

# How Does Service Climate Influence Hotel Employees' Brand Citizenship Behavior? A Social Exchange and Social Identity Perspective

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## Abstract

By integrating social exchange and social identity theories, this article examines the mechanism through which employee perceived service climate enhances employee brand citizenship behavior (BCB). Specifically, we propose that this relationship is mediated by perceived brand image and moderated by employees' power distance orientation. Using data from hotel employees in Vietnam, the findings show that service climate positively affects employee BCB. Furthermore, the mediating effect of perceived brand image and the negative moderating effect of employees' power distance orientation on the linkage between service climate and employee BCB are found to be significant. This article enriches the existing knowledge by incorporating both social exchange and social identity perspectives in explaining an underexplored linkage between service climate and employee BCB. We suggest that hotel providers should put an emphasis on fostering a supportive service climate and should take into account the role of employee's power distance orientation in promoting employee BCB.

## Keywords

service climate, perceived brand image, brand citizenship behavior, power distance orientation, social exchange theory, social identity theory

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## Introduction

The tourism industry plays a crucial role in the economic development in the Asia Pacific region. In addition to contributing to 9.9% of the gross domestic product (GDP) in the region, the industry offers 78 million direct jobs and 180 million indirect jobs in 2018 (World Travel & Tourism Council, 2019). At the same time, the major growth of the tourism industry, especially the development of multinational hotel chains and the emergence of market disruptors such as Airbnb have led to fierce competition among hotel organizations (Terglav et al., 2016). To develop and maintain their competitive advantage, hotels must differentiate themselves especially in terms of service quality. In this context, scholars (Nguyen et al., 2019; Xie et al., 2014) have highlighted the significant role of employees as a brand ambassador or employee brand citizenship behavior (BCB) in building a strong brand within the tourism industry. Burmann and Zeplin (2005) defined BCB as an aggregated construct of individual behaviors that may enhance brand strength. BCB encourages employees not only to act as sellers but also to show more empathy to satisfy customers.

An increasing amount of research attention has been paid to explore drivers of employee BCB. For example, from a perspective of internal brand management, scholars have examined the influence of brand knowledge (Ngo et al., 2019; Xiong & King, 2019), brand commitment (Piehler, 2018), brand communications (Baker et al., 2014), and brand leadership (Nguyen et al., 2019) on employee

BCB. Through the lens of social exchange theory which explains how that the quality of social exchange (e.g., organizational support) leads to reciprocity among employees (Blau, 1968), scholars have also emphasized the role of perceived organizational support (Xie et al., 2014), brand psychological ownership, and brand-centered human resource (HR) management (Chang et al., 2012) in fostering employee BCB. While these studies have advanced existing knowledge on BCB, little is known about the extent to which service-related organizational factors (i.e., service climate) could impact employee BCB. This is surprising because within services marketing literature, service climate has been identified as a crucial factor influencing employee outcomes such as employee job satisfaction, commitment, and service performance (Yavas et al., 2010). However, the linkage between employee perceptions of service climate and employee BCB in service firms has not been explored, given the role of service employees as brand ambassadors and brand promise delivery (Nguyen et al., 2019). Furthermore, while several prior studies have found the direct influence of service climate on employees behavior

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(Little & Dean, 2006; Yavas et al., 2010), the question of how this relationship occurs has received less attention (Li & Huang, 2017). As such, by exploring the relationship between service climate and employee BCB, we respond to Li and Huang's (2017) call for empirical research to understand the mechanism underlying relationship between service climate and employee behavior, especially in the brand behavior of service employees.

Furthermore, although previous studies have investigated a few moderators on the relationship between service climate and employee outcomes such as service types, organizational hierarchy (Bowen & Schneider, 2014; Kang & Busser, 2018), to the best of our knowledge, research on the role of employees' cultural values (e.g., employees' power distance orientation) plays in these relationships is lacking. This issue becomes increasingly pertinent as prior studies have indicated that due to the effect of economic globalization and social change, there are diverse individual cultural values even within the same country (Farh et al., 2007; Hoang et al., 2017). Hence, it is important to extend our understanding of how to effectively manage BCB of service employees who hold different levels of cultural values. Specifically, by demonstrating the moderating role of a popular employees' cultural value, power distance orientation, we provide some of new insights of how employee cultural value would influence the effect of a supportive service climate on employee BCB, contributing to the existing knowledge of service climate and employee BCB.

In particular, we focus on the emerging markets of Asia, where much of the demand and growth for services in the tourism industry is likely to come from over the next decade. Specifically, we will draw from the experience of one of the small Asian emerging markets, Vietnam, where activity in the tourist hotel industry is intense and where is known as an attractive destination for tourists. According to the World Travel and Tourism Council (2019), the industry contributed 9.2% to the national GDP and employed more than 4 million people in 2018. While tourist hotels have been given more opportunities in utilizing their service practices for attracting tourists, they are increasingly facing severe competition, especially competition from larger foreign hotel corporations (Trinh, 2010). Thus, tourist hotels in Vietnam need to find suitable ways to foster employee BCB for building a strong service brand in the hotel industry.

The rest of the article is structured as follows. First, we provide a theoretical background and develop a set of research hypotheses. We then describe the research methodology and present our results. Finally, we discuss theoretical contributions, managerial implications, and conclude with research limitations and future research directions.

## Theoretical Background and Development of Hypotheses

### Employee BCB

Employee BCB is defined as employee behaviors that are "consistent with the brand identity and brand promise such that together they strengthen the brand" (Piehler et al., 2016, p. 1577). The concept of BCB was developed based on the concept of organizational citizenship behavior (OCB) concept, referring to employees' intention to exhibit extra-role behaviors beyond their prescribed job requirements (Organ, 1988). Although both concepts (BCB and OCB) are nonenforceable and go beyond in-role expectations, the main difference between these two concepts is that BCB focuses on brand-oriented behaviors that bring a brand to life (Burmam & Zeplin, 2005), whereas OCB is related to intraorganizational behaviors only. More

specifically, BCB goes beyond the scope of OCB by including externally targeted behaviors that help enhance brand identity (Burmam & Zeplin, 2005). Examples of intraorganizational behavior include helping coworkers with work-related problems and organizational compliance (Burmam et al., 2009). Examples of externally targeted behaviors related to BCB include considering the impact on the brand before communicating to customers, clarifying customers' misunderstanding of the brand and recommending the brand to others (Baker et al., 2014; Xie et al., 2014).

Employee BCB has been found to have a positive effect on service performance (Baker et al., 2014), customer satisfaction, and customers' brand trust (Xie et al., 2014). For antecedents of employee BCB, previous studies mostly focused on internal branding management practices such as brand knowledge (Ngo et al., 2019; Xiong & King, 2019), brand commitment (Piehler, 2018), brand communications (Baker et al., 2014), and brand leadership (Nguyen et al., 2019), brand psychological ownership, and brand-centered HR management (Xie et al., 2014).

### Service climate

Compared with production of goods, it is more difficult for service firms to accurately standardize, control, and evaluate the service delivery process (Zeithaml et al., 2017). Service firms thus need to create a favorable service climate to guide the attitudes and behavior of service employees (Hong et al., 2013). Service climate refers to perceptions shared among employees regarding the policies, practices, and behaviors that organizations expect and reward in providing high-quality services (Schneider et al., 1998). Such perceptions are shaped through the internalization of management priorities from employees' daily organizational life (Hoang et al., 2017). The concept of service climate has been researched in various service settings such as self-managing service teams (SMTs), hospitality, finance and banking services, and information technology (IT) professional services. For example, de Jong et al. (2004) defined service climate as the perceptions of SMT's members of the knowledge, skills, efforts, and performance with regard to excellent service provision.

A number of drivers have been investigated to influence service climate such as leadership, service-oriented HR practices, work facilitation resources, internal processes (Hoang et al., 2018). Service climate has been shown to affect customer perceptions of service quality (Schneider et al., 1998). Service climate is also associated with employee outcomes such as employee engagement (Kang & Busser, 2018), employee service behavior and employee performance (Yavas et al., 2010), employees' psychological capital, quality of life and their turnover intention (Kang et al., 2018), and organizational business performance (Voon et al., 2009). In particular, in the hospitality context, researchers have found that service climate positively affects employee engagement, employee performance, and customer satisfaction (Kang & Busser, 2018; Li & Huang, 2017). Prior studies also identified some moderators on the relationship between service climate and its outcomes such as service types, organizational hierarchy (Bowen & Schneider, 2014; Hong et al., 2013; Kang & Busser, 2018). However, Kang et al. (2018) claimed that hospitality researchers have concentrated on investigating the influence of service climate on customer satisfaction rather than its influence on employees' behavioral outcomes.

### Development of hypotheses

**Service climate and employee BCB.** Service climate is designed to assist and motivate employees to provide excellent services (Bowen

& Schneider, 2014). Social exchange theory suggests employees determine their attitudes and behavior based on the extent to which they believe they are treated and supported by their organization (Blau, 1968; Zou et al., 2015). Based on the reciprocity element from social exchange theory, a favorable service climate not only signals to employees that prioritization is given to service quality but also creates a supportive and friendly atmosphere that could reduce barriers and facilitate employees' potential capabilities in completing their tasks (Wong et al., 2019). This prompts a sense of obligation in service employees. That is, a positive service climate results in employees feeling the support of their organizations, which motivates and encourages them to display reciprocity (Zou et al., 2015).

In the mainstream of service climate research, service climate has been identified as a predictor of service employees' attitudes and behavior. For example, a study of frontline employees by Pimpakorn and Patterson (2010) posits that service climate contributes to enhanced employee customer-oriented behavior. Similarly, Li and Huang (2017) further found that service climate is positively related to employee service orientation, which in turn influence employee service performance. As such, based on past studies and by using reciprocity element of social exchange theory mentioned above, this study proposes that when hotel employees perceive a supportive service climate, they are more likely to be motivated and reciprocate by engaging in behaviors to facilitate the success of their hotel brand. These behaviors may include not only intraorganizational behaviors (e.g., helping coworker behavior, providing constructive suggestions) but also externally targeted behaviors (e.g., willingness to engage customers for the benefit of the hotel brand, clarifying customers' misunderstanding of the hotel brand), which are communicated through service encounters or personal interactions between hotel employees and customers (Baker et al., 2014; King & Grace, 2012). Thus, the following hypothesis is offered:

**Hypothesis 1 (H1):** Employees' perception of service climate is positively associated with their BCB.

**The mediating role of perceived brand image.** Brand image refers to a "set of beliefs held about a particular brand" (Kotler, 1988, p. 197). Brand image is also defined as a set of associations and feelings customers hold of a particular brand (Bakri et al., 2020). Traditionally, marketing researchers have used brand image from a customer perspective to understand how customers perceive and evaluate a particular brand in the market. Positive brand image is associated with customers' trust on the brand and customers' purchase intentions (Bakri et al., 2020; Lien et al., 2015). However, as employees play a crucial role in constructing and conveying brand image, especially in hospitality and service industries (Burmahn & Zeplin, 2005), researchers have emphasized the perceived brand image from an employee perspective (Kimpakorn & Tocquer, 2009; Todd & Kent, 2009). In this study, borrowing the definition from Kotler (1988), we define perceived brand image as a set of employee beliefs about the service brand of their organization.

Although service climate can directly influence employee BCB, it remains possible that this influence may occur through another mechanism. We argue that perceived brand image plays a mediating role on the relationship between perceived service climate and employee BCB. This mechanism is explained by social identity theory (Ellemers et al., 1999). Social identity theory offers a social-psychological approach on the role of self-conception in group membership, group processes, and intergroup relations (Ashford & Mael, 1989). In the case of this study, this theory is particularly relevant as a service employee defines his or her role in a particular group. Indeed,

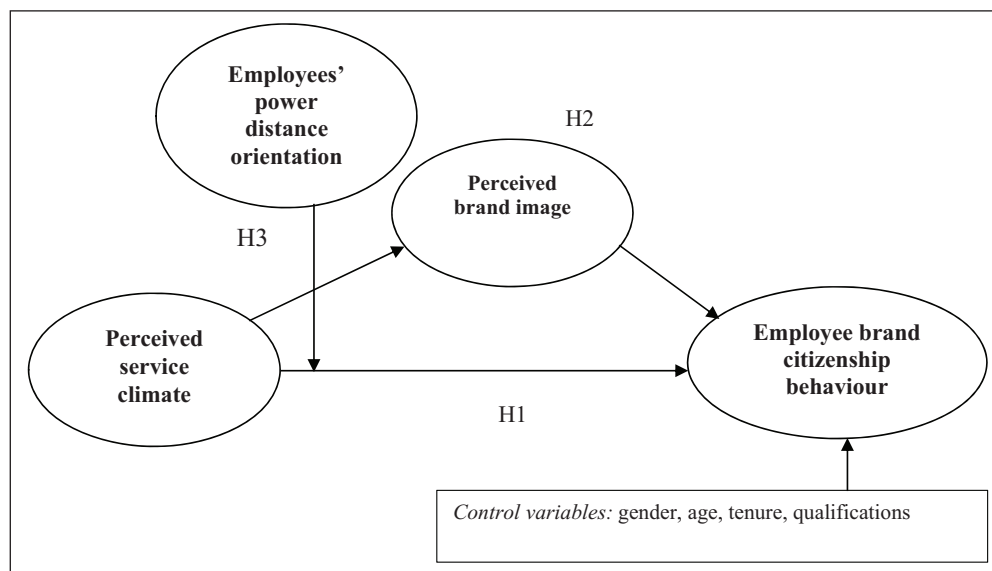
employees' brand identification and their emotional reactions to this identification is a powerful predictor of service employees' attitude and behavior (Homburg et al., 2009). For example, Kimpakorn and Tocquer (2009) found that employee perceived brand image impacts employee commitment and their actions. Similarly, Todd and Kent (2009) found that construed external image, a concept that refers to employee perception about outsider's beliefs, positively influences employee job satisfaction, commitment, and OCB.

The concept of social identity theory could be divided into three processes (Ellemers et al., 1999). The first, cognitive component, refers to a cognitive awareness of a person's membership in a social group. The second, evaluative component, refers to a positive or negative evaluation of a person to group membership. The third, emotional and behavioral component, describes a person's sense of emotional and behavioral involvement with a group and his or her desire and efforts to maintain their membership (Ellemers et al., 1999; Todd & Kent, 2009). Conceptually, service climate refers to employees' perceptions about the service policies, practices, and the types of behaviors that organizations support, expect, and reward to enhance service quality. This ensures the "cognitive awareness" of social identity. By observing and learning daily the positive service practices of the organizations and the role models of their managers and coworkers, according to "evaluative component" of social identity theory, service employees will perceive and evaluate the service brand image in a favorable manner. From the "emotional and behavioral component" of this theory, when employees identify or evaluate the service brand in a positive way, to maintain their membership, they are more likely to conform to the brand's norms and standards and develop attitudes and behaviors that support the brand promise and the identity of the brand (Ellemers et al., 1999; Homburg et al., 2009). As such, based on social identity theory, we propose that employee perceptions of service climate not only affect employee BCB directly, but also affect employee BCB indirectly through their perceived brand image. The following hypothesis is offered:

**Hypothesis 2 (H2):** Employees' perception of brand image mediates the relationship between perceived service climate and their BCB.

**The moderating role of employees' power distance orientation.** By applying social exchange theory, we have proposed in section "Service climate and employee brand citizenship behavior" that employee perceived service climate may directly influence employee BCB. Notably, several prior studies (Farh et al., 2007; Lin et al., 2018; Newman & Butler, 2014; Yang, 2020) suggested that social exchange theory explanations of employee behaviors may not be universal under different levels of employee cultural orientation. Indeed, individual diversity in cultural orientation is likely to exist in a country (Hofman & Newman, 2014). For example, Caprar (2011) and Hofman and Newman (2014) found diverse cultural values among employees working in emerging markets, especially those working in multinational companies and export-oriented firms. This can be relevant to our study, given that hotel employees are working in both local hotels and multinational hotel chains. Hence, we argue that hotel employees have different levels of cultural orientation. Our study focused on hotel employees' power distance orientation because prior research (e.g., Farh et al., 2007; Lin et al., 2018; Newman & Butler, 2014; Yang, 2020) suggested that compared with other cultural values, power distance orientation is more theoretically relevant to management practices, which are valued and prioritized by leadership such as a supportive service climate.

Employee power distance orientation refers to the extent to which employees accepts the unequal power in their organizations



**Figure 1.** Research model.

(individual-level power distance; Farh et al., 2007). Employee power distance orientation may reduce the effectiveness of reciprocity norms in promoting employees' willingness to engage in behaviors that support organizational success (Yang, 2020). Specifically, employees indicating a high-power distance orientation are less likely to be involved in reciprocity norms because of their strong deference to issues related to authority (Farh et al., 2007). In contrast, employees indicating a low-power distance orientation place a higher value on participation and involvement in decision-making process (Yang, 2020), and they feel more comfortable in open discussion with their peers and superiors. As a supportive service climate stimulates employees to actively participate and involve in providing excellent services (Bowen & Schneider, 2014), hotel employees with a low-power distance orientation are more likely to respond positively to a supportive service climate by engaging in extra-role behaviors that support their hotel brand success in the eyes of customers. Previous studies also found support for such propositions. For example, Farh et al. (2007) and Newman and Butler (2014) found evidence that the impact of perceived organizational support on employee outcomes is stronger for people scoring low in power distance. Similarly, Yang (2020) found that the effectiveness of intrinsic motivators on employees' willingness to cooperate is stronger for employees who are low in power distance. We therefore expect that the influence of perceived service climate on employee BCB will be stronger for those scores low in power distance orientation. Thus, we propose that

**Hypothesis 3 (H3):** Employees' power distance orientation moderates the influence of perceived service climate on BCB. Specifically, the influence of perceived service climate on BCB is lower for employees scoring high in power distance orientation.

The proposed hypotheses are illustrated in Figure 1.

## Method

### Data collection and sample

We collected data from four- and five-star tourist hotels in major tourist cities in Vietnam, a small Asian emerging market. We contacted

the HR department of the hotels directly to seek their support and approval to conduct a survey with their representative employees. We asked the HR department to distribute the questionnaires to their service employees. The original questionnaire was developed in English and was translated in Vietnamese, then back translated in English to ensure the consistency between English and Vietnamese versions of the questionnaire. We used both Vietnamese and English version of the questionnaire in the survey as some respondents are foreigners working in Vietnam. We assured the confidentiality and anonymity of responses by informing that their participation was voluntary and anonymous. In addition, we asked employees to return the completed surveys in a sealed envelope to a confidential return box in each hotel.

A total of 480 questionnaires were distributed and 305 questionnaires were returned, 18 of which were incomplete, and a total of 287 questionnaires were usable for final data analysis. Therefore, we obtained a response rate of 59.8%. Of the 287 employees, 64% were female, 62% were between 20 and 30 years of age, and 50.9% got an undergraduate degree. The average working tenure was 4.1 years.

### Measurements

This study adopted measures from the existing literature. Several issues were taken into account for choosing an appropriate measurement scale such as multi-item measures (e.g., more than three items) as advised by Churchill (1979), the frequency of use of the scales in past research, the internal validity and reliability of the scales in past research (Malhotra et al., 2002), and where necessary, some minor modifications of the existing scales were made to suit the context of this study. All measures were on a 7-point Likert-type scale from either (1) "strongly disagree" to (7) "strongly agree" or (1) "very poor" to (7) "excellent."

Service climate was measured by six items adapted from de Jong et al. (2004). Example items include "In our company we put a lot of effort in attempting to satisfy customer expectations," and "No matter how we feel, we always put ourselves out for every customer we serve." The list of questionnaire items for service climate is provided in Appendix 1. Cronbach's alpha of this scale in this study is .85.

Perceived brand image was measured by four items adopted from Kimpakorn and Tocquer (2009). Example items include "I believe



**Table 1.** Descriptive Statistics and Psychometric Properties of Measures.

	M	SD	Cronbach's $\alpha$	CR	AVE	1	2	3
1. Service climate	5.39	0.91	.85	0.81	0.52			
2. Perceived brand image	5.55	0.92	.86	0.86	0.61	0.56**		
3. Employees' power distance orientation	3.47	1.22	.82	0.81	0.53	−0.13*	−0.04 <sup>ns</sup>	
4. BCB	5.66	0.88	.89	0.89	0.55	0.56**	0.68**	−0.08 <sup>ns</sup>

CR = composite reliability; BCB = brand citizenship behavior; ns = nonsignificant; AVE = average variance extracted.

\*\* $p < .01$ . \* $p < .05$ .

that this brand is the best in the hotel industry,” “Customers perceive the people who work in this hotel are high-caliber people.” Cronbach's alpha of this scale is .86.

Employees' power distance orientation was adapted from Farh et al. (2007). Example items for individual power distance include “Managers should make most decisions without consulting subordinates,” and “It is frequently necessary for a manager to use authority and power when dealing with subordinates.” Cronbach's alpha of this scale is .82.

BCB was adapted from King and Grace (2012). Example items include “I show extra initiative to ensure that my behavior remains consistent with the brand promise of the company I work for,” and “I am always interested to learn about my company's brand and what it means for me in my role.” Cronbach's alpha of this scale is .89.

Finally, in line with previous studies on employee BCB (e.g., Chang et al., 2012; Nguyen et al., 2019), we also controlled for gender, age, tenure, and qualification of respondents as the variables might influence employee behavior.

## Data Analysis

Table 1 shows the descriptive statistics and correlations among the research variables. Before we tested the proposed relationships, we run a confirmatory factor analysis (CFA) to assess the psychometric properties of our measures. The results show that the four-factor model fits the data well ( $\chi^2/df = 2.84$ , comparative fit index [CFI] = 0.91, goodness of fit index [GFI] = 0.88, root mean square error of approximation (RMSEA) = 0.08, standardized root mean square residual [SRMR] = 0.059). Furthermore, all items were significantly loaded on their respective constructs ( $p < .001$ ). Composite reliability (CR) values for all constructs ranged from 0.81 to 0.89, surpassing the threshold of 0.6. Cronbach's alpha values ranged from .82 to .89, exceeding 0.7, and the average variance extracted (AVE) values all exceeded 0.5 (see Table 1). These findings provided support for convergent validity of all constructs. In addition, all AVE values were greater than the squared correlation estimate (Table 1; Fornell & Larcker, 1981), supporting discriminant validity of all constructs.

Because the variables were collected from a single key respondent from service employees, the measures for potential common method bias need to be examined (Melton & Hartline, 2013). In addition to encouraging respondents to answer the questionnaire as honestly as possible, we used the Harman single factor test (Podsakoff et al., 2003) to assess the potential impact of a common method factor and found that the goodness of fit of the single factor model was highly unsatisfactory ( $\chi^2/df = 6.29$ , CFI = 0.74, GFI = 0.74, RMSEA = 0.14, SRMR = 0.11). Furthermore, there were no correlation scores among the constructs (see Table 1) exceeding .8. These evidence suggest that common method bias is not an issue in the study.

**Table 2.** Testing the Direct Effects.

Structural path	Standardized estimate	t value	Result
Service climate → Brand CB	0.22	3.06**	H1 supported
<i>Control variables</i>			
Gender → Brand CB	0.08	1.89 <sup>ns</sup>	
Age → Brand CB	0.03	0.51 <sup>ns</sup>	
Tenure → Brand BCB	−0.06	−1.03 <sup>ns</sup>	
Qualification → Brand BCB	0.008	0.18 <sup>ns</sup>	

BCB = brand citizenship behavior; ns = nonsignificant (two-tailed).

\*\* $p < .01$ .

## Results

The hypothesized direct and indirect relationships were tested using structural equation modeling (SEM) with maximum likelihood estimation in AMOS 22.0. A typical sample size for testing relationships using SEM is 200 (Kline, 2011); thus, the sample size (287) for the current study is sufficient for testing the proposed model using SEM.

An adequate model fit was achieved ( $\chi^2/df = 2.83$ , CFI = 0.91, incremental Fit Index [IFI] = 0.91, GFI = 0.88, SRMR = 0.059, RMSEA = 0.08). The results in Table 2 indicate that service climate had a significant direct effect on BCB ( $r = .22$ ,  $p < .01$ ), thereby supporting H1. For control variables, none of control variables had a significant effect on employee BCB.

Hypothesis 2 suggests that perceived brand image mediates the relationship between service climate and employee BCB. We used SEM with bias-corrected bootstrapping approach to test this mediating effect (Iacobucci et al., 2007). We generated 95% confident intervals (CIs) based on 2,000 resamples to test the significance of direct, indirect, and mediating effects.

Table 3 shows that the direct path from independent variable (service climate) to dependent variable (BCB) was statistically significant ( $p < .05$ ). Partial mediation may exist if both paths from independent to mediator and from mediator to dependent are significant (Goodwin et al., 2011). In this study, the bootstrapped bias-corrected confidence intervals indicated that both paths were statistically significant (see Table 3). There was a significant positive effect of service climate on perceived brand image ( $\beta = 0.63$ ,  $p < .01$ ) and a significant positive effect of perceived brand image on employee BCB ( $\beta = .62$ ,  $p < .01$ ). The standardized indirect effect of service climate on employee BCB was 0.392,  $p < .001$ , significantly different from zero with a 95% CI of [0.283, 0.579]. The result suggests that perceived brand image partially mediates the relationship between perceived service climate and BCB. As such, H2 was supported by the data. In summary, the model shows that service climate explains 40% of the variance in perceived brand

**Table 3.** Testing the Mediating Effects—Results From Bootstrapping Analysis.

Variable	Standardized direct effect	Standardized indirect effect	95% confidence interval
Service climate → BCB	0.22*	NA	[0.006, 0.446]
Service climate → Perceived brand image	0.63**	NA	[0.441, 0.781]
Perceived brand image → BCB	0.62**	NA	[0.06, 0.91]
Service climate → BCB (through perceived brand image)	NA	0.392***	[0.283, 0.579]

BCB = brand citizenship behavior; ns = nonsignificant; NA = not applicable.

\*\*\* $p < .001$ . \*\* $p < .01$ . \* $p < .05$ .

**Table 4.** Moderating Effects of Employees' Cultural Orientation on Service Climate–Employee BCB Relationship.

	Direct effects Model 1	Direct effects Model 2	Moderated effects Model 3
Service climate → BCB	0.56***	0.55***	0.57***
Power distance orientation → BCB		ns	ns
Service Climate × Power Distance Orientation → BCB			−0.172***

BCB = brand citizenship behavior; ns = nonsignificant.

\*\*\* $p < .001$ .

image. In addition, both service climate and perceived brand image account for 63% of the variance in employee BCB.

For testing the moderating effect of employees' power distance orientation, we created an interaction term Service Climate × Power Distance Orientation and centered all predictor and moderator variables by standardizing each variable at a mean of zero and standard deviation of 1 (Aiken & West, 1991). Table 4 shows a significant moderating effect of individual power distance orientation on the service climate–BCB relationship ( $\beta = -0.172$ ,  $p < .001$ ). Thus, the result supports Hypothesis 3. That is, the positive influence of perceived service climate on employee BCB weakens as employees' power distance orientation increases. Figure 2 shows a brief overview of the interaction effect.

## Discussion, Implications, Limitations, and Future Research Directions

### Contributions

Our findings make several contributions to the hospitality management literature as well as providing implications for hotel managers.

First, to the best of our knowledge, our study is the first study to explain the link between service climate and employee BCB from two perspectives. Prior studies (Baker et al., 2014; Chang et al., 2012; Ngo et al., 2019; Nguyen et al., 2019) have examined the influence of internal branding practices on employee BCB. However, the crucial role of service climate in promoting employee BCB in service firms has not been explored, given the abundant evidence of the influence of service climate on employee outcomes and the role of service employees in brand promise delivery. Drawing upon social exchange theory and social identity theory, our findings provide clear evidence that service climate has both direct and indirect influence on hotel employee BCB. When hotel employees are provided with a supportive service climate, they are motivated and feel a sense of obligation to reciprocate and support their hotel brand success (Blau, 1968; Sierra & McQuitty, 2005). Furthermore, through the social identity angle, our findings indicate that service climate indirectly influences employee BCB through the mediation of perceived brand

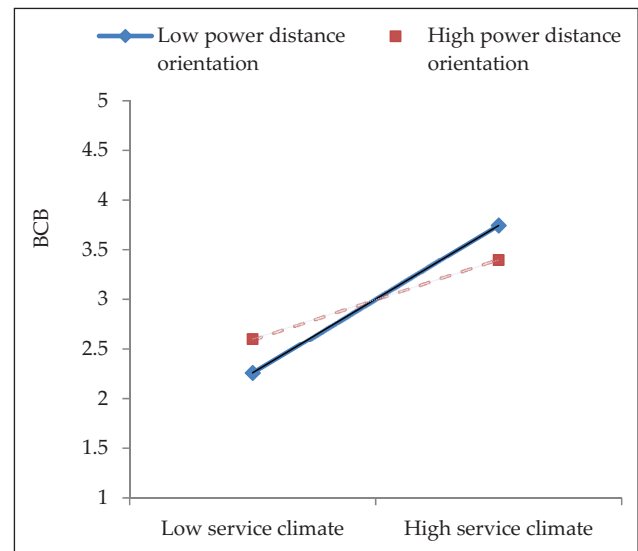
**Figure 2.** Moderating effect of employee power distance orientation.

image. By creating a favorable service climate, organizations can instill the pride in an employee's association with the brand and help employee perceive their service brand in a positive manner. This in turn motivates employee to conform to the norms and standards of the brand. We extend previous studies by integrating social exchange and social identity theories to provide a better understanding of how employee perceived service climate affects employee BCB in the hospitality context. Our model of the direct and indirect influence of service climate explains 63% of BCB's variance, providing evidence that it is a most effective means to enhance employee BCB. Although other approaches such as internal branding practices (Baker et al., 2014; Chang et al., 2012; Ngo et al., 2019; Nguyen et al., 2019) may provide additional explanation on the variance of BCB, our findings indicate that the integration of both social exchange and social identity are crucial to explain this variance.

We further found that the influence of service climate on hotel employee BCB is likely to vary according to employees' power distance orientation. Using social exchange theory to explain employee attitudes and behavior, Rhoades and Eisenberger (2002) indicated that the influence of organizational support on employee attitudes and behavior is dependent on "employee's acceptance of the reciprocity norm as a basis for employee-employer relationships" (p. 711). Our findings show that employees low in power distance are better able to internalize their organizational service climate and enhance their BCB in a more positive way. This is consistent with findings from Farh et al. (2007) which found that the impact of organizational support on employee work outcomes is higher for those with lower power distance orientation. Our findings extend prior studies (Farh et al., 2007; Newman & Butler, 2014) by exploring the moderating role of individual cultural orientations (i.e., employee power distance orientation) on the effectiveness of organizational service climate. Specifically, we provide a better understanding of how employee power distance orientation plays a part in hotel employee BCB. The moderating role of employee power distance orientation also strengthens the importance of employee cultural values as a factor that can affect employee behaviors within a single country.

### Managerial implications

Our research findings suggest that it is essential that hotel providers put an emphasis on fostering a supportive service climate, to foster employee perceived brand image and employee BCB. Through open communication channels, employees should be clearly informed of customer service policies of the service brand and its continued efforts in providing superior service quality to customers. Employees should also be encouraged to make suggestions about how to improve the service quality of the hotel organization and be rewarded for their service excellence. Supervisors and managers should play an active role in promoting the importance of service quality to the success of the hotel's service brand. This can be done through frequent interactions with customers and employees during service encounters and provision of necessary resources for service improvements through training and ongoing employee support. Furthermore, supervisors and managers should play a role model by demonstrating personal commitment to the success of the service brand for their hotel employees to align with (Nguyen et al., 2019).

In addition, hotel managers should take into account the role of employee power distance orientation on promoting employee BCB. For employees lower in power distance, service climate could exert a more positive effect on employee BCB. Thus, it is recommended that hotel managers should assess employee's power distance orientation during the selection process. Furthermore, hotel managers may need to create an environment that could facilitate a low-power distance by stimulating open discussion between managers and employees and providing more involvement activities for employees. For instance, teamwork and informal activities such as holiday celebrations could be effective ways to diminish power distance and connect employees and managers in collectivist cultures such as Vietnam. Finally, hotel managers should empower employees in assigning tasks, especially in the hotel industry where service employees need to provide more autonomy and empowerment to serve their guests in a quick and responsive manner.

### Limitations and future research

Our study contains a few limitations. The first limitation is related to sampling. We drew from a small sample of hotel employees using

self-reported data. As such, we only analyzed the data based on the perceptions of employees. This could be strengthened using bigger samples with data from multiple sources, not only from employees but also from managers/supervisors. For example, employee BCB can be surveyed from the additional perspectives of supervisors/managers (Auh et al., 2014; Tang & Tang, 2012). Furthermore, future research should have sufficient representatives of both frontline and backstage employees and could test the relationships in the model between frontline employees and backstage employees. This is because frontline employees have a direct contact with customers and they may act as a more responsible brand ambassador than backstage staff.

The second limitation of our study is that we did not take into account the customer outcomes, noting the established relationship between employee BCB and customer outcomes such as customer satisfaction and customer trust (Chang et al., 2012; Xie et al., 2014). We suggest future studies should consider customer engagement with the brand, brand loyalty, and brand trust in association with employee BCB.

The third limitation is that the research was conducted in one emerging market setting. As such, an additional research avenue is to validate our findings in another market, advancing our understanding of the identified relationships in a cross-national setting.

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## Appendix I

### *List of items of service climate*

Our company is continually working to improve the quality of service we provide to our customers.

Employees in our company have specific ideas about how to improve the quality of service we provide to customers.

Employees in our company are supported to improve the service quality of our company.

In our company we put a lot of effort in attempting to satisfy customer expectations.

No matter how we feel, we always put ourselves out for every customer we serve.

Within our company, employees often go out of their way to help customers.