b) to illustrate the procedure behind the analysis of a model and how to report its findings. This can serve as reference to other researchers planning to use SmartPLS to run confirmatory models.

5 – Managerial Implications

The management of employee brand behavior is a challenging proposition that can be better supported by an understanding of how the FLE brand internalization occurs. This research paper examines three factors that have relevance in this process and provides managers with a unique understanding of factors other than traditional tools and metrics employed by most companies to manage employee performance (i.e. job descriptions, score cards and KPIs).

Even though there is quite a bit of recent literature on the employee brand building process its practical application still presents its own set of challenges. To start, brand identity needs to have a strong emotional appeal in order to connect with FLEs and generate internal brand commitment. For that to happen the concept of brand identity must be managed through the organization's internal communications channels. This holds true for most organizations because of a gap that exists between the brand identity concept and the tasks performed by employees. In

order to address that gap, marketers must improve FLEs brand knowledge constantly communicating the company defined brand values and its vision of brand image. This can be accomplished by working together with the HR department and leveraging the organizational message systems controlled by it. HR departments can also further support the employee branding effort by incorporating brand elements in their processes such as recruitment, compensation, training and development and performance management systems. The main issue that affects this process is the disconnect that exist between HR departments and marketing leaving programs that could support brand orientated practices such as recruitment, induction and training isolated under HR. Employee brand uncertainty and brand understanding can also be supported by organizations through the execution of a hierarchical mapping of brand signals within the organization (Karanges, Johnston, Lings and Beatson, 2018).

Another challenge faced by managers is the definition of prescribed standards for in-role brand-building performance (Motowidlo & Van Scotter, 1994). One recommendation to support this process involves the development of brand identity guidelines directed at employees that should be executed through internal training sessions (Fichtel et al., 2010). If performed correctly this should positively support the manipulation of brand building behavior enough to impact the customer's perception of the brand during a sales encounter, therefore lending support to the value of an employee branding program. It was by taking all of these ideas into consideration that Fichtel et al. (2010) set out to study drivers testing Audi automobiles in the Netherlands and Denmark. According to the authors, Audi was selected because of its management strong belief in the valuable correlation between sales and service experience. They firmly believe that this is a crucial step in differentiating their brand identity and developed an internal concept based on it named "The Audi Way" (Fichtel et al., 2010, p. 168). The Audi Way is a program that was created to

develop companywide brand building attitude, with a special focus on FLEs. This provided the researchers with the ideal scenario to conduct a study to measure the impact of such a program on customers. After the study was concluded (Fichtel et al., 2010) reported that the investment on the FLE brand building program had a positive impact on both brand perception and customer satisfaction. The same premise can be applied to retailers.

In order to have satisfied customers, organizations must first have satisfied employees (Heskett & Schlesinger, 1994). Job satisfaction is affected by job ambiguity and can be mediated by supervisor support who should monitor extrinsic and intrinsic sources of job satisfaction employees are subjected to (Mellor, Moore, & Loquet, 2003). The main consequence of job dissatisfaction is employee turnover. Turnover is well-recognized as an issue of critical importance to managers. Lack of employee continuity and organizational stability, the high costs involved in the induction and training of new staff, and organizational productivity are some of the challenges that arise as a consequence of turnover. It is not surprising then that organizational psychologists and other researchers have made concerted efforts to identify the antecedent factors associated with employee turnover in order to assist managers to institute measure to prevent it. (Benjamin, Mellor, & Lucy, 2006). Therefore, employees who notably identify with their organization will have a more positive attitude towards their job and this can result in a greater acknowledgement of the effort made by the company towards them. Consequently, they may be more willing to provide extra effort and behavior beyond their job description (Isen and Baron, 1991). As indicated by van Dick et al. (2006), employees are more intrinsically motivated to engage in OCB if they identify more with their organization. Moreover, employees satisfied with their job are more likely to accept and live the brand values of the organization (Wu et al., 2008) and may be prone to

engage in these behaviors as reciprocation for those who enhance their level of job satisfaction (Organ, 1988; Murphy et al., 2002; Riketta, 2008).

6 – Limitations and Future Research

This research was conducted in a single retailer in a single geographic location. As is the case in such scenarios further studies should be conducted in firms and different locations to generalize its findings. As one of the first of its kind in Latin America, it would be very useful to conduct future research to establish whether the results presented here are inherent to the format retail organization studied or if similar results could be generated in other retail formats. Another interesting avenue of future research could also be comparing these results with results from retailers in other Latin American markets. It would also be interesting to investigate how clearly firms distinguish in-role from extra-role behavior. There is still a lot of confusion delimitating what constitutes extra-role behaviors with some companies including them as part of their job descriptions which is an instrument designed to clearly describe a set of expected FLE behaviors.

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