
Intercultural Service Encounters:
An integrated framework for the banking industry of Cyprus

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ABSTRACT

This doctoral investigation considers the exploration of two theoretical concepts, namely Trust and Emotional Intelligence (EI) within Intercultural Service Encounters (ICSEs), taking into consideration customers' and employees' perception.

The conducted systematic and narrative literature review on ICSEs provided the foundations for the development of an initial conceptual framework on affective trust during ICSEs.

The researcher as a symbolic interactionist adopts a case study approach to explore the role of EI on the development of affective trust during ICSEs in the banking industry of Cyprus. Cyprus used to have an extremely sizeable financial and banking industry but the financial crisis has influenced adversely customers' trust towards the employees and the banking institutions. In order to gain a deeper understanding on ICSEs in Cyprus, the researcher adopts the critical incident technique (CIT) and conducts semi-structured interviews with frontline service employees (FSEs) and foreign customers within the banking industry. The collected data were analyzed via the template technique with the assistance of qualitative data analysis software NVivo 10.

The research findings suggest that affective trust is very important for the financial services that aim to develop trust during ICSEs. The empirically validated conceptual framework reflects an in-depth exploration of the negative emotions that emerge during ICSEs and innovatively enables a holistic understanding on the role of EI in the development of affective trust in the banking industry of Cyprus. As a practical contribution, the researcher delineates a training agenda to local retail banking institutions, which includes strategies and specific emotion management tactics that directly address the development of affective trust during ICSEs.

DECLARATION

I declare that the work in this thesis was carried out in accordance with the regulations of the University of Gloucestershire and is original except where indicated by specific reference in the text. No part of the thesis has been submitted as part of any other academic award. The thesis has not been presented to any other education institution in the United Kingdom or overseas. Any views expressed in the thesis are those of the author and in no way represent those of the University.

Signed ...Erasmia Leonidou.....

Date ...14/09/2015.....

Table of Contents

Pages No.

Abstract	2
Declaration	3
Table of Contents	4
List of Tables	8
List of Figures	9
List of Appendices	11
Abbreviations	12
Dedication	13
Acknowledgements	14
Publications	15
Chapter 1 Introduction	18
1.0 Introduction	18
1.1 Background of the Research	18
1.1.1 The Importance of Service Encounter	18
1.1.2 The nature of Intercultural Service Encounters	20
1.1.3 The Critical Role of FSEs	22
1.2 ICSEs and Trust in the Banking Industry of Cyprus	23
1.3 Research Aim and Objectives	25
1.4 The Thesis Structure	26
1.5 Conclusion	27
Chapter 2 Literature Review and Initial Conceptual Development	28
2.0 Introduction	28
2.1 Choosing a Literature Review Method	28
2.1.1 The Systematic Review	29
2.1.2 Systematic Review: A necessity	30
2.1.3 Phase I – A Review Protocol	31
2.1.3.1 Search Strategy – Data Collection	32
2.1.3.2 Defining the Inclusion and Exclusion Criteria	33
2.1.3.3 Assessing the Quality	35
2.1.3.4 Mapping the Field	37
2.1.4 Descriptive Analysis	38
2.1.4.1 Evolutionary Development of the Field of ICSEs	38
2.1.4.2 Comprehensive Descriptive Analysis	41
2.1.5 Thematic Analysis	43
2.1.5.1 Articulating Key Theories to be Explored	43
2.1.5.2 Challenges for a successful ICSE	46
2.1.5.3 Outcomes of ICSEs	47
2.1.5.4 Contextual factors	48
2.1.6 Gaps and Inconsistencies	48
2.2 Synthesis	51
2.2.1 Introducing Trust – A necessity for ICSEs	52
2.2.1.1 Definitions of Trust	55
2.2.1.2 Concepts of Trust	57
2.2.1.3 Affect-based Trust	60
2.2.2 ICSEs and Negative Affect	61

2.2.3 Gaps and Inconsistencies - Avenues for Further Empirical Investigation	64
2.2.4 Negative Emotions	67
2.2.5 Emotional Intelligence	70
2.2.5.1 The Concept of Emotional Intelligence	70
2.2.5.2 Rationale for adopting Emotional Intelligence	72
2.2.5.3 Cascading Model of Emotional Intelligence	74
2.3 Conceptual Framework	76
2.4 Concluding Remarks	82
2.5 Conclusion	84
Chapter 3 Research Methodology and Research Methods	85
3.0 Introduction	85
3.1 Research Philosophy	85
3.1.1 Philosophical Position	85
3.1.2 Ontology	87
3.1.3 Epistemology	88
3.1.3.1 Symbolic Interactionism	89
3.2 Research Design	90
3.3 Case Study	95
3.3.1 Empirical Setting - Industry Specific	98
3.3.1.1 Service Encounters in the Banking Industry	98
3.3.2 Following the Urge of the Practical World – Location Specific	100
3.3.2.1 The Increase of ICSEs in the Republic of Cyprus	101
3.3.2.2 Trust during ICSEs in the Banking Industry of Cyprus	102
3.4 Defining the Cases	103
3.4.1 Local Retail Banking Institutions	103
3.4.2 Units of Analysis	104
3.4.2.1 Choosing a Sampling Technique	104
3.4.2.2 Sample Size	106
3.4.2.3 Informants: FSEs and Customers	107
3.5 Data Collection	111
3.5.1 Qualitative Approach	111
3.5.1.1 Semi-Structured Interviews	112
3.5.2 Time Horizon	113
3.5.3 The Process of Conducting Semi-Structured Interviews	114
3.5.4 Pilot Interviews	117
3.5.5 Critical Incident Technique	119
3.5.6 Interview Questions	120
3.5.7 Data Analysis	128
3.6 Data Quality Issues	129
3.6.1 Credibility	130
3.6.2 Validity	131
3.6.3 Reliability	132
3.6.4 Ethical Considerations	133
3.7 Conclusion	134
Chapter 4 Data Analysis and Discussion	135
4.0 Introduction	135
4.1 Method of Data Analysis	136
4.1.1 Template Analysis	136
4.1.3 The Process of Template Development and NVivo 10	137
4.2 Data Analysis and Discussion	142

4.2.1 Sub-theme 1.1: Perceiving Negative Emotions	142
4.2.1.1 Sub-theme: 1.1.1 Foreign Customers	142
4.2.1.2 Sub-theme: 1.1.2 FSEs	148
4.2.1.3 Discussion	152
4.2.2 Sub-theme 1.2: Understanding Negative Emotions	154
4.2.2.1 Sub-theme: 1.2.1 Foreign Customers	155
4.2.2.2 Sub-theme: 1.2.2 FSEs	158
4.2.2.3 Discussion	161
4.2.3 Sub-theme 1.3: Regulate Negative Emotions	164
4.2.3.1 Sub-theme: 1.3.1 Foreign Customers	164
4.2.3.2 Sub-theme: 1.3.2 FSEs	166
4.2.3.3 Discussion	169
4.2.4 Sub-theme 2.1: Affective Trust - Intuitive	172
4.2.4.1 Sub-theme: 2.1.1 Foreign Customers	172
4.2.4.2 Sub-theme: 2.1.2 FSEs	175
4.2.4.3 Discussion	178
4.2.5 Sub-theme 2.2: Affective Trust - Relational	180
4.2.5.1 Sub-theme: 2.2.1 Foreign Customers	180
4.2.5.2 Sub-theme: 2.2.2 FSEs	186
4.2.5.3 Discussion	192
4.3 Conclusion	196
Chapter 5 Research Conclusions	197
5.0 Introduction	197
5.1 Summary of Main findings	197
5.1.1 Research Question 1	197
5.1.2 Research Question 2	198
5.1.2.1 Research Question 2a	198
5.1.2.2 Research Question 2b	200
5.1.2.3 Research Question 2c	201
5.1.3 Research Question 3	202
5.1.3.1 Intuitive	202
5.1.3.2 Relational	203
5.1.4 Final Conceptual Framework Development	204
5.2 Knowledge Contributions	207
5.2.1 Conceptual Framework	207
5.2.1.1 ICSEs	207
5.2.1.2 ICSEs in the Banking Industry of Cyprus	208
5.2.1.3 Trust	208
5.2.1.4 Negative Emotions	212
5.2.1.5 Emotional Intelligence	213
5.2.1.6 Qualitative Research Approach	216
5.3 Practical Implications	216
5.3.1 Local Retail Banking Institutions	217
5.3.2 Branch Managers and Supervisors	220
5.3.3 Human Resource (HR) Practitioners	221
5.3.3.1 Recruitment	221
5.3.3.2 Training Agenda	222
5.4 Limitations – Avenues for further research	225
5.5 Reflection	228
5.5.1 Personal Development	228
5.5.2 Research Skills	229
5.5.3 Developing Knowledge in ICSEs	230

5.5.4 Professional Development	231
5.6 Conclusion	232
References	233
Appendices	265

List of Tables

	Pages No.
Table 2.1: Preliminary Investigation of Systematic Reviews on ICSE (05/05/2014)	31
Table 2.2: Inclusion Criteria	34
Table 2.3: Exclusion Criteria	34
Table 2.4: Quality Assessment Criteria	36
Table 2.5: Evolutionary development of the field of ICSEs	40
Table 2.6: Interrelation between the Research Objectives and the Research Questions	81
Table 3.1: Steps adopted for the case study research process	96
Table 3.2: Interview Questions that investigate the Research Questions - Foreign Customers	121
Table 3.3: Interview Questions that investigate the Research Questions – FSEs	124
Table 4.1 Initial Template: Themes that correspond to the ROs and RQs	138
Table 4.2 Final Template: Themes that correspond to the ROs and RQs	139

List of Figures

	Pages No.
Figure 1.1: The outline of the present DBA thesis	27
Figure 2.1: On-line Databases: Initial Results	33
Figure 2.2: Initial search	37
Figure 2.3: Breakdown of empirical articles – sample characteristics	41
Figure 2.4: Breakdown of articles – in terms of sector	42
Figure 2.5: Proposed Model of Trust by Mayer, Davis and Schoorman (1995)	58
Figure 2.6: Affective-Cognitive Model of Dissimilar Social Group Membership and Initial Trust	59
Figure 2.7: Conceptual Framework for the development of affective trust during ICSEs	79
Figure 3.1: Research Design – Qualitative Research	93
Figure 3.2: Population by citizenship	101
Figure 3.3: Foreign residents by country citizenship (main countries)	102
Figure 3.4: Working Screen in NVivo 10: “Foreign Customers”	116
Figure 3.5: Working Screen in NVivo 10: FSE	117
Figure 4.1: Working Screen in NVivo of Negative Emotions	140
Figure 4.2: Working Screen in NVivo of Critical Incidents	141
Figure 4.3: Working Screen in NVivo of EI and Affective Trust	141
Figure 5.1: Negative Emotions that emerge during ICSEs	198
Figure 5.2: Perceive Negative Emotions	199
Figure 5.3: Understand Negative Emotions	200

Figure 5.4: Regulate Negative Emotions	201
Figure 5.5: Affective Trust – A. Intuitive	203
Figure 5.6: Affective Trust – B. Relational	204
Figure 5.7: Final Conceptual Framework	205

List of Appendices

	Pages No.
Appx A: Demographical Characteristics – Foreign Customers	265
Appx B: Demographical Characteristics –FSEs	266
Appx C: Letter of Consent	267
Appx D: Interview Guide for FSEs	268
Appx E: Interview Guide for foreign customers	270
Appx F: Example of the conducted translation of the interview transcripts	272
Appx G: Training Agenda	273

Abbreviations

AT: Attribution Theory

CAQDAS: Computer-Assisted Qualitative Data Analysis Software

CC: Cultural Competence

CD: Cultural Distance

CIT: Critical Incident Technique

EI: Emotional Intelligence

HR: Human Resource

ICC: Intercultural Competence

ICSE: Intercultural Service Encounter

IRC: Inter-role congruence

PD: Power Distance

PCD: Perceived Cultural Distance

RC: Role Clarity

RT: Role Theory

SAP: Similarity Attraction Paradigm

SI: Symbolic Interactionism

SIT: Social Identity Theory

DEDICATION

To my husband and family for their unconditional love, support and understanding.

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Chapter 1: Introduction

1.0 Introduction

This chapter first introduces the field of research, illustrating its importance to the theoretical and practical world. Next, it presents the research aim and objectives that guided the course of this DBA thesis. Last, this chapter delineates the structure of the rest of the thesis.

1.1 Background of the Research

1.1.1 The Importance of Service Encounters

Bitner, Brown and Meuter contend that “Service encounters are critical moments of truth in which customers often develop indelible impressions of a firm” (2000, p. 139).

A service encounter is the moment of interaction between the customer and the firm and it focuses on the interpersonal element (Solomon, Surprenant, Czepiel & Gutman, 1985; Surprenant & Solomon, 1987; Bitner, Booms & Tetreault, 1990), and according to Shostack (1985, as cited in Bitner et al., 1990), the physical facilities and other visible elements.

A service encounter is a “dyadic interaction” during which the service provider and the customer perform a specific role while reading from their own script (Surprenant & Solomon, 1987). The process of script reading is part of the Role Theory (RT), which suggests that a ‘role’ is composed of the social cues which are directing someone on how to perform during a specific event (Solomon et al., 1985). RT advocates that a specific behaviour is affected by the response of the other participant that engages in the encounter (ibid.).

A script consists of a series of events which a person anticipates to occur, either for him or for others (ibid.). The anticipation is a cognitive procedure. The client has some expectations regarding the behaviour that is demonstrated during a service encounter, which is affected by his or her culture. When the events are in line with the script, then people are in a mindless condition (ibid.). In order for this to happen, “actors” need to read from the same script. Thus, having the same cultural background makes it easier for a successful encounter to occur. On the contrary, when an event deviates from the script both parts draw their attention to it and use cognitive exertion to navigate their behaviour. They are no longer on a mindless condition (ibid.).

In the same vein, a customer evaluates a service provider according to the degree his or her expectations were fulfilled. As aforementioned, both parties create a number of expectations regarding the way an encounter should take place according to a given context. Those expectations are developed along evaluation, potency and activity (ibid.). This constant interplay between the service provider and the customer clearly illustrates that both parties should be closely investigated.

Service encounters vary and their variation and complexity is apparent on the various typologies. Price, Arnould and Tierney (1995) presented a three-dimensional framework that affects the development and the outcomes of a service encounter. First, service encounters vary according to the temporal duration of the interaction. Mattila and Enz (2002) suggest that affective responses influence customers even in the encounters that are brief and mundane.

Second, service encounters vary according to the affective content, which refers to the emotional arousal that accompanies an interaction. There are two types in this category. On the one hand, customers are attracted to certain service encounters that are expected to offer a functional benefit. However, emotions are important to the interaction, for example the evoked feeling of risk that is associated with the financial advisor. On the other hand, customer can be attracted to specific service encounters based on the emotional benefits, like for example in health spas.

Third, service encounters vary according to the proximity and intimacy between the service employee and the customer. Service encounters do vary on the aforementioned dimensions (ibid.), whereas Bitner et al. (2000) additionally suggested that the technological advancements have further altered the nature of service encounters, which have been conceptualized as “high-touch, low-tech”.

Service encounters are very important for the profitability of a firm because customers, to a large extent, tend to evaluate the quality of a service based on their experience with the service provider (Stauss & Mang, 1999). What is also challenging is the fact that nonverbal communication comprises more than 60% of the interaction (Riddle, 1992, as cited in Mattila & Enze, 2002). Despite the frequency and the importance of service encounters, “services as a focal area within management can be considered to be still in its infancy” (Subramony & Pugh, 2015, p.350)

1.1.2 The nature of Intercultural Service Encounters

As mentioned before, a service encounter can be seen as social situation, which consists of some characteristics, such as personal ones, that make it a psychological phenomenon as well (Solomon et al., 1985). Both parties of this “social event”, the service provider and service receiver, have a particular purpose which is identified by the society. Accordingly, they have been taught a repertoire of roles and demeanour. They are both trying to read from their script so as to behave in specific manner to succeed their goals (ibid.).

A service encounter between a service provider and a customer that have different cultural backgrounds can become complex. Hence, scripts are affected by the culture and, thus, a deviation from the script requires cognitive efforts. According to Hofstede (1980), culture reflects the shared collective mental programming of a specific group of people. This mental programming differs from the mental programming of another group of people who share a different environment. This mental programming, which comprises the national norms, along with the beliefs, cannot easily be altered, since it is present in every function of a society. People hold differentiated scripts and, thus, people need to try hard to orchestrate the expectations and perceptions. This complexity illustrates that mutual deviations can easily occur. Therefore, an ICSE could be argued to be the service encounter, during which culturally differentiated scripts drive cognitive effort to navigate behaviours. In summary, the behaviour is navigated by those cultural scripts, influencing accordingly the regulation and expression of emotions (Shao, Doucet & Caruso, 2014)

Similarly, different cultural backgrounds consist of differentiations on both, the Objective and the Subjective dimensions of culture (Bennett, 1998). Objective Culture contains all those elements that constitute the institution of a culture. Those elements are taught during an educational course in a school or in a university. The institution of culture consists of a number of systems, like, for example, the linguistic, the social, the economic and the political one. The importance of this information should not be understated. Nonetheless, information gained on the aforementioned systems will not necessarily develop the competences for intercultural communication. People can become connoisseurs of a particular objective culture, but unfortunately remain incapable of communicating with people from other cultures (ibid.). On the other hand, Subjective culture refers to the less obvious facets of a culture. Specifically, this represents the psychological characteristics of a specific group of people, for example the way they think, behave and their shared values (ibid.). Nevertheless, social reality involves both Objective and Subjective Culture,

because Objective Culture affects the way people think and behave. This procedure can be characterized as a vicious cycle, since certain behaviours and values help the maintenance of the institution of a culture. In other words, ICSEs engage a number of dissimilarities that make the success of the encounter dubious.

ICSEs can be studied through the culture-specific and the culture general approach (ibid.). On the one hand, personal interactions can be studied at the culture-specific level, where two specific cultures are assessed. In doing so, the researcher investigates the impact of the dissimilarities between people coming from specific cultural backgrounds. On the other hand, personal interactions can be studied based on a culture-general approach to interaction. The analysis of general cultural contrasts reflects numerous cross-cultural cases. An example of this culture-general approach to interaction is the description of contrasts of the high- and low- context cultures. According to this approach, the development of culture-general skills, like communication competence could apply to various cross-cultural situations. On the contrary, the culture-specific approach needs equal training, so as to achieve mutual appreciation of each others' culture.

As mentioned before, "scripts" influence the regulation and expression of emotions (Shao et al., 2014). This interplay has been directly and indirectly detected in the systematic literature review (section 2.1.5: "Thematic Analysis"). For example, there is a general consensus that ICSEs may provoke negative outcomes. Negativity could come from the customer, the employee or both of them. For example, Barker and Härtel (2004), who explored customer experience and perceived discrimination, suggest that a negative service experience may be induced by the service providers' behaviour. On the other hand, Stauss and Mang (1999), who investigated "culture shock", suggest that customers' expectations and attitude towards the service providers depend upon their own cultural background. In case of dissimilarities customers alter their behaviour. This alteration is also reflected on the way customers evaluate employees' performance. Similarly, Hopkins, Hopkins and Hoffman (2005) suggest that certain stereotypes affect customers' reasoning while selecting a service provider.

Sharma, Tam and Kim (2009) introduce a framework of ICSEs, which represents both employees' and customers' perspectives in various service settings. Their framework proposes seven constructs: satisfaction, perceived cultural distance (PCD), interaction comfort, adequate and perceived service level, intercultural competence (ICC) and inter-role congruence (IRC). They conducted an exploratory qualitative study and they found a

preliminary support to their framework. They highlighted that mutual consensus regarding their “roles” enhances satisfaction and that the similarity attraction paradigm and shared characteristics, such as language and values, make the encounter more promising.

Nowadays, ICSEs are very important because of the increase of globalization (Stauss & Mang, 1999; Sharma et al., 2009; Sharma, Tam & Kim, 2012, 2015). Prior research on ICSEs suggests that different expectations and perceptions impact the way customers evaluate the service encounter (Stauss & Mang, 1999; Zhang, Sharon, Beatty & Walsh, 2008). The success of ICSEs requires more cognitive and emotional efforts (Stauss & Mang, 1999), because frontline service employees (FSEs) first need to discover the expectations of the customer and then make an effort to meet them.

1.1.3 The Critical Role of FSEs

FSEs are an integral constituent of a service encounter and play a significant role in customers' satisfaction and perception of service quality (Whiting, Naveen & Baker, 2011). Zeithaml and Bitner (2003, as cited in Whiting et al., 2011) argue that FSEs represent the brand, the enterprise, and are the marketer to the customers. There are cases where the FSE is the only face of the company a customer will ever encounter (ibid.) and/or the first experience with an organization (Bitner et al., 2000). FSEs are very important for the organization, as they can retrieve valuable information that concern their customers, and use this information for the organizations' benefit (Bitner, Booms & Mohr, 1994).

FSEs' job is a "three-cornered tight" job because they have to anticipate customers' wishes, and at the same time remain efficient and productive, satisfying the organization's interests (Weatherly & Tansik, 1993; Singh, 2000; Bansal & Bhatia, 2014). Being the link between the organization and the customer (Stephenson & Kiely, 1991; Font, 1993), FSEs are supposed to be efficient, gain information and make the best out of it. They have to satisfy their customers' requests, be friendly but professional at the same time (Font, 1993). Similarly, Jones, Taylor and Bansal (2009) suggest that these employees have two roles during an ICSE, the economic one and the social one. Due to their job requirements, they have to perform the functional and transactional activities, achieve the organizations' goals, understand the customers' needs and exceed their expectations (Price et al., 1995). According to the aforementioned literature of ICSEs, this orchestration can become challenging and exhausting for a FSE.

Firms do not realize frontline personnel's important role. This is obvious from the fact that FSEs are usually underpaid, they are not trained on how to understand their customers, they are not rewarded and they are not given the opportunity to take an initiative in order to resolve an issue (Bitner et al., 1990). The service provider's performance impacts the affective responses and the satisfaction of a service encounter (Whiting et al. 2011). However, service encounters can be very complex and thus evoke negative affective reactions (Price et al., 1995; Zablah, Franke, Brown, & Bartholomew, 2012). The lack of investment on frontline personnel discourages FSEs from trying to satisfy the customers and provide an effective service encounter (Elmadag et al., 2008).

1.2 ICSEs and Trust in the Banking Industry of Cyprus

As indicated before, an ICSE is defined as the interaction between a service provider and service receiver, who come from dissimilar cultural backgrounds (Guttek, 1999; Stauss & Mang, 1999; Guttek et. al., 2002; Delcourt, Gremler, van Riel & van Birgelen, 2013; Tam et al., 2014). Due to the growing international migration and globalization, ICSEs have increased rapidly, and, thus, have become very significant phenomenon for the modern multicultural societies (Liu, Furrer & Sudharshan, 2001; Chai & Dibb, 2014).

Hence, service failures are inevitable (Mattila, 2001), especially during ICSEs, because dissimilar cultural norms and values easily create dissimilar expectations, misunderstandings resulting in frustrated service providers, dissatisfied customers, and, ultimately, the loss of business (Chairsraeko & Speece, 2004; Sizoo, Plank, Iskat & Serrie, 2005; Wang & Mattila, 2010). Compounding the matter, the provoked negative emotions during ICSEs hinder the development of trust (Kulik & Robert, 2000; Barker & Haertel, 2004; Sharma et al., 2009; Sharma et al., 2012), which is the fundamental base for any human interaction (Doney, Cannon and Mullen, 1998; Williams, 2001; Weber, Malhotra & Murnighan, 2004; Chai & Dibb, 2014) and plays a pivotal role in the service industries (Barro & McCleary, 2003; Caceres & Paparoidamis, 2007; Kupka et al., 2009; Aurier & Goala, 2010; Schumann et al., 2010; Chai & Dibb, 2014). Although ICSEs have received a great deal of attention (Tam et al., 2014), there is not enough examination neither on the socio-psychological processes that take place during these encounters (Sharma et al., 2009; Sinkovics & Penz, 2009; Tam et al., 2014) nor on how different ethnic groups develop interpersonal trust within the service sector (Chai & Dibb, 2014).

To bridge these theoretical and practical gaps, this DBA thesis develops a conceptual framework on trust for ICSEs. More precisely, the focus is on affective trust, which relates to emotional aspects, and is prominent in the early relationship stages (McAllister, 1995; Jones & George, 1998; Dowell, Morrison & Heffernan, 2015). Building on existing knowledge, this thesis proposes the exploration of the concept of Emotional Intelligence (EI), in terms of perceiving, understanding and managing the negative emotions that arise during ICSEs, in order to enhance affective trust in a specific context. The conceptual framework is empirically explored in the banking industry of Cyprus.

The reason for selecting the banking industry is because it is one of the most internationalized industries (Schumann et al., 2010) and it involves elements of risk and uncertainty pointing to the importance of trust (Price et al., 1995; Zineldin, 1995; Knights, Noble, Vurdubakis & Willmott, 2001; Heffernan, O'Neill, Travaglione & Droulers et al., 2008; Guenzi & Georges, 2010; Schumann et al., 2010; Fatima & Razzaque, 2014). Despite its paramount importance, little research has focused on trust in the banking industry (Heffernan et al., 2008; Chai & Dibb, 2014; Fatima & Razzaque, 2014).

Cyprus was chosen for the empirical research setting because the financial sector in this country faces a unique challenge. In March 2013, local banks' credibility faced a severe stroke due to the bail-in approach they applied in order to avoid bankruptcy, with a drastic result of a 47.5% 'haircut' on depositors' money (ICFCBS, 2013). Before the Cypriot Banking crisis, more than one third of the bank deposits were from non-residents (Zenios, 2013), mostly due to the low taxation and high deposits interest rate (Michaelides, 2014). After the Cypriot banking crisis, deposits represent the most of the banks' liabilities (Stavárek, 2013). A large number of the depositors who suffered a haircut in Cyprus were not Cypriots, nor Europeans, but they were coming from outside the eurozone. The presumable uncertainty regarding the strength of the banks resulted to massive outflows of capital, mainly on behalf of the foreign investors (Donato, 2015). This situation aggravated further the distrust towards the banking system, not only in Cyprus but in other European countries too, like Spain, Greece and Italy (Efthymiou & Michael, 2013; Michaelides, 2014;). The original plan in the bail-in approach was to include the insured depositors, something that really shook the trust in both the financial system and the European governments. Thus, the financial crisis has caused "a sea change in trust" (Monti, Pelligra, Martignon & Berg, 2014, p. 1749) and influenced the importance of trust to both employees and institutions (Hansen, 2012).

The development of trust is very important in the banking industry (Johnson & Grayson, 2005; Schumann et al., 2010) and it depends on whether a service receiver is willing to rely on the service provider, who has not only an economic role but also a social one (Jones et al., 2009). Trust development has not been investigated from the FSEs' perspective (Schumann et al., 2010), even though FSEs' trustworthiness impacts on the organization's trustworthiness (Schoorman, Mayer and Davis, 2007).

In conclusion, taking into consideration both the theoretical and practical calls, this thesis contributes to the creation of knowledge on trust during ICSEs in the banking industry. Next, follows a presentation of research aim and objectives, which guided the present thesis.

1.3 Research Aim and Objectives

In March 2013 in Cyprus, uninsured depositors recapitalized their banks, a development unparalleled in history in the eurozone (Michaelides, 2014). As mentioned earlier, a large number of the customers who went through the "haircut" were foreigners, thus, their current perception of the role of trust, which is now shaken, is very important. Following the march of events as to the lack of trust (ibid.), along with the crucial role of FSEs in the perception of the organization's trustworthiness, this thesis aims to explore the trust during ICSEs in the banking industry in Cyprus, so as to offer a new insight in the enhancement of trust between local FSEs and foreign customers. In other words, the researcher seeks to answer two research questions: *"How can we improve the encounter between the FSEs and the foreign customers in the service sector"* and *"How can we enhance the development of trust during an ICSE"?*

Relating to affective trust, this doctoral thesis aims to explore FSEs' and foreign customers' perception on EI, in terms of perceiving, understanding and managing the negative emotions that arise during an ICSE. This information should provide the knowledge foundations in the knowledge of affective trust in a specific context, namely the banking industry of Cyprus.

Aim

This DBA thesis aims to explore how negative emotions can be successfully regulated and managed during ICSEs between FSEs personnel and foreign customers in the retail banking industry of Cyprus.

Research Objectives

1. To identify the negative emotions arising during an ICSE.
2. To identify employees' reactions when experiencing negative emotions during an ICSE.
3. To uncover the ways for regulating negative emotions.
4. To examine the role of EI in regulating negative emotions.
5. To compare the perception of the role of EI from both, FSEs personnel and foreign customers, and to understand how this might impact the development of affective trust.
6. To develop a conceptual framework that can be used to guide retail banking institutions during the recruitment, training and actual encounter processes.

1.4 The Thesis Structure

The outline of the present thesis is guided by the aforementioned research objectives. Chapter one introduces the field of research and provides an overview of the DBA thesis.

Chapter two is organized into three main sections. First, it presents a thorough systematic review of the literature of ICSEs, which consolidates the extant research and identifies inconsistencies informing further investigation. Second, based on the identified gaps, this section presents a critical review on Trust and EI, reviewing the knowledge body in the field and providing directions for further research. Synthesizing existing knowledge, the last section delineates the initial conceptual framework along with the formulated research questions derived from the literature review.

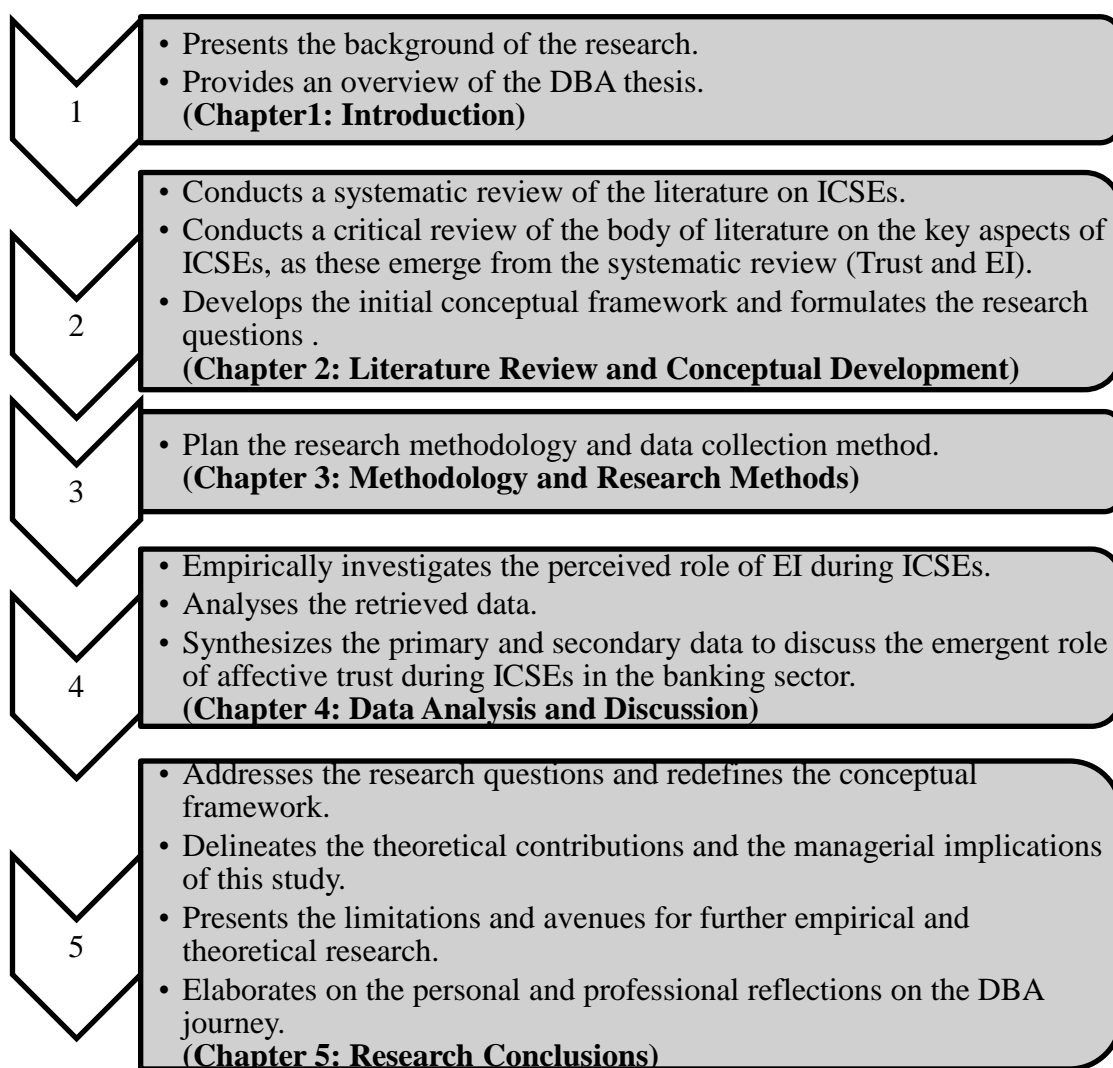
These research questions will guide Chapter three, comprising Research Methodology and Research Methods Chapter. In this part of the thesis, the adopted research methodology, research design and data collection method is documented in detail.

Thereafter, Chapter four illustrates the retrieved data from the empirical investigation that aim to address the research questions and further achieve the research objectives. It integrates and compares the primary and secondary data, a process that further enhances the knowledge on affective trust during ICSEs in the banking industry of Cyprus. This knowledge is valuable, as it provides the relevant foundation for training and development.

Following these implications, chapter five is organized into four main sections. First, based on the research findings, the researcher presents the answers to the research questions and

the continuously improved, redefined and empirically validated conceptual framework. Then, it summarizes the theoretical contributions and the managerial implications of this study. This is followed by the limitations and avenues for further empirical and theoretical research. Last, the researcher elaborates on the personal and professional reflections on the DBA journey. Figure 1.1 illustrates the outline of the present DBA thesis.

Figure 1.1: The outline of the present DBA thesis



1.5 Conclusion

This chapter has provided an overview of the undertaken process. It delineated the background of the research and presented the research questions, the aim and the research objectives of this study. Last it presented an outline of this DBA thesis. The following chapter provides the theoretical foundations of the study.

Chapter 2: Literature Review and Initial Conceptual Development

2.0 Introduction

This chapter aims to provide the theoretical foundations of the current DBA thesis. Therefore, this Chapter is organized into three main sections. Following Crossan's and Apaydin's (2010) outlines in the development of knowledge, the researcher conducts a systematic review to consolidate extant research, establish connections in the sparse ICSE literature, and identify gaps between different research streams. Second, based on the discovered gaps, the researcher conducts a narrative review in order to uncover the up-to-date knowledge on the identified key concepts. Third, follows a synthesis of the results and the formulation of the initial conceptual framework on the development of affect-based trust during ICSEs. The implications for both scholars and practitioners, along with the limitations of this systematic and narrative review that bring to light avenues for future research are spelt out at a later point (Chapter 5: Research Conclusions). The researcher provides at the end of this chapter some reflections and concluding remarks regarding the conducted literature review.

2.1 Choosing a Literature Review Method

According to Marshall and Rossman (2010), an optimum review of the related literature offers four valuable advantages. First, the researcher gains the opportunity to illustrate a number of assumptions, based on which the general research questions were formulated. Second, the review supports the notion that the researcher is conversant with the existing knowledge concerning the subject of interest. Third, the corollary of a good literature review is the identification of a number of gaps which show the necessity of the research. Fourth, the research questions may become better, altered or even increased in number, as a result of their placement in broader theoretical and empirical frameworks.

The aim of this chapter has not been solely to follow a literature review process that would allow the management of knowledge. Importantly, the researcher targets transparency and reproducibility. Thus, the selected literature review process, which is explicitly described and justified below, maps and critically assesses the relevant body of literature. The researcher espouses the following view regarding the literature review in management research: "In management research, the literature review process is a key tool, used to manage the diversity of knowledge for a specific academic inquiry" (Tranfield, Denyer &

Smart, 2003, p. 208). Eventually, the selected process aims to specify the research questions which will be the basis for further empirical investigation.

2.1.1 The Systematic Review

The systematic review of past research, a review process widely adopted by medical sciences, is an important part of this doctoral journey. First and foremost, a systematic review befits with the general nature of a DBA program, which focuses on both academia and professional practice through the investigation of real business issues. This systematic approach promotes theoretical advancements and serves equally the professional practice (Association of Business Schools, 1997; Bareham, Bourner & Stevens, 2000; Tranfield et al., 2003). Consequently, a thorough review scheme is important for systematically evaluating the contribution of a given body of literature (Crossan & Apaydin, 2010). For this reason, this chapter aims to produce collective insights through the synthesis of the findings on the field of ICSEs, including both quantitative and qualitative studies.

To accomplish this intention, the researcher adopts a systematic review, which is a “fundamental scientific activity” (Mulrow, 1994, p. 597). The systematic review process not only benefits academics by increasing methodological rigour, but also offers practitioners more reliable results. This is achievable due to the breadth of the emergent knowledge, which comes from a wide range of studies (Tranfield et al., 2003). Furthermore, systematic review explicitly describes, appraises and finally adds up to the existing body of literature and knowledge (ibid.). Therefore, the chosen methodology improves the quality of the research via fruitful critique on the existing literature (Fiegen, 2010).

Even though the majority of the management research is based on traditional narrative reviews (Tranfield et al., 2003), many scholars have criticized these reviews for being descriptive and lacking rigour. Also, the subjective decision of including or excluding articles raises the questions of bias. These reviews may become problematic for practitioners too, since the quality of evidence produced by narrative reviews are characterized as “incomplete” and thus hinder the formulation and implementation of policies (ibid.).

On the contrary, a systematic review facilitates transparency, rigour and reproducibility, elements that preserve academic rigour (Newbert, 2007). At the same time, systematic reviews enhance the knowledge base through evidence informed reviews, accommodating

in this way the actual implementation of policies. For the aforementioned reasons, the author follows the protocols outlined by Tranfield et al. (2003) coupled with the documented stages outlined by the Centre for Reviews and Dissemination (CRD) guidance (2009). Concisely, the systematic review in management research involves four main processes: Conducting the Review, the Descriptive Analysis, the Thematic Analysis and the Synthesis, which are further analyzed below. The process that has been deployed aims to minimize bias. According to Tranfield et al. (2003), this can be achieved through the exhaustive study of the literature review, the adoption of detailed technology based process and an audit trail of the arrival at the decisions throughout the whole process.

Consequently, the execution of the aforementioned outlines will ultimately lead to the development of new knowledge (Crossan & Apaydin, 2010). A clear presentation of the known and unknown aspects of ICSEs will provide the basis for further research in the field, providing at the same time valuable insights to the practitioners.

2.1.2 Systematic Review: A necessity

First and foremost, the researcher wishes to justify the need of a systematic review on the ICSE field (CRD guidance, 2009). In doing so, the researcher adopts a process called the “Preliminary Plan” (ibid.). At this point the researcher conducts a preliminary investigation to discover whether a similar review on ICSEs exists. In case one existed, a critical appraisal would then determine the necessity or not for a new systematic review.

To justify the necessity for a systematic approach, the researcher proceeds with a comprehensive search in a number of Databases on the field of interest, namely ICSEs. In detail, the researcher selected a number of electronic databases (EBSCOHOST, SCIENCE DIRECT, EMERALD INSIGHT and SAGE JOURNALS). These engines encompass a wide range of Journals that deal with International Business, Behaviour and Cultural Issues, which fall into the field of interest of the present research. A detailed documentation of the process employed is illustrated in Table 2.1: “Preliminary Investigation of Systematic Reviews on ICSE (05/05/2014)”. The researcher, trying to detect a systematic approach in the field, followed the steps presented in the table. Importantly, this preliminary search illustrated the lack of a systematic approach in the field of ICSEs (zero articles). While the investigation revealed a number of articles on ICSEs, nonetheless none of them approached the subject adopting a systematic method. The results clearly revealed the necessity of a systematic approach in the field of ICSEs.

Table 2.1: Preliminary Investigation of Systematic Reviews on ICSE (05/05/2014)

Database	Fields*	Initial Search	After Title Screening	After Abstract Screening	After Full Text Screening
EBSCOHOST	Title, Abstract, Subject Terms	1530	45	23	0
SCIENCE DIRECT	Abstract, Title, Keywords	219	10	5	0
EMERALD INSIGHT	All except full text	62	36	9	0
SAGE JOURNALS	Title, Abstract, Key words	8	6	3	0
TOT		1819	97	40	0
<i>*The search included the following strings:</i>					
1) <i>Intercultural Service Encounter*</i>					
2) <i>Service Encounter* AND review</i>					
3) <i>Service Encounter* AND systematic</i>					

2.1.3 Phase I – A Review Protocol

Considering the aforementioned lack of systematic approach in the field of ICSEs, this research conducts a systematic review of the relevant literature in order to significantly contribute both in theory and practice. A review protocol is developed so as to assist in the planning of the systematic process. Before the start up of the research, the protocol specifies the methods to be adopted so as to minimize the risk of bias (Tranfield et al., 2003; CRD guidance, 2009).

The present review, as a management review, requires a rather flexible approach, because the aim is to explore the literature review but at the same time remain creative and open minded towards the emergent knowledge (Tranfield et al., 2003). For that reason, any alterations in the predetermined protocol are documented and justified in order to avoid

bias and secure the validity of the conclusions (ibid.). In other words, studies are included and excluded based on both predetermined and objective criteria.

The created protocol defines the literature review questions, the keywords to be addressed in the research study, the inclusion and exclusion criteria and the search strategy to be followed. Next, follows the creation of the data extraction form. Also, the protocol specifies the quality assessment criteria and indicates how the emergent data will be synthesised.

At this point there is a need to justify the review and provide the information needed to form the Literature Review Research Questions. A suitable approach for protocol development is to clarify the theoretical context of the research study (Tranfield et al., 2003), which lies within the existing theories on ICSEs along with the results of relevant empirical research. Thus, the systematic review will investigate the following generic questions:

1. What theories relate to ICSEs?
2. What does the empirical research suggest so far?

The systematic review will reveal certain gaps that will either redefine or validate the research questions (Tranfield et al., 2003). Next section describes the rest of the developed review protocol, which involves the Search Strategy, Inclusion and Exclusion Criteria, the Quality Assessment Criteria and the Data Extraction Form. The validated review protocol will act as a guideline for the conduction of the review, although the researcher will remain flexible and document possible amendments.

2.1.3.1 Search Strategy - Data Collection

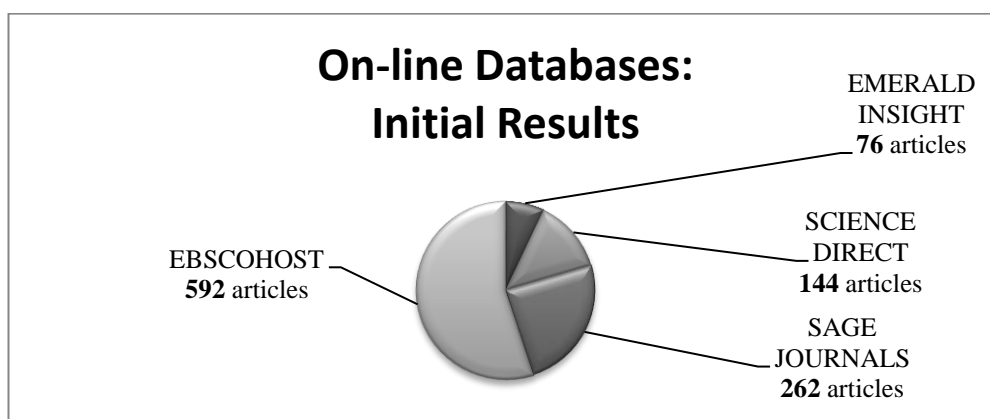
The systematic review is expected to provide a thorough overview of the field of research which will cover the existing intellectual territory (Tranfield et al., 2003). The execution of the present systematic review is restricted to peer-reviewed articles held between the following databases:

- EMERALD INSIGHT
- EBSCOHOST
- SCIENCE DIRECT
- SAGE JOURNALS

All of the above mentioned engines are highlighted in the University’s Handbook “Online Information Resources for Business Management” (University of Gloucestershire, 2014-2015) as key online databases for Management subjects. These databases are selected among others as they accommodate a wide range of journals that relate to ICSEs, like for example the “Journal of Services Marketing”, the “Managing Service Quality” and the “Journal of Business Research”, a finding that was affirmed during the preliminary research (Section: 2.1.2 “Systematic Review: A necessity”).

Due to the plurality of the meanings engaged in the definition of ICSEs, the research was broad enough so as to avoid excluding any relevant studies. Namely, the initial search within the aforementioned engines utilize the basic keywords “service”, “encounter*” and “cultur*”. These keywords were applied in the fields of Title, Keywords / Subject terms and Abstract. The total number of potentially relevant studies retrieved was 1076, which constituted the basis for further analysis (Figure 2.1: On-line Databases: Initial Results).

Figure 2.1: On-line Databases: Initial Results



2.1.3.2 Defining the Inclusion and Exclusion Criteria

The inclusion and exclusion criteria act as the delimitation of those bounds within which the systematic search will take place. This activity is very important because if not done properly, can either eliminate important studies or include a large number of unneeded information. In both cases the results will be negatively affected (CRD guidance, 2009). The total number of the 1076 articles was then examined against specific inclusion and exclusion criteria (Table 2.2 and Table 2.3, respectively).

Table 2.2: Inclusion Criteria

Nr	CRITERIA	REASON FOR INCLUSION
1	Theoretical papers internal / external validity	Provide the theories on ICSEs to be used in the study
2	All sectors	Examine how knowledge on ICSE is used within and across all sectors
3	All Geographical Locations	Capture knowledge from all over the world
4	Quantitative and qualitative empirical studies	Capture knowledge from all empirical studies
5	Conceptual Papers	Capture all conceptual aspects
6	All journals – regardless the impact ranking	Avoid missing valuable knowledge from less established journals (Macpherson & Holt, 2007)
7	No publication time limit	No restriction was set regarding the year of publication
8	Forthcoming articles	Include the current ideas and most recent trends in the field

Table 2.3: Exclusion Criteria

Nr	CRITERIA	REASON FOR EXCLUSION
1	Foreign Language	Exclude articles not written in English because the researcher is not multi-lingual
2	Non article document types	Not easy to cite (CRD, 2009) and cannot be examined as the journal articles
3	Non peer-reviewed articles	Peer-reviewed articles offer validated knowledge (probably highest impact in the discipline) (Crossan & Apaydin, 2010)
4	Core focus of the study other than ICSE	Exclude articles that do not primarily focus on ICSEs

First and foremost, an estimable number of articles were excluded due to the fact that their main focus was not ICSEs. Second, other studies were excluded in case they were written in a foreign language, as the researcher is not multi-lingual. Nevertheless, the research did not automatically exclude studies for not having been published in English. After revealing and documenting all relevant studies, regardless of the language they were written, then the researcher excluded them (Table 2.3: Exclusion Criteria). Additionally, the study was restricted to published peer-reviewed academic articles so as to ensure the validity of the knowledge (Crossan & Apaydin, 2010). This in turn ensures that the synthesis would be solidly built on the strong foundations (CRD guidance, 2009). Additionally, the research included all types of peer-reviewed academic and forthcoming articles, including theoretical, empirical and conceptual ones. Also, no restriction was set regarding neither the year of publication nor the geographical location or the ranking of the journal (as indicated in Table 2.2: Inclusion Criteria). In parallel to the inclusion / exclusion process, duplicate studies were detected and removed. The search within the aforementioned specifications resulted in 37 papers (Figure 2.2: “Initial search”).

2.1.3.3 Assessing the Quality

The rest of the articles were then thoroughly reviewed. The full text versions of all 37 articles were set against the quality assessment criteria (Table 2.4: “Quality Assessment Criteria”), which were adopted from both Pittaway, Robertson, Munir, Denyer and Neely (2004) and Macpherson and Holt (2007). The goal of the quality appraisal is to assess the validity of the selected studies, give an appropriate justification, and provide the reader with sufficient information in order to specify if the systematic review is applicable to their research study (Macpherson & Holt, 2007; CRD Guidance, 2009).

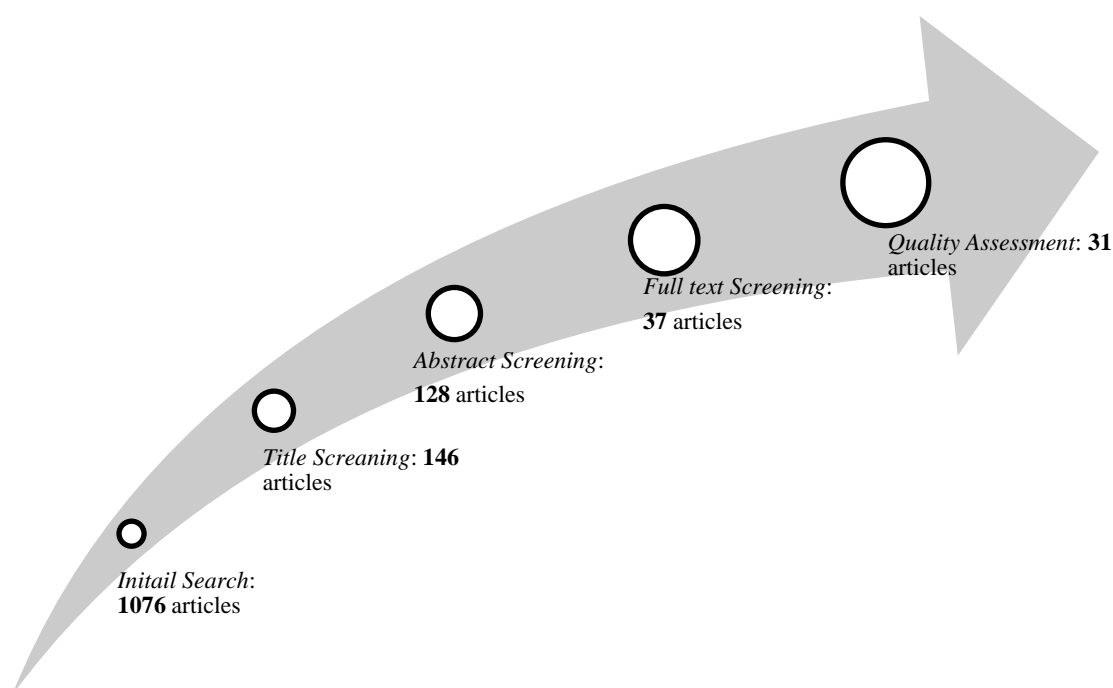
Table 2.4: Quality Assessment Criteria

	LEVEL				
	0: Absence	1: Low	2: Medium	3: High	N/A
THEORETICAL CONTRIBUTIONS	The article does not provide enough information to assess this criterion.	Limited knowledge of existing literature. Implausible theory development.	Basic knowledge of the theoretical background. Theory development - just about acceptable.	Deep knowledge of the existing wisdom. Theory was well developed and well related to data.	This aspect is not applicable to the article.
IMPLICATION FOR PRACTICE	The article does not provide enough information to assess this criterion.	The implementation of the theoretical constructs into practice is infeasible.	Potential implementation of the research findings and ideas by practitioners.	Clear practical implementations derived from the ideas and theories.	This aspect is not applicable to the article.
METHODOLOGICAL RIGOUR	The article does not provide enough information to assess this criterion.	Unsuccessful choice of research design and unsatisfactory argumentation regarding the selected methods.	Detected gaps in the research design along with incomplete data.	Data clearly support arguments: robust research design (rigorous sampling and data analysis)	This aspect is not applicable to the article.
CONTRIBUTION	The article does not provide enough information to assess this criterion.	Unclear advances. Does not make considerable contribution.	Builds upon existing knowledge, using only the ideas of others.	Expands the field through the development of existing knowledge.	This aspect is not applicable to the article.

In parallel, the objective of critical appraisal is to identify high quality studies with low risk of bias or error (Jones & Evans, 2000.). By doing so, the research tried to detect any flaws that might ultimately jeopardise the truth and validity of the conclusions. This quality assessment ensures that the synthesis, which will come at a later point, will be developed based on strong evidence. This protects the quality of the synthesis and ensures the robustness of the study (CRD guidance, 2009).

Based on the aforementioned quality assessment criteria (Table 2.4: “Quality Assessment Criteria”), the number of manuscripts reduced to 31. A figural representation of the adopted research strategy illustrates the gradual decrease of the articles (Figure 2.2: “Initial Search”).

Figure 2.2: Initial search



2.1.3.4 Mapping the field

Once the selection of the articles was finalized, the researcher proceeded with the data-extraction process. According to Clarke and Oxman (2001, as cited in Tranfield et al., 2003), the data extraction form represents the review protocol and the formulated questions. Also, the form illustrates step-by-step the logic for arriving at certain decisions. Additionally, the form will act as the data-repository for the next process, which involves the analysis of the selected data (ibid.). Moreover, the documented categorization allows

the detection of possible relationships and patterns which will be utilized in the synthesis part (Macpherson & Holt, 2007). In addition, the documentation of the whole process eventually reduces human error (Magarey, 2001; Tranfield et al., 2003; White & Schmidt, 2005).

Consequently, the researcher created a data extraction form with the following information:

- Publication details (title, author, year, journal, field of journal and database)
- Article characteristics (type and aim)
- Methodology (Research method and data collection method)
- Sample (size, characteristics, industry focus and geographical location)
- Perspective of the article (from the service provider's perspective, from service receiver's, both)
- Key results
- Avenues for further research

Notably, the “Key results” column is further categorized in a separate excel sheet, according to the emergent patterns (further analyzed in section 2.1.5: “Thematic Analysis”). Also, the column “Perspective of the study” indicates whether ICSEs were studied from the service provider's or the service receiver's perspective, or even both. Additionally, the column “Sample” provided further categorization (“Number of Industries”, “Number of Geographical Locations”), so as to facilitate the next process, which provides an exhaustive descriptive analysis based on the abovementioned information.

2.1.4 Descriptive Analysis

As mentioned earlier, systematic review in management research involves the so called process of “Descriptive Analysis”. To do this properly, the researcher followed Tranfield's et al.'s (2003) guidelines, who offered a broad ranging descriptive account of the field and provided specific exemplars. In parallel, a created audit trail justifies the author's decisions. With this process the aim is to serve both academics and practitioners by facilitating the understanding of the research related to the ICSEs.

2.1.4 .1 Evolutionary Development of the Field of ICSEs

The majority of the selected articles were retrieved from Emerald Insight (45%) and Ebscohost (29%). Only 19% of the selected articles came from Science Direct and even

fewer from Sage Journals (7%). The literature was published in a wide range of locations. Nevertheless, *Managing Service Quality* and *Journal of Services Marketing*, account for the largest portion, 13% each. The other articles are distributed over a range of journals that deal with: general management and international business issues (39%), marketing related context (13%), tourism and hospitality related topics (10%), linguistics (6%), organizational behavioural issues (3%) and socio-political context (3%). Table 2.5 (“Evolutionary development of the field of ICSEs”) illustrates the evolutionary development of the field of ICSEs as well as the journals in which the selected articles were published.

Based on the aforementioned distribution, there is an appreciable bias towards the general business and international management journals. Moreover, based on the “ABS Academic Journal Quality Guide”, only 16% of the articles are published in “highly regarded journals”, 19% in “well regarded journals” and 16% in “modest standard journals”. It is worthy of note that 49% of the articles are published in journals that are not listed in the “ABS Academic Journal Quality Guide”. In addition to that, given the explosion of ICSEs, this is an area that requires further exploration along with a more theoretically-grounded research.

Table 2.5: Evolutionary development of the field of ICSEs

YEAR	APJTR	CCM	DS	EJM	IAL	IMM	IMR	IJCTHR	IJHM	IJHTA	IJIR	IJPSM	IJS	IJSIM	JBR	JE	JHMM	JP	JQAHT	JSR	JSM	JTTM	MSQ	SMQ	TOT	
1992									1																1	
1993																										0
1994																										0
1995																										0
1996				1																						1
1997																										0
1998																										0
1999																						1				1
2000			1		1																					2
2001																			1							1
2002																										0
2003													1													1
2004		1								1																2
2005																						1		1		2
2006																1										1
2007							1					1											1			3
2008	1					1							1													3
2009											1				1		1		1							4
2010																		1					1	1		3
2011																							2			2
2012																						1				1
2013								1							1											2
2014																						1				1
TOT	1	1	1	1	1	1	1	1	1	1	1	1	1	1	2	1	1	1	1	1	4	1	4	1	31	

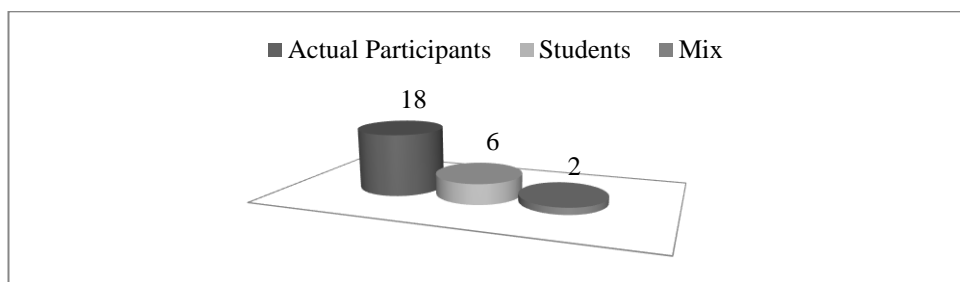
APJTR =Asia Pacific Journal of Tourism Research, **CCM** = Cross Cultural Management, **DS** = Discourse & Society, **EJM** = European Journal of Marketing, **IAL** = Issues in Applied Linguistics, **IMM** = Industrial Marketing Management, **IMR** = International management review, **IBR** = International Business Review, **IJCTHR** = International Journal of Culture, Tourism and Hospitality Research, **IJHM** = International Journal of Hospitality Management, **IJHTA** = International Journal of Hospitality & Tourism Administration , **IJIR** = International Journal of Intercultural Relations, **IJPSM** = International Journal of Public Sector Management, **IJS** = International Journal of Service, **IJSIM** = International Journal of Service Industry Management, **JBR** = Journal of Business Research, **JE** = Journal of Euromarketing, **JHMM** = Journal of Hospitality Marketing & Management, **JP** = Journal of Pragmatics, **JQAHT** = Journal of Quality Assurance in Hospitality & Tourism , **JSR** = Journal of Service Research, **JSM** = Journal of Services Marketing, **JTTM** = Journal of Travel & Tourism Marketing, **MSQ** = Managing Service Quality, **SMQ** = Services Marketing Quarterly.

2.1.4.2 Comprehensive Descriptive Analysis

The data extraction form revealed that almost half of the articles (48%) approached ICSEs from the service receiver's perspective. The rest of the articles equally distributed their focus on the service provider's perspective and on both, namely service provider's and receiver's perspectives (26% each).

Among the researchers' consideration set, the largest share is captured by empirical papers (84%). Only 10 of the papers are pure conceptual papers and even fewer (6%) are theoretical papers. In terms of the research methods being employed in the empirical studies, 23% used mixed methods, combining interviews with questionnaires (50%), questionnaires with participant observation (33%) and survey with open-ended questions along with field experiment (14%). The remainder of the empirical studies adopted quantitative methodology (35%) and qualitative approaches (42%). Even though, quantitative based articles all used questionnaires, the sample sizes in the studies were considerably different. Namely, the survey respondents fluctuated between 1000 (Sinkovics & Penz, 2009) and 144 (Karande, Ha and Singhapakdi, 2008). Lastly, the majority of the qualitative articles used interviews (in-depth and/or semi-structured) as their main data collection method (46%). The rest of the articles used either Observation, or Critical Incident Approach, or a combination of interviews with observation (18% each). The sample sizes in these studies were quite different, with respondents as low as 10 (Hultén, 2010) and as high as 220 (Stauss & Mang, 1999). In addition, Figure 2.3 illustrates the breakdown of the empirical studies according to the sample characteristics. From the results it is evident that in ICSE research the majority of empirical studies used samples from actual participants which constitutes the research on this field more valid (Patterson & Mattila, 2008; Holmqvist, 2011).

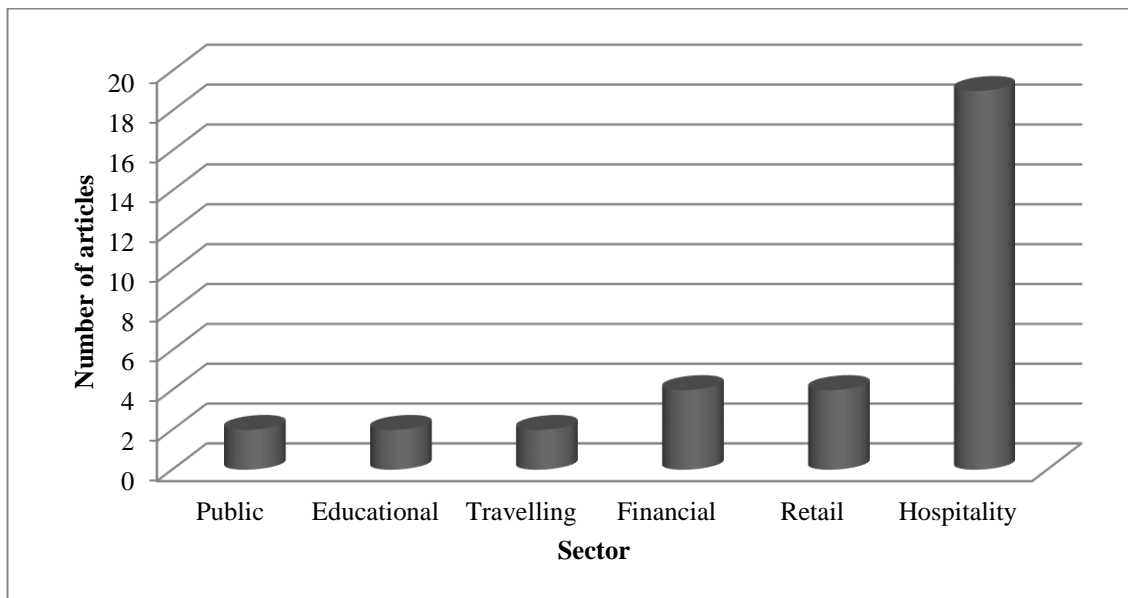
Figure 2.3: Breakdown of empirical articles – sample characteristics



In terms of sector, 61% of the articles based their study on a single industry and 39% on various industries. Figure 2.4 (“Breakdown of articles – in terms of sector”) illustrates the

various sectors that were included in the articles. There is an overwhelming bias towards the hospitality sector (hotels, restaurants etc.), since 19 of the articles included related industries in their investigation. In addition, it is concerning that, based on the expansion of ICSEs, only four studies reported on the financial sector and none of them reported solely on the financial sector.

Figure 2.4: Breakdown of articles – in terms of sector



Regarding the locus of the articles (that the category “Geographical Location” could be applied - 94%), the majority of them fell equally into the region of USA, and the category within which the studies reported on more than one location (34% each). Studies located solely in Asia accounted for 17%. Other locations of interest included Australia (7%) and Other Europe (except UK and Germany, 7%). One significant outcome is the fact that from the selected articles, only one study, that reported on the financial sector included a European country, Finland (Holmqvist, 2011). This finding indicates an important research gap, not in the financial sector in general, but specifically in the European region.

Identifying, and categorizing the multitude of dimensions implicated in ICSE research is an important first step towards unifying all the parts of the sparse literature. To understand how they fit together to form a whole, the researcher reviewed the theories employed in the consideration set.

2.1.5 Thematic Analysis

Tranfield et al. (2003) suggest that a good systematic review proceeds with a “Thematic Analysis”, which involves the analysis of the theoretical content of the field elicited from the selected articles. In order to find a way through this vast amount of information, the researcher elaborated on the findings in five themed sections. The first section addresses the key theories that are related to the ICSEs, as they are detected in the review. The second section deals with the challenges that hinder the success of ICSEs. The third addresses the outcomes of ICSEs, and the fourth section elaborates on the contextual factors. Finally, the discussion presents the identified gaps, inconsistencies and key points which will eventually lead to the next section (section: 2.2 Synthesis). These steps aim to synthesize the findings in a meaningful way. However, the challenge at this point is to methodize the vast amount of theories, challenges, outcomes, contextual factors and gaps which were detected in the literature. In doing so, the researcher classified the generated findings in the data extraction form based on the extant literature and her informed judgement. The researcher developed more general groups, according to their substantive conceptual meaning (Zou & Stan, 1998).

2.1.5.1 Articulating Key Theories to be Explored

This section articulates the theories detected in the selected body of literature. This systematic documentation is essential so as to harvest all the discussed theories on ICSEs and then draw the key ones from the created pool (Pawson, Greenhalgh, Harvey & Walshe, 2005). Almost all of the selected studies (94%) have introduced, discussed or incorporated various theories trying to understand various aspects of ICSEs. The researcher regarded it necessary to further elaborate on those theories that were considered most important, based mostly on their frequency in the selected articles.

First, the researcher chose to elaborate on the Hofstede's extensive framework. A considerable number of the selected studies applied specific dimensions of the Hofstede's framework, suggesting that the national culture has an impact on ICSEs (Sparks & Callan, 1992; Pikkemaat & Weiermair, 2001; Lin, Tu, Chen & Tu, 2007; Manzur & Jogaratnam, 2007; Hultén, 2010). This is a quite presumable result because Hofstede's findings came from one of the largest cross-cultural surveys and it is widely used by the scholar community (Sivakumar & Nakata, 2001; Zhang et al. 2008). More precisely, “Power Distance” (PD) was adopted by John (1996), Lin et al. (2007), Manzur and Jogaratnam (2007) and Hultén (2010). According to Hofstede “a society's way of dealing with power

relationships is established through the values of superiors as well as of subordinates” (1983, p. 51). In detail, cultures with low PD index value equality, whereas cultures with high PD index tend to be hierarchical (Dawar, Parker and Price, 1996). Dawar et al. (1996) and Birgelen, de Ruyter, de Jong and Wetzels (2002) noted that PD has an impact on both the information exchange behaviour and the service performance. Moreover, Lin et al. (2007) and Manzur and Jogaratnam (2007) refer to the “Masculinity and Femininity” dimension, that reflects the “dominant pattern of sex roles” (Hofstede, 1983, p. 55), which according to Birgelen et al. (2002) impacts on the service performance. Another dimension detected in the review is the “Uncertainty Avoidance” (Lin et al., 2007; Manzur & Jogaratnam, 2007; Sparks & Callan, 1992) that refers to the degree people are threatened by uncertainty and the sequent emotion of anxiety (Hofstede, 1983; Sivakumar & Nakata, 2001). For example, Sparks and Callan (1992) suggest that providing the customer with the right information helps reducing uncertainty. In this way, the service provider can understand and even predict the customer’s behaviour.

Furthermore, one of the most popular theories is the “social identity theory” (SIT), which focuses on comprehending the psychological bases of intergroup discrimination (Bailey, 2000; Barker & Härtel, 2004; Hopkins et al., 2005; Sharma et al., 2009; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Hill and Tombs, 2011; Sharma et al., 2012; Montoya & Briggs, 2013). This theory suggests that perceived cues and salient characteristics, such as language, physiognomy and values, delineate cultural differences (Bailey, 2000; Hopkins et al., 2005). The identification of similarities emphasizes the collective identity (Bailey, 2000; Hopkins et al., 2005; Sharma et al., 2009; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Sharma et al., 2012; Montoya & Briggs, 2013). Moreover, Wang and Mattila (2010) suggest that, based on SIT, there is a lower chance of success when service provider and service receiver do not share the same cultural background. Eventually, SIT suggests that cognitive and social evaluations affect service provider’s preference when serving a customer (Barker & Härtel, 2004). Another theory relevant to SIT, is the “Similarity Attraction Theory” (SAT), which refers to the attraction between people sharing the same cultural profile (Barker & Härtel, 2004; Sharma et al., 2009; Wang & Matilla, 2010; Montoya & Briggs, 2013). Authors suggest that interactions among people with different cultural backgrounds can be less successful because the dissimilarities between them easily create miscommunications and conflicts (Sharma et al., 2009; Wang & Matilla, 2010).

Another popular theory is the “Attribution Theory” (AT) (Stauss & Mang, 1999; Warden, Liu, Huang & Lee, 2003; Hopkins et al., 2005; Patterson & Mattila, 2008; Hartman, Meyer

& Scribner, 2009; Sharma et al., 2009; Hultén, 2010; Tam et al., 2014). Studies introduce this theory in order to refer to the impact of a service failure. Namely, AT consists of three central constructs which take place during the attribution process stage: “Stability”, “Locus of causality” and “Controllability” (Stauss & Mang, 1999; Warden et al., 2003; Hultén, 2010; Tam et al., 2014). “Stability” refers to the possible repetition of a failure. More precisely, if a failure seems unlikely to happen again, then it might as well be overlooked. “Locus of causality” has to do with the given dimensions of a failure, whether it is attributed on the service provider or on situational factors. Lastly, “Controllability” signals whether the service provider could not control the outcome by not knowing the actual customer expectations and standards (ibid.). All these constructs refer to the process during which people, who engage in a service encounter, attribute the performance gaps and failures (Hopkins et al., 2005; Sharma et al., 2009).

Cultural Distance (CD) is also a frequently used theory. CD along with PCD are both discussed by a number of scholars while trying to comprehend the difficulty during the adjustment process while entering a host culture (Hopkins et al., 2005; Karande et al., 2008; Sharma et al., 2009; Sinkovics & Penz, 2009; Hill & Tombs, 2011; Sharma et al., 2012; Tam et al., 2014). CD theory refers to the extent to which two cultures differ from each other, for example in terms of language, values and social structure (Hopkins et al., 2005; Sharma et al., 2009; Sharma et al., 2012; Tam et al., 2014).

In addition, the popularity of the Dramaturgical Metaphor’s constructs is notable here (John, 1996; Sizoo, Iskat, Plank & Serrie, 2004; Sizoo, et al., 2005; Sizoo, 2006; Sizoo, 2008; Sharma et al., 2009; Hultén, 2010; Wang & Mattila, 2010; Sharma et al., 2012). In particular, some authors referred to RT, which suggests that service provider and service receiver participate in dyadic interaction as social actors with clearly defined roles and scripts. Any deviation from the script may cause dissatisfaction (Sizoo et al., 2005; Sharma et al., 2009; Wang & Mattila, 2010; Sharma et al., 2012). Similarly, “Role Clarity” (RC) states the extent to which the service provider and the customer comprehend each other’s role and expectations. In case they have dissimilar perceptions, this will ultimately affect their behaviour and has a rather negative impact on the outcome (Sharma et al., 2009, 2012). This lack of RC is not a rare phenomenon even in regular service encounters (Sharma et al., 2009). Nevertheless, scholars refer to the theory that applies to the agreement on each other’s role expectations, namely IRC (Sharma et al., 2009, 2012).

Lastly, an important theory related to the ICSEs is “Cultural Competence” (CC) and ICC. CC refers to a compound of cultural behaviours and attitudes that, through a developmental process, work effectively in intercultural situations (Rice, 2007; Sharma et al., 2009). According to Sharma et al. (2009) there are a number of similar definitions, such as intercultural sensitivity, intercultural effectiveness and cultural intelligence. Nevertheless, all of them suggest that this kind of competence influences intercultural interactions (ibid.) In the same vein, ICC is the ability that allows someone to think and act effectively when interacting with people from other cultures (Sharma et al., 2012). Even though it is a theory that can be directly linked with ICSEs, nonetheless only a small number of the selected studies adopted or even mentioned ICC or IC (Sizoo et al., 2004; Sizoo et al., 2005; Sizoo, 2006; Rice, 2007; Sizoo, 2008; Sharma et al., 2009; Hultén, 2010; Sharma et al., 2012; Tam et al, 2014). Additionally, it is important to note that the authors that engage ICC and IC are repeatedly the same, namely co-authors Sizoo, Plank, Iskat and Serrie and co-authors Sharma, Tam and Kim.

2.1.5.2 Challenges for a Successful ICSE

The systematic review revealed almost 50 different constructs that can jeopardise the success of an ICSE. All of these constructs were thoroughly examined and classified into three categories: “Communication” and “Cultural Issues”.

Following the classification of Sekaran (1983), who advocates that culturally patterned behaviours should be distinct from linguistic, the first category, “Communication”, contains the linguistic issues. Derived from the aforementioned reasoning, the linguistic issues are set as distinct category from the other cultural categories, for two reasons. First, the researcher followed the trend of the selected articles and second, the researcher advocates that this category includes more justifiable challenges that may literally inhibit the success of an ICSE, and for that reason should be distinct from the other differences. Nevertheless, it is worthy to note that linguistic issues proved to indirectly prohibit the success of an ICSE. This body of research identified that during an ICSE both a different “accent” (Sparks & Callan, 1992; Barker & Härtel, 2004; Hill & Tombs, 2011) and spoken “language” (Sparks & Callan, 1992; Hopkins et al., 2005; Holmqvist, 2011) not only prohibit the communication but also can become a serious barrier, raise suspicion and cause lack of trust.

Accordingly the aforementioned linguistic issues affect the actual communication but also trigger other psychological processes, similar to the ones triggered by the “Cultural Issues”.

This category is a rather presumed category. Its subcategories refer to the salient identity cues and the general characteristics that distinguish one culture from another. For example, one subcategory is PCD, which refers to the perception of the cultural similarities and dissimilarities (Stauss & Mang, 1999; Sharma et al., 2012; Tam et al., 2014). This category suggests that dissimilar cultural backgrounds create lower level of success, because people tend to be attracted by the individuals that are similar to them. Another relevant subcategory embraces “physiognomy”, “salient identity cues” (Hopkins et al., 2005) and “familiarity” bias (Patterson & Mattila, 2008). Also, the systematic review revealed theories that relate to certain emotion stimulation that may hinder the success of an ICSE. For example, the SIT and social distance may provoke “avoidance” (Barker & Härtel, 2004; Sinkovics & Penz, 2009) and “lack of effort” (Barker & Härtel, 2004). In addition, Hill and Tombs (2011) refer to the cultural congruency that affects the levels of “confidence” as well as the element of “risk”.

2.1.5.3 Outcomes of ICSEs

As mentioned previously, ICSEs are very complex phenomena and they might have either positive or negative outcomes (Wang & Mattila, 2010). By the term “outcomes” the researcher describes both tangible and abstract results. For easy reference at this stage, the researcher classified the 40 and more outcomes into two sub-categories: “Performance related outcomes” and “Emotional related outcomes”.

The first category involves outcomes like “word of mouth” (Sizoo et al., 2004; Sizoo, 2006; Sizoo, 2008), primary rewards and revenue contribution through repeated purchase (Sizoo et al., 2004; Manzur & Jogaratnam, 2007; Sizoo, 2008) and, of course, the negative performance outcomes, like the loss of business (Sizoo et al., 2004; Sizoo, 2006; Sizoo, 2008)

Regarding the second category, the researcher included the outcomes that are not easy to observe. The researcher chose to differentiate those from the “performance related outcomes”, because they are not as easy to measure and study. Additionally, the researcher argues that this category is crucial, because individuals cannot decide outside their created “emotional” framework (Goleman, 1998). Due to the vast amount of sporadic “emotionally related outcomes” the researcher divided them into two sub-categories: “Negative emotions” and “Positive emotions”. A considerable number of authors elaborated on “Negative” emotions. For example, authors suggest that unsuccessful ICSE may cause frustration (Sizoo et al., 2004; Sizoo, 2006; Sizoo, 2008; Hill & Tombs, 2011), stress

(Wang & Mattila, 2010), lack of trust (Barker & Härtel, 2004), and other negative emotional related outcomes (Sparks & Callan, 1992; Barker & Härtel, 2004; Sizoo et al., 2004; Sizoo, 2006; Sizoo, 2008; Chang, 2009; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Hill & Tombs, 2011; Pikkemaat & Weiermair, 2001).

On the other hand, “positive emotions”, include, for example, satisfaction, which has been widely studied (Sparks & Callan, 1992; Sizoo et al., 2004; Manzur & Jogaratnam, 2007; Karande et al., 2008; Sizoo, 2008; Sharma et al., 2009; Sharma et al., 2012; Hartman, Meyer & Hurley, 2013; Tam et al., 2014). Remarkably, “trust”, which is the basis of human interaction (Gundlach & Murphy, 1993), was hardly detected in the review (Karande et al., 2008; Kuroshima, 2010). On one occasion, Kuroshima (2010) investigated the element of trust during the registration of orders in restaurants. On the other hand, Karande et al. (2008) investigated the creation of trust between Korean importers and exporters or suppliers. This important gap will be further analyzed in section 2.1.6 “Gaps and inconsistencies”.

2.1.5.4 Contextual factors

Lastly, the review identified a number of contextual factors which were addressed by the studies. An identified contextual factor is culture (John, 1996; Wardern et al., 2003; Lin et al., 2007; Manzur & Jogaratnam, 2007; Montoya & Briggs, 2013). Moreover, several articles addressed “Industry” as a contextual factor for ICSEs (John, 1996; Sizoo et al., 2005; Rice, 2007; Karande et al., 2008; Sizoo, 2008; Wang & Mattila, 2010; Holmqvist, 2011; Tam et al., 2014). For example, Wang and Mattila (2010), suggest that ICSEs may provoke stress within specific industries. In the same vein, Sizoo et al. (2005) suggest that intercultural sensitivity is more important for the people that cater for foreign customers. Similarly, Karande et al. (2008) set industry as a contextual factor, when they underline the importance of relationship commitment in the consumer products industry rather than in the industrial one.

2.1.6 Gaps and inconsistencies

This research identifies gaps and inconsistencies that direct future research. Generally, there is a consensus regarding the need for further theoretical and empirical investigation in the field of ICSEs (Strauss and Mang, 1999; Barker & Härtel, 2004; Hopkins et al., 2005; Wang & Mattila, 2010). In addition, some studies suggest that their findings are not generalizable because their sample involved merely students (Patterson & Mattila, 2008;

Montoya & Briggs, 2013). Another limitation of the studies' research findings is that they neither apply to all cultural contexts nor to all service industries due to the lack of repetition (Warden et al., 2003; Karande et al., 2008; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Holmqvist, 2011; Sharma et al., 2012; Montoya & Briggs, 2013; Tam et al., 2014).

In particular, a considerable number of studies suggest that their findings and their models should be tested in other industries, taking into consideration the type of the service (Sizoo et al., 2004; Sizoo et al., 2005; Sizoo, 2006; Sizoo, 2008; Sharma et al., 2009; Hill & Tombs, 2011; Holmqvist, 2011; Tam et al., 2014). This gap is supported in that a considerable number of articles reported on mixed sector investigations (Barker & Härtel, 2004; Lin et al., 2007; Karande et al., 2008; Chang, 2009; Hartman et al., 2009; Sharma et al., 2009; Hultén, 2010; Wang & Mattila, 2010; Hill & Tombs, 2011; Holmqvist, 2011; Hartman et al., 2013; Montoya & Briggs, 2013). Taking into consideration that different industries have unique characteristics and need to abide by a number of specific regulations (Eliashberg, Elberse & Leenders, 2006; Stremersch & Van Dyck, 2009; Laurell, Andersson & Achtenhagen, 2013), the above mentioned finding, urges for developing a more industry-specific knowledge.

As mentioned before, a number of scholars identified the need for investigating ICSEs in different locations (Warden et al., 2003; Sinkovics & Penz, 2009; Tam et al., 2014). Moreover the results of the present systematic review identified the lack of research in the geographical location of "other Europe" and "Australia" (only 2 each) as well as a possible bias towards the geographical location of "USA".

Moreover, some models of ICSEs illustrate, directly and indirectly, avenues for further research. Sharma's et al.'s (2009) conceptual framework contributed significantly to the enhancement of the knowledge stream. They incorporated among others PCD, Adequate and Perceived Service Level. Even though their study was based on ten testable propositions using a number of constructs from the Intercultural Interaction and Service research, there was no focus on a specific industry, nor a clear focus on the customer and/or the employee. Later, the same authors (Sharma et al., 2012), trying to extend their own conceptual framework, incorporated some new constructs, like Satisfaction. This conceptual framework uses Solomon's et al.'s (1985) RT as well as the Information Asymmetry Perspective. Their samples were employees and customers specifically from the food industry, offering in this way valuable incentives for further research in other

areas of the service sector. Furthermore, their study was conducted in Hong Kong, which is the most preferred destination worldwide for both tourism reasons and business purposes, thus making the situation rather unique (McKercher, Wong & Lau, 2006). Once more, this implies further investigation in different settings. The same authors admit a couple of years later that there is still a “lack of a strong conceptual framework and of methodological rigor for research in this area” (Tam et al., 2014, p. 160). In addition, Wang and Mattila (2010) were the first to ever develop a model of ICSEs that focused on employees’ emotions. Their model was developed based on a grounded theory approach derived from research data without a priori theoretical contributions about the phenomenon. Moreover, this study incorporated interviewees coming from a restaurant or hotel background, thus leaving aside situations with higher levels of personal interaction, such as banking, that are more likely to create problems in ICSEs. Hence, the scope of the investigation needs to be expanded to dissimilar service encounters situations and various service industries so as the findings of this study to be extended (ibid.).

Another important identified gap is the need for further investigation of the psychological dimensions and processes, for example when having a challenging interaction with a customer (Sinkovics & Penz, 2009). According to Sharma et al. (2009) “there is no comprehensive conceptual framework to guide research into socio-psychological process underlying these encounters” (p. 227). Similarly, Tam et al. (2014) suggest that there is a need to “advance a complete understanding of the psychological process underlying customer satisfaction in intercultural service encounters” (p.167). Additionally, the review suggests that future research should focus on the positive experience of the ICSEs (Hultén, 2010) and customer satisfaction and retention (Hopkins et al., 2005; Tam et al., 2014).

In addition, the research revealed another important limitation. As mentioned earlier, the vast majority of articles approached ICSEs from the service receiver’s perspective (15 articles), and only a small number of articles address the service provider’s perspective and an even smaller one both perspectives (only 8 studies each). Some scholars indicate the need for more research on the service provider’s perspective (Sizoo et al., 2004) as well as on the dyadic approach (Lin et al., 2007; Sinkovics & Penz, 2009).

Moreover, there appears to be a need for categorizing ICSEs. Four studies, in particular, point to the difference between domestic and domestic-foreign ICSEs (Hopkins et al., 2005; Sizoo et al., 2005; Chang, 2009; Wang & Mattila, 2010). In addition, Sharma et al. (2009) propose that the reason for travelling might affect the expectations held during an ICSE.

Tourists travel on a voluntary base for holiday reasons (Ward, Bochner & Furnhum, 2001). Sojourners travel abroad voluntarily for a specific period of time and reason. For example, this category includes international students and business men (ibid.). Last, immigrants are those people who relocate for a long period of time, mostly for economic reasons (ibid.). Accordingly, there is a need for differentiating tourists, sojourners and immigrants.

Finally, a major gap is reflected in that, so far, research revealed precious little on development of trust during ICSEs. Only two articles included trust in their investigation. Karande et al. (2008) investigated the role of contextual factors (relationship characteristics, exporter characteristics and product characteristics) on relationship commitment, in terms of trust and satisfaction. They found that for Korean importers, the influence of cultural similarity for relationship commitment is stronger for consumer products than for industrial products. Finally, they invite similar research in various markets. Second, Kuroshima (2010) investigated trust during the registration of orders in a restaurant and revealed the importance of sequence rather than the linguistic practices. Besides the aforementioned studies, a couple of other scholars delineated some issues related to trust. For example, Barker and Härtel (2004) suggest that accent may cause suspicion or lack of trust, whereas Spake, Beatty, Brockman and Crutchfield (2003) highlighted that trust is positively related to consumer comfort. From the review, the researcher concluded that trust, even though hardly discussed in the articles, should become the focus of future studies.

To sum up, the systematic review has identified inconsistencies and gaps. The multiplicity of theories and their sporadic detection across the literature, as well as the small number of scholars that engaged in the field of ICSEs, illustrate that ICSE is a very fragmented and neglected field of study creating an opportunity for synthesis, which will be discussed in next section.

2.2 Synthesis

Synthesis is an essential part of the Systematic Approach, because it illustrates the important conclusions drawn from the existing body of literature (CRD guidance, 2009). According to the findings of the systematic review, scant knowledge about ICSEs has been gained until today. The fragmentation of ICSE research calls for more detailed understanding. The systematic review provides important material for developing a conceptual framework. Thus, in this section the researcher conducts a synthesis based on the generated data of the systematic review of ICSEs, presenting the captured essence and

fine-tuning the understanding of the field (Meredith, 1993). To do this, the researcher adopted the theory-building approach, following the structure adopted by Burnard and Bhamra (2011). This approach of developing a conceptual framework develops the field of interest through the unification of the trends found in the literature. The created framework will then create the right foundation for further empirical activity and exploration of the ICSEs, which will be carried out in the next chapter (Chapter 3: Research Methodology and Research Methods). The collected data will then reform the initial conceptual framework in order to achieve stronger and continuous theory development.

In detail, the researcher follows a structured process, using both the emergent knowledge from the systematic review along with the extant literature (Eisenhardt, 1989). Based on the evidence of the systematic review, the researcher describes and explains the identified key concepts related to trust development during ICSEs. These concepts, which can only be inferred by observable events, will provide a better understanding of ICSEs (Meredith, 1993). To achieve this integration, the researcher conducts a narrative literature review on the detected key concepts. The researcher chose to combine the systematic and the narrative review in order to balance their strengths. First, the narrow focus of the systematic review can be regarded as a weakness, as it does not allow a comprehensive approach (Collins & Fauser, 2004). For this reason, the narrative review, which offers a comprehensive coverage, complements this weakness (ibid.). Second, the systematic review covers existing knowledge on ICSE until June 2014, whereas the narrative review illustrates the up-to-date gaps in the current literature, which will be presented prior to the creation of the conceptual framework. These steps aim to create a conceptual framework that will provide an understanding of trust development in ICSEs through the refinement and introduction of new essential constructs. Finally, the researcher will provide a figural representation of the developed conceptual framework.

2.2.1 Introducing Trust – A necessity for ICSEs

Trust is the fundamental basis of any human interaction (Gundlach and Murphy 1993). Mutual trust determines the coalescence of mutual interests in an exchange (Gundlach & Murphy, 1993), predicts commitment (Caceres & Pappas, 2007; Aurier & Goala, 2010; Chai & Dibb, 2014) and it influences loyalty (Chai & Dibb, 2014).

Trust is a complex aspect (Weber et al., 2004; Chai & Dibb, 2014) and is affected by culture. The reason is because culture affects cognitive processes and abilities, like memory (Wagner, 1981) and the reasoning on whether a behavioural assumption is

convincing and persuasive (Doney et al., 1998). In other words, culture navigates people's behaviour toward one another (Doney et al., 1998).

As stated earlier, trust is a multidimensional aspect (Weber et al., 2004; Chai & Dibb, 2014) and culture influences the perception and establishment of trust. Consequently, and despite its complexity, trust can be established when two people share the same culture. However, the development of trust can become more complicated between two people that come from different cultural backgrounds (Kale & Barnes, 1992; Chen, Chen, & Meindl, 1998; Doney et al., 1998; Mavondo & Rodrigo, 2001; Williams, 2001; Tan & Chee, 2005; Zhang et al., 2008; Chai & Dibb, 2014).

The development of trust in the service industry is crucial, as it increases customer commitment and loyalty (Caceres and Paparoidamis, 2007; Aurier & Goala, 2010; Schumann et al., 2010; Chai & Dibb, 2014). Comparing to other service relationships, service encounters are complex (Price et al., 1995; Petzer, De Meyer, Svavi, Svensson, 2012) and lack the element of trust due to the limited interaction and less predictable scenarios (Guttek, 1999). Even though, the development of trust depends on the company and not on the service employee, the company's intentions are projected through the service employee (Price & Arnould, 1999). Consequently, the service provider is analogous with the service to the customer, so the impression created for the service employee is reflected on the institution (ibid.). The prevailing subjectivity both in the behaviour and in the overall service makes service provider's role incredibly crucial (Surprenant & Solomon, 1987).

Despite the complexity of establishing trust during ICSEs, the systematic review has revealed that the exploration of trust during ICSEs did not receive the appropriate attention. Only a handful of studies have incorporated trust in their investigation (Spake et al., 2003; Barker & Härtel, 2004; Karande et al., 2008; Kuroshima, 2010), whereas other empirical studies had detected the difficulty of trust development (Kulik & Robert 2000; Barker & Haertel, 2004; Sharma et al., 2009, 2012).

The difficulty to establish trust during an ICSE does not facilitate the mutual understanding of each other's role. Thus, the absence of trust precedes the process of role agreement, which would have positively affected the service outcome. The systematic review illustrated that the lack of trust is more intense in customers rather than employees for three reasons. First, employees have advanced resources to gain information. Second, they are expected to understand their customers' intentions due to their job requirements. Third,

due to the intangible nature of the service, customers don't always have sufficient information (Tam et al., 2014) and usually they lack of experience and knowledge (Sharma & Patterson 1999).

The necessity of investigating trust during ICSEs does not come solely from the systematic review, but from the business world too, especially from the service sector (Schumann et al., 2010; Zur, Leckie & Webster, 2012). The increased international migration has an important impact on the formation and composition of the modern societies, a change that characterizes these societies as multicultural (Chai & Dibb, 2014). As mentioned previously, culture influences the perception and establishment of trust (Kale & Barnes, 1992; Chen et al., 1998; Doney et al., 1998; Mavondo & Rodrigo, 2001; Tan & Chee, 2005; Zhang et al., 2008; Chai & Dibb, 2014) and, thus, creates a challenging task for practitioners that deal with dissimilar parties (Chai & Dibb, 2014). The dissimilarities in the cultural background may challenge the development of trust and could hinder the tendency of working untiringly (Barro & McCleary, 2003). However, trust remains very important for businesses, as it influences the economic performance of the employee and the organization (Barro & McCleary, 2003) by reducing the risk between buyers and sellers and the transaction costs (Warder et al., 2003; Kupka et al., 2009; Chai & Dibb, 2014).

In addition, the researcher, following the indications derived from the systematic review, which highlight the need for industry and idiosyncratic localized results, investigates ICSEs in the banking industry of Cyprus. The banking industry is appropriate for investigating ICSEs because is among the most internationalized service industries (Schumann, 2010). Trustworthiness is very important in the banking services due to their high-credence nature (Eisingerich & Bell, 2007; Schumann, 2010). Also, trust, is proven to be very important in establishing commitment, stability and duration in the relationships in the banking industry (Chai & Dibb, 2014). The financial services ground their existence in the development and maintenance of trust because they engage the element of risk and uncertainty (Zineldin, 1995; Knights et al., 2001).

The enhanced need for further research in the banking industry is closely related to the financial crisis (Hansen, 2012), which introduced "a sea change in trust" (Monti et al., 2014, p. 1749). Hansen (2012) suggests that the financial crisis "has elevated the importance of consumer trust in both individual financial service providers and in financial institutions for the well-functioning of financial markets" (p. 281). As mentioned earlier

(section 1.2: “ICSEs and trust in the Banking industry of Cyprus”), this is a reality in Cyprus because today trust in the banking industry faces another unique barrier due to the bail-in approach certain banks applied in order to avoid bankruptcy (ICFCBS, 2013; Zenios, 2013). For these reasons, the researcher believes that the development of trust during an ICSE in the banking industry of Cyprus is a major challenge and calls for further empirical investigation.

To sum up, the complexity of ICSEs, the gap in the current literature, along with the uniqueness of Cyprus’ financial sector, drove the researcher to investigate trust during ICSEs. The present synthesis along with the empirical investigation, which follows in the next chapter (Chapter 4: Analysis of the results), both aim to contribute to the understanding of trust during ICSEs in banking industry of Cyprus. In doing so, the researcher will elaborate on the existing knowledge on trust. This discussion will reveal further gaps in the literature, which will guide the researcher in the development of new knowledge on trust during ICSEs.

2.2.1.1 Definitions of Trust

For Mayer, Davis and Schoorman (1995) and Schoorman et al. (2007) trust is an aspect of relationship, and it is defined as “The willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party” (Mayer et al., 1995, p. 712).

Trust is fundamental in human interactions (Weber et al., 2004). Building trust is very important because it reduces both the feeling of uncertainty, anxiety and the possibility of opportunistic behaviours (Doney & Cannon, 1997; Hausman, 2001; Weber et al., 2004; Kupka et al., 2009). The development and maintenance of trust enhances commitment, cooperation (Morgan & Hunt 1994; Weber et al., 2004; Suh, Janda & Seo, 2006; Chai & Dibb, 2014), loyalty (Ball, Coelho & Machás, 2004), emotional bonding (Guenzi & Georges, 2010) and, thus, promotes long-term relationships (Bendapudi & Berry, 1997; Kupka et al., 2009). On the other hand, the lack of trust increases the transaction costs for the organizations because a customer will search for an alternative when trying to purchase a new service or product (Warder et al., 2003; Kupka et al., 2009).

The development and maintenance of trust is not an easy task, because it changes over time (Dagger & O'Brien, 2010). It can either become gradually stronger with the progression of

a relationship (Czepiel, 1990; Bove & Johnson, 2000), or weaker due to an unexpected breach (Weber et al., 2004), or even sudden and dramatic (Weber et al., 2004). Additionally, trust is domain specific (Mayer et al., 1995), which means that someone cannot be conceived automatically trustworthy in all domains, but she or he has to earn it specifically. When people trust they could take a risk, but the form and type of risk depends on the situation and on the level of trust (Mayer et al., 1995).

Trust has received a great deal of attention from various disciplines, such as social psychology, sociology, economics and management (Mayer et al., 1995; Doney et al., 1998; Weber et al., 2004; Dunn & Schweitzer, 2005). Nonetheless, there is a general consensus that trust exists when someone believes that the other person is reliable and has integrity (Rotter, 1967; Anderson & Narus, 1990; Crosby, Evans & Cowles, 1990; Morgan & Hunt, 1994; Wulf, Odekerken-Schröder & Iacobucci, 2001; Palmatier, Dant, Grewal & Evans, 2006). This confidence develops the belief that the other party will fulfil the obligations derived from his or her role (Dwyer et al., 1987; Anderson & Weitz, 1989; Scheer & Stern, 1992). Thus, a person is willing to remain vulnerable to the actions of another person, even if it is not feasible to control that other person (Mayer et al., 1995). A definition that concisely describes the aforementioned characteristics of trust is the following: “Trust is a psychological state comprising the intention to accept vulnerability based upon positive expectations of the intentions or behaviour of another” (Rousseau, Sitkin, Burt & Camerer, 1998, p. 395).

Another similar definition of trust refers to the “willingness to rely on another party and to take action in circumstances where such action makes one vulnerable to the other party” (Doney et al., 1998, p. 604). This definition describes trust on a basis of a dyadic approach. Both parties are necessary for trust to be achieved because the expectations of a person’s trustworthiness drive the behaviour of the other person. Also, this definition encompasses the notion of risk, beliefs and behavioural components of trust. Last, it shows a cognitive and affective process to the decision on whether to trust someone or not.

As already mentioned, trust has received a great deal of attention and, thus, the next section (section 2.2.1.3: “Literature on Trust”) elaborates on the various models of trust, which describe its various dimensions, characteristics and aspects.

2.2.1.2 Concepts of Trust

According to Mayer et al. (1995), the trustworthiness of people affects how much trust they can get for themselves and for the organization they represent. They suggest that trustworthiness has three antecedents that are influenced by the context they apply to: ability, benevolence and integrity. This categorization has been adopted by various scholars who later built on this model (Schoorman et al., 2007). It is important to note that, the general propensity to trust is highlighted, as it does not apply to all individuals in the same way (Mayer et al., 1995). In detail, the propensity depends on someone's personality, developmental experience and culture (Mayer et al., 1995; Dunn & Schweitzer, 2005; Schoorman et al., 2007). Initial trust of strangers varies across cultures. In some cultures, which are task-oriented, trust of strangers is high. On the other hand, people coming from relationship-oriented cultures need time to establish a relationship in order to get involved on a task (Schoorman et al., 2007). This indicates that trust varies within individuals.

Ability, the first antecedent of trustworthiness, refers to "that group of skills, competencies, and characteristics that enable a party to have influence within some specific domain" (Mayer et al., 1995, p. 717). Similar concepts have been identified by other researchers, such as competence, perceived expertise and experience (Mayer et al., 1995). This construct is more task and situation specific (Mayer et al., 1995; Doney & Cannon, 1997; Williams, 2001; McKnight, Choudhury & Kacmar, 2002) as it facilitates high performance (Doney & Cannon, 1997; Williams, 2001; McKnight et al., 2002).

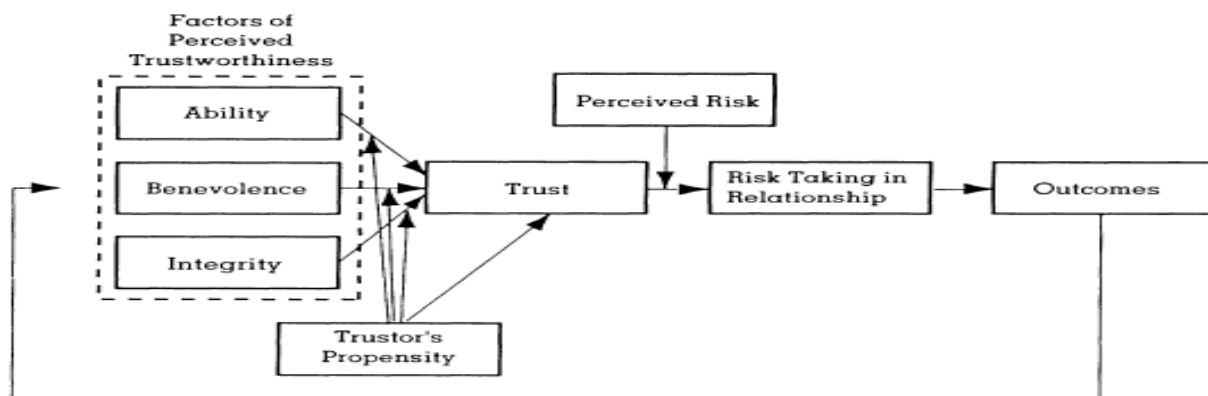
Benevolence, which is the second construct of trustworthiness, "is the extent to which a trustee is believed to want to do good to the trustier, aside from an egocentric profit motive" (Mayer et al., 1995, p. 718). This characteristic is similar to what other researchers suggest, that when a trustee has a motivation to lie, like when having something to gain, that person is seen less trustworthy (Good, 1988, as cited in Mayer et al., 1995). Thus, a service provider's benevolence reflects the intentions toward the protection of the customer's interests (Williams, 2001; Sirdeshmukh, Singh & Sabol, 2002).

The third characteristic of trustworthiness is integrity, which refers to the "trustor's perception that the trustee adheres to a set of principles that the trustier finds acceptable" (Mayer et al., 1995, p. 719). A trustor will evaluate the trustee in terms of consistency. In the case of a service employee, the customer will evaluate the congruency between the employee's beliefs and the organization's values (Mayer et al., 1995). Integrity mainly involves a person's principles which are reflected on the quality and the credibility of the

information he or she communicates to the customer (Crosby et al., 1990; Morgan & Hunt, 1994; Williams, 2001).

These characteristics are related but distinct from each other. For example, benevolence takes more time to be developed compared to integrity (ibid.). Their relationship to trustworthiness and trust is described in Mayer's et al.'s, model (1995), which is presented in Figure 2.5.

Figure 2.5: Proposed Model of Trust by Mayer, Davis and Schoorman (1995)



This model presents the process of trust development, which is influenced by the perceived trustworthiness, namely integrity, benevolence and ability, constructs that represent the cognitive antecedents of trust (Williams, 2001). Moreover, scholars suggest that the interpersonal affect is also an antecedent of trust (Lewis & Weigert, 1985; Rempel, Holmes & Zanna, 1985; Ring & Van de Ven, 1994; Mayer et al., 1995; McAllister, 1995; Jones & George, 1998; Williams, 2001) because the created expectations on the other person's trustworthiness depend upon the affective responses (Lewis & Weigert, 1985; McAllister, 1995; Jones & George, 1998; Williams, 2001).

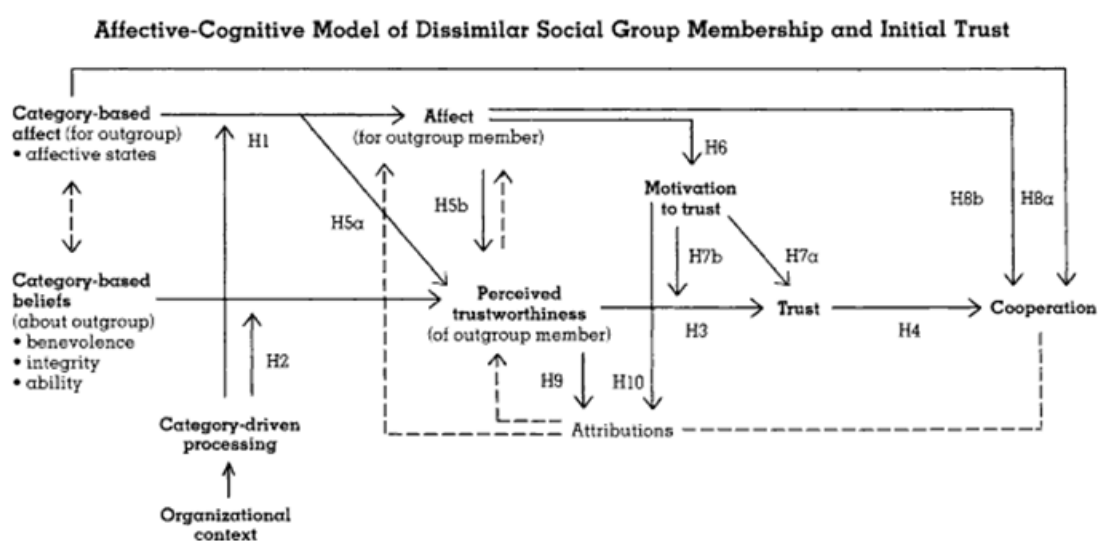
Specifically, individuals usually have a certain, often non-conscious, affective disposition toward specific social groups that has an impact on their feelings, judgements and reactions (Williams, 2001). Williams (2001) explores how the social group affect influences the development of trust between individuals, using the affective-cognitive approach. She explores the development of trust between dissimilar parties at the organizational level, inviting future scholars to focus on the individual level.

People tend to favour their own cultural group because otherwise the interaction can become more difficult and less rewarding (Levine & Campbell, 1972; Spitzberg, 2000). Similarly, trust development becomes an even more challenging target when the two

parties come from dissimilar groups, because they tend to view each other with suspicion (Williams, 2001). According to Brewer and Brown (1998, as cited in Williams, 2001), the more distracted and cognitively busy people are, the more inclinable they are to reflect aversion and fear to out-group members.

Williams (2001) argues that affective reactions influence the cognition, motives and behaviours because feelings and moods are used as information and basis of judgment. Based on these argumentations, she extends Mayer's Davis' and Schoorman's model (1995), creating a continuous model of trust development and invites future scholars to empirically investigate this approach. In her model, which is presented in Figure 2.6, the affective reactions can determine the development of trust. Emotions and affective states are part of the Category-based affect, whereas ability, integrity and benevolence are part of the Category-based beliefs.

Figure 2.6: Affective-Cognitive Model of Dissimilar Social Group Membership and Initial Trust



Other scholars have also espoused the two-dimensional categorization of trust, the cognitive- and the affect-based trust (Williams 2001; Zur et al., 2012; Chai & Dibb, 2014). The cognitive dimension involves the rational basis of trust, which are the constructs of trustworthiness (Williams 2001; Chai & Dibb, 2014), whereas the affective trust involves the emotional bond between the two parties, the feelings of security and their mood (Williams 2001; Chai & Dibb, 2014). In the next section, the researcher elaborates on the affect-based trust, providing the relevant argumentation that highlights its importance and high relevance to ICSEs.

2.2.1.3 Affect-based Trust

According to Chai and Dibb, affective trust “arises when an emotional bond exists between both parties and the trustee is motivated to fulfil the trust to maintain the relationship with the trustor” (2014, p. 63).

Affective trust is prominent in the early relationship phase (McAllister, 1995; Jones & George 1998; Dowell et al., 2015). Given the nature of ICSEs, where there is limited time for interaction, it seems that affective trust becomes crucial for these encounters. People at the beginning, trust each other based on a hope or expectation that the other party will act in a certain way. Nevertheless, affective trust is not stable but changes over time and its development depends partly on the frequency of contact (Johnson & Grayson, 2005).

Affective trust involves two important elements, the relational and the intuitive, as it relates to emotions and social skills, like, for example, care and concern (Rempel et al., 1985; McAllister, 1995; Dowell et al., 2015). Furthermore, the relational trust relates to reciprocity (Massey & Kyriazis, 2007; Dowell et al., 2015) and to the faith that the other party will act as the expectations held by the individual (Dowell et al., 2015). Emotions play a crucial role in relational trust as the individuals can only hope for reciprocity. On the other hand, intuitive trust involves the subjective judgements about the other’s character. These judgements are affective as they are based on the provoked moods and feelings.

Affect non-consciously influences judgment when evaluating trustworthiness (Bargh, 1984; Williams, 2001) and the motivation to trust (Williams, 2001). Affective responses, like, for example, anger, disappointment and joy influence the way people evaluate their trust to others (Jones & George, 1998; Williams, 2001). This process influences the “deeper” levels of trust, which are more stable over time and across situations, as well the cognitive antecedents of trust (Rempel et al., 1985; McAllister, 1995; Robinson & Morrison, 1997; Sheppard & Sherman, 1998; Williams, 2001). One of the few studies, that explored affect, highlights that emotions and moods influence cognition constructs, like perception, beliefs and judgements and, thus, inevitably influence trust development (Jones & George, 1998). Despite the affect’s crucial influence on cognitive trust, this process has not been adequately investigated (Williams, 2001; Dunn & Schweitzer, 2005).

Positive affect enhances the development of trust because the created affective attachments and positive mood build the basis for benevolence, a construct that promotes cooperative behaviours (George & Brief, 1992; Mayer et al., 1995; McAllister, 1995; Williams, 2001).

Positive affects enhance also the motivation to trust and, thus, the individuals tend to require less evidence of trustworthiness and less information to make forgiving attributions (Williams, 2001). It predicts how helpful an employee would be toward a customer (ibid.). On the contrary, when people experience negative affect and emotions, like anxiety, disgust and contempt, they tend to avoid the other individual resulting in the decrease of the motivation to trust (Williams, 2001). When there is no motivation to trust, then individuals need more evidence of trustworthiness in order to develop trust. Also, low motivation drives people to unforgiving attributions (Williams, 2001).

People tend to associate anxiety with the thought of interacting with members of competitive out-groups, either because of the hostility or fear of being embarrassed or having their values challenged (Williams, 2001). Especially when people from different demographic groups interact, they tend to behave in a biased or prejudiced manner (Stephan and Stephan, 1996). Negative or even neutral affects reduce the tendency to cooperate and negatively influence the perceived benevolence (Williams, 2001).

In conclusion, trust is by nature complex and affective (Williams, 2001; Dunn & Schweitzer, 2005). Emotions that arise from a specific incident, as well as the emotions that arise from an affect rich decision, are very important in the development of trust in a relevant or even irrelevant topic (Dunn & Schweitzer, 2005).

2.2.2 ICSEs and Negative Affect

New dyads start with low levels of trust, regardless of the group they come from, due to the lack of information (Shapiro, Sheppard & Cheraskin, 1992; Williams, 2001; Dunn & Schweitzer, 2005). When people have little or no history with each other, they use the affect-information to decide on whether to trust someone or not. Only when individuals are well known to each other, it is possible to use substantive information (Dunn & Schweitzer, 2005). Consequently, participants in service encounters, which by nature are not relationships, are more inclined to use to affect-information in order to decide on whether to trust someone. This means that affective states, like emotions, feelings and moods are very likely to influence the establishment of trust (Jones & George, 1998; Williams, 2001).

As already mentioned, emotions provoked for an individual give information to the evaluation of a person's trustworthiness (Jones & George, 1998; Williams, 2001). The more intense the feeling is, the less influential the non-affective information is (Clare, Schwarz & Conway, 1994; Williams, 2001).

People do not have the same feelings and beliefs toward all groups of people. In case they deal with members of their own group, they tend to associate positive beliefs and feelings, which are then associated with affective attachments (Williams, 2001). These kind of affective attachments are universal (Brewer, 1999; Williams, 2001). On the contrary, when someone deals with an out-group member, these beliefs and feelings can be either positive, or neutral, or even negative (Brewer, 1999; Williams, 2001). Their emergence depends on their own group, on the group they deal with, and on the relationship between these groups (Williams, 2001). If, for example, there is a real or symbolic conflict of interest, like a violation of values and norms, then an individual will be associated with threat (Williams, 2001). If category-driven process takes place, then category-based beliefs and affects take over. This process affects trust development as the created negative affects influence the individual's mood, especially when the individual tries to suppress these affective states (Jones & George, 1998).

Interestingly, people tend to make unforgiving attributions for the negative behaviour of an out-group member, which does not apply to the case of an in-group member (Williams, 2001). This categorization of people and the category-based beliefs and affects influence the perception of trustworthiness and the attributions, provoking cognitive biases (Williams, 2001).

This phenomenon is also confirmed by the SIT, which suggests that people who share the same cultural background rely on interpersonal similarity and common background to enhance trust (Mayer, Davis & Schoorman, 1995; Williams, 2001). The SIT is one of the most frequently detected theories in the systematic review on ICSEs (Bailey, 2000; Barker & Härtel, 2004; Hopkins et al., 2005; Sharma et al., 2009; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Hill & Tombs, 2011; Sharma et al., 2012; Montoya & Briggs, 2013), which illustrates that all these researchers have acknowledged its relevance and importance to ICSEs. When people deal with an out-group member, they tend to appraise whether that person might be a threat to their well-being. This process creates certain emotions that constitute the affective states (Williams, 2001). Also, people find it difficult to exchange information with “out-group” members (Ely & Thomas, 2001). The cultural background is reflected on the perceptions, priorities, beliefs regarding the role of information, as well as the way this information should be processed (ibid.). Thus, the development of trust in an ICSE can become very challenging, as individuals from dissimilar groups are possible to view each other with distrust, suspicion, stress, anxiety, fear, wounded pride, shame, guilt, feelings of inadequacy, threat, apprehension, anger and indignation (Mayer, Davis &

Schoorman, 1995; Williams, 2001; Williams, 2007; Little, Kluemper, Nelson & Gooty, 2012). There are also cases when they even try to avoid each other (Barker & Härtel, 2004). Negative category-based affect is likely to non-consciously influence an individuals' mood and, thus, negatively affects the evaluation of trustworthiness.

Even in cases during which intercultural interaction is expected to benefit a team in an organizational setting, a strong effort of information elaboration process is required (Pieterse, Van Knippenberg & Van Dierendonck, 2013). The differences between individuals and the lack of trustworthiness may drive them to favour the ideas of the “in-group” members, displace the “out-group” members and, thus, disrupt the process of unbiased information elaboration (Van Knippenberg, 2004). It is not easy for all team members to mutually and at the same time comprehend the benefits of integrating information (Pieterse, Van Knippenberg & Van Dierendonck, 2013). Someone needs to motivate the exchange of information, or at least sufficiently explain the benefits of it (ibid.).

The affects that people have for a group influence the feelings towards the group members (Williams, 2001). This social categorization process leads people to categorize other individuals based on their social group, creating certain stereotypes that will make individuals rely more on previous beliefs than on new distinct information (Hilton & von Hippel, 1996; Williams, 2001). The process of placing someone in a specific category often occurs when people are distracted and cognitively busy (Brewer & Brown, 1998, as cited in Williams, 2001). In order to question their initial categorization, people need to devote energy, time and cognitive effort. However, when done properly, literature suggests that cultural diversity enhances creative problem solving and may lead to positive outcomes (Cox, Lobel & McLeod, 1991). Nevertheless, the initial categorization tends to continue influencing the sub-categorization, and, thus, the initial affect may influence the general affective state influencing individuals' judgments (Olson & Zanna, 1993; Williams, 2001). Cultural differences provide different information that is not easily understood and not easily accepted by the two parties (Maznevski, 1994).

This negative affect between individual with dissimilar cultural background has been detected in the studies that were included in the systematic review. According to the review, ICSEs may easily provoke negative emotions, like stress, embarrassment, shame, anxiety, frustration and fear (Sparks & Callan, 1992; Chairsrakeo & Speece, 2004; Sizoo et al., 2004; Barker & Härtel, 2004; Sizoo et al., 2005; Sizoo, 2006; Sizoo, 2008; Chang,

2009; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Hill & Tombs, 2011; Pikkemaat & Weiermair, 2001). Scholarly research on cultural differences during mergers and acquisitions acknowledges the challenges, risks and operational costs that might emerge (Jemison & Sitkin, 1986; Brock, Barry & Thomas, 2000; Brock, 2005). Similarly, Davidson and McFetridge (1985) suggest that cultural relatedness positively impacts the sharing of expertise in an organizational setting. This is not the case with cultural dissimilarity, as it creates resistance, which is further translated in inefficient learning and reduced performance (Brock, 2005). If the integration engages different cultures, both, language and temperament may become insurmountable obstacles (ibid.). The provoked negative emotions hinder the development of trust (Mayer, Davis & Schoorman, 1995; Hilton & von Hippel, 1996; Williams, 2001; Barker & Härtel, 2004). Consequently, formal control mechanisms are required in order to avoid possible problems (Brock, 2005).

In conclusion, affect influences the way people evaluate trust (Jones & George, 1998; Williams, 2001; Dunn & Schweitzer, 2005). Given the nature of ICSEs, people that take part in an ICSE are more inclined to experience negative emotions, which will influence the way they evaluate trust. Consequently, affect is very important for the development of trust during ICSEs.

2.2.3 Gaps and Inconsistencies – Avenues for Further Empirical Investigation

Mainstream literature highlights that there are not sufficient data retrieved from empirical studies, neither on trust in general (Dunn & Schweitzer, 2005) nor on trust in the services and the various critical incidents (Guttek, 1999; Bush, Rose, Gilbert & Ingram, 2001; Suh et al., 2006; N'Goala, 2007; Guenzi & Georges, 2010).

Chai and Dibb (2014) investigated the influence of culture in the development of trust in service relationships in the banking industry. They suggest that both dimensions of trust, cognitive and affective, are important for the establishment of commitment, stability and duration of the relationships in the banking industry. Nevertheless, individuals value in dissimilar ways the cognitive and affective trust, depending on their cultural background (Zur et al., 2012; Chai & Dibb, 2014). The dissimilarities are created by the different cultural norms and values, which ultimately affect not only the expectations held by both parties (Donthu & Yoo 1998), but also the decisions regarding the quality of the service (Liu et al., 2001). Research on cultural differences in trust development in the service setting, and specifically the banking industry, is under-researched and, thus, further theoretical and empirical investigation is needed (Farh, Tsui, Xin & Cheng, 1998; Bush et

al., 2001; Williams, 2001; Suh et al., 2006; Gelfand, Erez & Aycan, 2007; Kupka et al., 2009; Schumann et al., 2010; Zur et al., 2012; Chai & Dibb, 2014). Also, up until today, “limited theory exists to explain the relationship among cultural elements, trust judgment, and customer relationship development” (Altinay, Saunders & Wang, 2014, p. 64)

Particularly, Chai & Dibb (2014) recently invited future scholars to look into the ethnic consumer trust in service relationships and take into consideration the length of the encounter. In response to these calls, the researcher will explore the development of trust during ICSEs in the banking industry, where the FSE and the customer have dissimilar cultural backgrounds. By focusing on the service encounter, the researcher takes the length of the encounter into account. These service encounters are unique because banks place a number of employees to equally and randomly serve customers. However, they do not wish to admit that they adopt a pure service encounter strategy. In contrast, they claim to offer service relationships. This type of service encounter is characterized as “pseudo-relationship” or “enhanced encounters” and it occurs in some service industries, like the banking industry (Guttek, Bhappu, Liao-Troth & Cherry, 1999; Guttek, Groth & Cherry, 2002). The researcher will elaborate on this point at a later stage (section 3.3.1.1: Service Encounters in the Banking Industry).

Williams (2001), who explored the organizationally relevant contextual factors that influence people’s use of category-driven processing during trust development, invites future scholars to investigate the individual level. She highlights that the evidence for the development of trust between dissimilar individuals is based on anecdotal evidence, and, thus, invites future scholars to empirically investigate how individual perceptions and contextual factors help predict the development of trust between dissimilar individuals. To do that, she motivates academics to empirically gain a more precise understanding of the social and affective factors that influence the establishment of trust. However, research until today has not empirically examined the socio-psychological process during ICSEs, a gap that has been detected in the systematic review (Sharma et al., 2009; Sinkovics & Penz, 2009; Tam et al., 2014).

Following this line of thought, the researcher will investigate trust development during ICSEs, but, more precisely, the emotional process during the affect-based trust. In doing so, the researcher responds to the call of Schoorman’s et al.’s (2007), who welcome future research to look into emotions in order to add a new dimension to their model of trust, which has a pure cognitive dimension. Particularly, they call for an investigation on the

actual process that emotions trigger, whether an emotion dissipates and returns to a non-emotional evaluation, or whether emotions, while being experienced, update prior perceptions of someone's trustworthiness, thus, affecting the cognitive process. Research on the process of affect-cognition has mostly focused on moods, and, thus, there is little knowledge on how specific emotions, which are more complex than moods, specifically influence the process of judging (Dunn & Schweitzer, 2005). Given that there is limited research on affective trust (Dowell et al., 2015) and that prior theoretical and experimental work has not included the emotional state when investigating trust (Jones & George, 1998; Williams, 2001; Dunn & Schweitzer, 2005), the researcher will focus on recognition, regulation and management of emotions that are mainly directed toward others, an approach that has been suggested by Dunn and Schweitzer (2005).

Given that a variety of emotions can emerge in response to different incidents, it is important to focus on the emotions experienced during the specific service encounter (Petzer et al., 2012). Also, Elfenbein and Ambady (2002) suggest distinguishing positive and negative emotions. According to the results of the systematic review, people that engage in ICSEs are more inclined to experience negative emotions, which inevitably influence the success of the encounter and the way people evaluate trust (Sparks & Callan, 1992; Mayer, Davis & Schoorman, 1995; Hilton & von Hippel, 1996; Williams, 2001; Barker & Härtel, 2004; Chairsakeo & Speece, 2004; Sizoo et al., 2004; Sizoo et al., 2005; Sizoo, 2006; Sizoo, 2008; Chang, 2009; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Hill & Tombs, 2011; Pikkemaat & Weiermair, 2001; Petzer et al., 2012). Studies conducted on negative emotions have not considered their broader aspect, using one or limited sets of emotions, which indicates the need for a deeper exploration (Bagozzi, Gopinath & Nyer, 1999; Petzer et al., 2012). Thus, this study focuses on the negative emotions, responding to the call of Johnson & Grayson (2005) to explore affective trust with the dissatisfying events.

Consequently, the researcher will try to explore what Schoorman et al. (2007) suggested regarding the exploration of emotions with trust. Namely, the researcher will explore how negative emotions, dissipate and/or return to a non-emotional evaluation, or whether negative emotions, while being experienced update prior perceptions of someone's trustworthiness. The focus on negative emotions leaves the exploration of positive emotions to future scholars. In order to investigate this emotional processing, the researcher will utilize the concept of EI, which will be further analyzed below (section: 2.2.5 Emotional Intelligence").

Lastly, the current literature invites future scholars to examine trust development in specific contexts. For example, there is a call for considering both perspectives when exploring trust between dissimilar parties, because they perceive and value trust in different ways (Williams, 2001; Zur et al., 2012; Chai & Dibb, 2014). In response to this call, the researcher will include FSE personnel and foreign customers in order to avoid one-sided and biased results (Guenzi & Georges, 2010). Similarly, researchers who focused on only one ethnic group, invite further research to qualitatively examine various foreign ethnic groups (Altinay et al., 2014; Chai & Dibb, 2014). Accordingly, the researcher will conduct an in-depth investigation, taking into consideration native FSEs and foreign customers, who come from various cultural backgrounds. In doing so, this study will benefit from various perspectives, of both native and foreign individuals, shedding more light on the limited knowledge on the way emotions are valued in different cultures and across ethnicities (Fineman, 2004). The focus will be also on the employees, namely the FSEs, as suggested by Schumann et al. (2010). Trust development in service encounters is essential because a company's intentions and trustworthiness are projected through the service providers themselves (Price & Arnould, 1999). The empirical context of the research will be further analyzed below (section 3.3.1.1: Service Encounters in the Banking Industry).

In conclusion, the researcher will explore the negative emotions and their influence on trust during ICSEs in the banking industry. As mentioned, this exploration will contribute to the development of knowledge of trust between parties that have dissimilar cultural backgrounds. The next section will elaborate on the concept of emotions and in particular on the nature of negative emotions.

2.2.4 Negative Emotions

Emotions are intense affective states caused by a given experience, internal or external (Salovey & Mayer, 1990; Jones & George, 1998; Goleman, 2004). Their intense nature interrupts ongoing cognitive process and behaviours (Jones & George, 1998). They are an impulse to act and have their own distinctive biological signature, which is developed by experience and culture (Salovey & Mayer, 1990; Goleman, 2004). Emotions can provoke feelings because emotions are “action programmes largely triggered by external stimuli (perceived or recalled)”, whereas feelings are “the mental experiences that accompany body states” (Damasio & Carvalho, 2013, p. 145). Emotions are short and intense, characteristics that distinguish them from the concept of “mood” too (Salovey & Mayer,

1990; Dunn & Schweitzer, 2005; Barsade & Gibson, 2007; Van Kleef, Van Doorn, Heerdink & Koning, 2011).

Emotions engage a lot of psychological subsystems, like the cognitive and the experiential ones. This complexity is highlighted by Dunn and Schweitzer “Emotions can be characterized not only the primary appraisal of valence but also by a number of secondary appraisals, including perceptions of certainty...required attention and effort....control over the outcome” (2005, p. 737).

Emotions with negative valence have different appraisal of control and, thus, different effects on judgment (Dunn & Schweitzer, 2005). This means that the source of a negative situation initiates the emergence of specific negative emotion, which will then have specific influence on judging whether to trust someone or not. For example, if someone considers the source of a negative situation to be the other party, then he or she might feel angry. In case where the source of a negative situation is “inner”, then he or she might feel guilty. And in case that the negative situation is caused by nonhuman error, then the individual might feel sad. These emotions, although negative in valence, have different effects on the end result of judgment (Keltner, Ellsworth & Edwards, 1993; Bodenhausen, Sheppard, & Kramer, 1994; Lerner & Keltner, 2001). Dunn and Schweitzer (2005) have empirically investigated the incidental emotions and proved that negative valence emotions have different effects on trust. They found, for example, that anger reduces trust more than sadness does.

Familiarity is considered important for the development of trust. In case of unfamiliarity, individuals tend to judge the trustworthiness of others based on the information they receive from their emotional state (ibid.). Consequently, the complexity of the emotions becomes very critical in ICSEs, during which there is very little information about each other (Guttek, et.al. 2002). People, when meeting someone, tend to utilize their value system that will help them decide if the other person is indifferent and whether their values are not divergent (Jones & George, 1998). Parkinson (1996) suggests that, “People from different cultures are socialized into putting different relative values on such considerations and thus react differently to events that promote or hinder their attainment” (p.666). For example, Cooper, Doucet and Pratt (2007) suggest that culture affects the perception of appropriateness and, thus, different cultural backgrounds yield different perceptions of what is appropriate and what is not. During intercultural interactions individuals may

easily behave inappropriately and elicit negative reactions and negative emotions. These emotional states can become detrimental to the quality of the relationship (ibid.).

Similarly, the systematic review revealed that during intercultural interactions, dissimilarities easily evoke misunderstandings, frustration and dissatisfaction (Chairsraeko & Speece, 2004; Sizoo et al., 2005; Wang & Mattila, 2010). These negative situations and emotions, which are directed toward others, have an important impact on people's memory and cognitive processes, as any other emotion would have (Jones & George, 1998; Forgas & George, 2001). As stated earlier, this approach of exploring emotions, namely the focus on the emotions that are directed toward others, has been suggested by Dunn and Schweitzer (2005). The fact that emotions impact on people's reasoning illustrate the need for developing certain competencies that may lead to a successful intercultural service interaction, in terms of trust development. These competencies should relate to emotion recognition and regulation (Krajewski, 2011). Nothing can prevent emotions from appearing and, consequently, recognizing, regulating and managing emotions and emotional functioning, that involves cognitive processing (Parkinson, 1996), could influence the cognitive judgement of trustworthiness.

In addition, emotions coordinate social interactions (Wang, Northcraft & Van Kleef, 2012), and are functional both at the individual and the social level. Nevertheless, there is little research on the emotions' social effects (Van Kleef et al., 2011). The present study focuses on the negative emotions displayed during ICSEs. Taking into consideration that in service encounters, nonverbal communication comprises more than 60% of the interaction (Riddle, 1992, as cited in Mattila & Enze, 2002), the importance of emotions is quite presumable.

The importance of negative emotions in the workplace has been recognized by other scholars as well, due to the fact that they last longer, occur more frequently than positive emotions and the management of others' negative emotions has been proven to essentially impact the relationship with the customers (Little et al., 2012). Negative emotions are suspected to reduce the awareness of personal goals (Tice, Baumeister and Zhang, 2004). For example, anger, fear and hostility dampen the intellectual activity and thus hinder the capacity to listen (Frentiu, 1997). In addition, literature suggests that stress is another negative emotion that often overwhelms employees and impacts their ability to think clearly (Olivier & Rothmann, 2007). This emotion appears more frequently in the service sector as it requires more emotional labour comparing to other jobs (ibid.). As mentioned above, stress is also provoked during intercultural interactions. For instance, research on

expatriates suggests that the poor adjustment with the host-country and host-culture may cause stress (Kraimer, Wayne & Jaworski, 2001). In this case, individuals suffer from cognitive fatigue that decreases their work performance and impacts their capacity to function effectively (ibid.). Psychologists suggest that the stress related to intercultural problems is also known as “acculturative stress” (Berry, 1997). When these problems cannot be surmounted, stress will increase even more and the effects will be even worse (ibid.). In conclusion, this investigation explores the importance of recognizing, regulating and managing those negative emotions that are mainly directed toward others and could challenge the development and maintenance of trust. The importance of emotions in motivating peoples’ cognitive process and behaviour, introduces the necessity of incorporating the concept of EI, as suggested by Gross (1998).

2.2.5 Emotional Intelligence

2.2.5.1 The Concept of Emotional Intelligence

EI has gained a great deal of attention over the last decades (Shao et al., 2014). Nevertheless, Thorndike (1920) was the first to express an aspect of EI, the Social Intelligence. According to Thorndike (1920, as cited in Cherniss & Goleman, 2001, p. 228 and Salovey & Mayer, 1990, p.187), Social Intelligence is “the ability to understand and manage men and women, boys and girls-to act wisely in human relations”. Howard Gardner during the 1980s elaborated on Personal Intelligences, the Interpersonal and Intrapersonal. The Interpersonal Intelligence is the capacity of understanding others, their intentions, motivations and desires. The Intrapersonal Intelligence refers to the comprehension of one’s own intensions, self-regulation, motivations and desires for having a better control over one’s life (Gardner, 1999). Salovey and Mayer were the first to define EI, suggesting that EI is “The subset of social intelligence that involves the ability to monitor one’s own and others’ feelings and emotions, to discriminate among them and to use this information to guide one’s thinking and actions” (1990, p. 189).

EI’s approximation to older theories, caused critique regarding the “new” nature of the concept, supported by the notion that EI is not an intelligence, but just a skill (Locke, 2005). The essence of EI is “Intelligence”, since it meets the three main criteria: conceptual, correlation and developmental (Cherniss & Goleman, 2001). Firstly, EI is conceptual, as it reflects mental aptitudes. An example could be, when someone knows what another person is feeling and to be able to distinguish feelings from behaviours. Second, EI meets the criterion of correlation, since it is similar but at the same time different from the already

known intelligences. And lastly, it is developmental, as the aptitudes that characterize EI improve over time and experience (ibid.). Similarly, Mayer et al. (2001) suggested that EI comes within the range of personal intelligence and deals with the role of emotions, both in intra- and interpersonal intelligences (Cherniss & Goleman, 2001).

Goleman (2004) claims that there is a general consensus on the core dimension of EI. Namely, EI refers to the ability of a person to acknowledge and control his or her own emotions and the emotions of others (Goleman, 2004). Salovey and Sluyter suggest that EI:

Involves the ability to accurately perceive, appraise, and express emotion; the ability to access and / or generate feelings when they facilitate thought; the ability to understand emotion and emotional knowledge; the ability to regulate emotions to promote emotional and intellectual growth (1997, p. 10).

Moreover, EI has been classified into two broader categories: The first category is called “Recognition of Emotions”, which includes the clusters of Self-Awareness and Social Awareness. The second category is named “Regulation of Emotions”, which includes the clusters of Self Management and Relationship Management (Boyatzis, Goleman & Rhee, 2000). Self Awareness refers to the ability of a person to understand and assess his or her emotions. Developing Social Awareness and recognizing others’ emotions can become a challenging task. Social Awareness refers to empathy and includes the service orientation and organizational awareness. Self management includes among others the ability to control oneself and be adaptable. Relationship management refers for example to the ability of developing others, building bonds and communicating effectively with other people. For measuring the individual’s level on these clusters, researchers created the Emotional Competence Inventory (ECI-2), which measures behaviour based competencies (Boyatzis & Saatcioglu, 2008).

Another categorization of EI was introduced by Mayer, Salovey and Caruso (2008, 2004). According to these scholars, EI is divided into four branches: a) the ability to accurately perceive emotions, both in oneself and others, b) the ability to use emotions in order to facilitate thinking, c) the ability to understand emotions along with the signals conveyed by emotions, d) the ability to manage emotions to achieve goals. This categorization uses a performance based test, the Mayer-Salovey-Caruso EI Test (MSCEIT) to measure EI, which has been widely used in managerial, psychological and educational research (Kong, 2014).

EI addresses individual traits, competencies, values and behaviours (Dulewicz & Higgs, 2000). Besides the aforementioned measurements, there are a number of tests found in the literature, like the Bar-On emotional quotient inventory (Bar-On, 1996) and others (Conte, 2005). The various versions of tests on EI have evoked criticism. Nevertheless, the EI's advocates claim that EI has undergone through the critical stages of construct development. First, EI was proposed by academics and then academics initially attempted to measure it based on theory. As a result, the new insights were incorporated in the initial measurements (Daus & Ashkanasy, 2005). Also, another criticism refers to the proximity of the measures with personality tests, for example the Big Five and the cognitive ability. This is also repudiated by EI's advocates, as they found that the degree in which EI correlates with personality and cognitive ability is acceptable. Nevertheless, mixed tests, engaging EI-irrelevant variables, may overlap with other constructs and, hence, suffer from reduced validity (Mayer et al., 2008).

2.2.5.2 Rationale for adopting Emotional Intelligence

There are several reasons for choosing EI as the solution to the negative emotions that arise during ICSEs in the banking industry. First, EI has been identified to have a positive relationship with the individual job performance (Feyerherm & Rice, 2002; Sojka & Deeter-Schmeiz, 2002; Higgs, 2004; Daus & Ashkanasy, 2005) as well as the profitability of the financial institutions (Heffernan et al., 2008). Also, taking into consideration the cultural variations of ICSEs, the researcher wishes to explore the cultural differences in emotional regulation, which is an area that has not been sufficiently investigated (Shao et al., 2014). Similarly, Ashkanasy, Härtel and Daus (2002) suggest that competencies related to the emotional and cross cultural management are very important. They are also important for enhanced efficiency, as the clientele is getting more diverse and more fastidious (ibid.).

As already mentioned, EI seems to be very promising as it includes not only the recognition, but also the regulation and management of emotions (Salovey & Sluyter, 1997; Boyatzis et al., 2000; Goleman, 2004; Mayer et al., 2004; Boyatzis & Saatcioglu, 2008; Mayer et al., 2008). Emotions are generated when someone consciously or unconsciously is assessing the personal meaning of an event that occurred (Fredrickson, 2001). The way in which emotions are expressed, inform the other party about the motivations and intentions held by people, signalling acceptance or rejection (Heerdink, van Kleef, Homan & Fischer, 2015). The expression of emotions, either via verbs, through the face, via the

voice or posture, impacts others' affective and cognitive process (Elfenbein & Ambady, 2002; Wang et al., 2012).According to Elfenbein and Ambady (2002), the voice and the body, compared to the face, are hard to control and can be the window to someone's authentic emotions. The assessment will inevitably cause a number of responses, such as physiological alteration, cognitive processes and subjective experience (ibid.).

The end result is that the emotions will motivate people's behaviour (Williams, 2001). This is why the researcher believes that negative emotions should be explored in-depth in order to discover their perceived successful recognition, regulation and management. Also, since emotions serve as social functions (Wang et al., 2012), the researcher supports the notion that while interpreting an emotion, a researcher must remain sensitive to the specific context (Wang & Groth, 2014). This approach to emotions has not been used extensively by scholars (Van Kleef et al., 2011; Wang & Groth, 2014).

Based on the social functioning of emotions, the researcher wishes to explore whether EI can achieve the development of affective trust during ICSEs. The researcher, as a symbolic interactionist (Blumer, 1966; Ritchie & Lewis, 2003), grounds this argument on the theory that suggests that emotional expressions can cause affective reactions, which will later influence people's behaviour (Wang et al., 2012). This interplay between emotional and cognitive processes may reflect the development of affective trust.

The service provider, who successfully recognizes and regulates his or her negative emotions along with the negative emotions of the customers, could eventually evoke positive affective reactions to customers and facilitate the development of affective trust. As mentioned above, the intercultural social exchange, which raises stereotypes due to the dissimilar values and norms (Hopkins et al., 2005), may complicate the development of affective trust even more. Interactions that engage "in-group" and "out-group" members are found to result in negative and even offensive responses (Van Zomeren, Fischer & Spears, 2007). Consequently, being able to successfully regulating negative emotions during ICSEs seems critical for the development of affective trust.

According to Matsumoto (1989, as cited in Gunkel, Schlägel & Engle, 2014), culture influences the expression of emotions and there is not a uniform expression of emotions across different cultures. Similarly, Butler, Lee and Gross (2009) suggest that culture affects the meaning people give to the emotional expressions during an interaction. More specifically, the authors found that individuals from different cultural backgrounds correspond in a different physiological way while expressing their emotions. Some cultures

are found to value self-expression, while others consider the emotional expression of negative emotions to be less appropriate. Individuals from the latter cultural background will most likely turn to suppression (ibid.). This is why the accurate recognition of others' emotions can become complicated. Lastly, the regulation of emotions is also different across cultures (Gunkel et al., 2014) with the interaction between people coming from different cultural backgrounds becoming challenging. In addition, the researcher wishes to explore the cultural impacts on EI, which has not been investigated until today (Mayer et al., 2008; Gunkel et al., 2014). The globalization and the multicultural societies that we inhabit call to deeper explore EI under a new light, the one of culture. Trying to bridge this gap, Gunkel et al. (2014) investigated the role of culture on EI across cultures, thus leaving aside the investigation of EI between cultures. The present research investigates the concept of EI between people, who do not share the same cultural background. Research still must explore the meaning of the affective dimensions and "how the social influences may modify emotional expression" (Mayer et al., 2008, p. 506). This study investigates how participants of ICSEs understand the emotional recognition and expression, based on their dissimilar cultural values and norms.

2.2.5.3 Cascading Model of Emotional Intelligence

In summary, EI is still a new concept and needs further understanding regarding its processes (Mayer et al., 2004, 2008). The researcher wishes to investigate whether EI, from the FSE's and service receiver's perspective, can develop affective trust, through the recognition, regulation and management of negative emotions that stimulate and navigate the affective and cognitive process (Williams, 2001).

In doing so, the researcher embraces the concept of Mayer, Salovey and Caruso (2004, 2008), which has been revised by Joseph and Newman (2010). This modified "Cascading Model of EI", was chosen because its constructs relate to job performance and because its validity was proven via a conducted meta-analysis (Shao et al., 2014). The difference between the Cascading Model of EI and the four branch model is the exclusion of the second branch, which is the ability to use emotions in order to facilitate thinking. According to this branch, the created emotions and feelings may develop a knowledge base that could facilitate a person's intelligence. This specific branch received poor empirical support and at the same time is considered to be conceptually redundant with the other branches, especially the one that refers to the regulation of emotions (Joseph & Newman, 2010; Shao et al., 2014).

Another reason for choosing this model is because it approaches emotions as symbols and it focuses on the mental ability through the emotional-cognitive interaction. This model allows the investigation of cultural specificity (Shao et al., 2014) and relates perfectly with ICSEs. The researcher, as a symbolic interactionist, believes that the participants of an ICSE act according to the interpretations they make for the other person's actions (Blumer, 1966; Ritchie & Lewis, 2003). This is grounded on the view that emotions are interactive (Frijda, 1986), which means that participants accommodate their behaviour according to the developed meanings (Blumer, 1966; Manis & Meltzer, 1978).

The first branch of the adopted model is the ability to accurately perceive emotions in oneself and others, through the face and postures. This branch refers to the nonverbal perception and expression of emotions. It is the ability to be prepared to produce or recognize signals from the environment. It is in the "emotion system" and is less influenced by cultural constructs (Shao et al., 2014).

The second branch is the ability to understand emotions along with the outcomes and signals they convey (Mayer et al., 2004; Shao et al., 2014). This ability progresses in parallel with the development of language and propositional thought, and is influenced by culture. It refers to the ability of cognitively appraising an emotion, comprehending the way an emotion evolved and its difference to other emotions. This understanding will inevitably lead to the analogous reaction and regulation of a specific emotion. Elfenbein and Ambady (2002) suggest that perceiving negative emotional cues could sometime harm the performance of an employee, and, hence, it is useful to explore if this skill is important for ICSE in the specific context.

The last branch refers to the ability of managing and regulating conscious emotions to achieve goals. This branch depends on perceiving emotions and mostly on understanding emotions (Joseph & Newman, 2010; Shao et al., 2014). This branch refers to the process that people use in order to influence the emotions that they have (Joseph & Newman, 2010). This may involve avoiding a feeling or finding a way to relieve one (Mayer et al., 2004, 2008). Also regulating emotions refers to the ability of influencing the when and how a certain emotion will be expressed and experienced (Joseph & Newman, 2010). Having the ability to maintain a positive state, both positive emotions and mood, could benefit job performance (Eisenberger, Armeli, Rexwinkel, Lynch & Rhoades, 2001; Tsai, Chen & Liu, 2007) or not, in case someone suppresses his or her emotions, to the extent that he or she might drain (Joseph & Newman, 2010). Emotion regulation is influenced by

the cultural forces, like, for example, the emotion vocabulary, concepts and preferences. The way of expressing an emotion is influenced by the cultural scripts held by the individuals (Gross, 1998; Shao et al., 2014). Thus, different ethnic groups express their emotions in different ways (ibid.). According to Gross (1998), there are two ways of regulating emotions. First, based on the psychological health literature, the regulation of emotions concerns the re-evaluation of a situation in order to minimize the emotional intensity. Thus, re-appraising a situation may lead to the decrease of negative emotions and general expressive behaviour. Second, based on the physical health literature, the regulation of emotions has to do with the inhibition of emotional response tendencies that have been produced after an emotion has been generated. Research suggests that the first approach might be better (ibid.). However, Zillmann (1988) highlights that at high levels of rage re-evaluation can no longer be achieved.

2.3 Conceptual framework

Johnson and Grayson aptly suggest that “the essence of affective trust is reliance on a partner based on emotions” (2005, p. 501). Since affect-based trust is the emotional form of trust (Massey & Kyriazis, 2007) and since it relates to emotions and social skills, like care and concern (Dowell et al., 2015), this research suggests that EI could influence the development of affect-based trust through the perceiving, understanding, managing and regulating emotional responses. In addition, affective trust is not causally driven, but is generated through feelings (Dowell et al., 2015). More precisely, affective trust is influenced by emotionally based variables, like emotions, moods, values and attitudes (Dowell et al., 2015). Research suggests that similar values and positive attitudes influence the development of affective trust (ibid.). As stated before, ICSEs involve dissimilarities which easily provoke negative emotions that could jeopardise the development of affective trust. Employees reflect the trustworthiness of their organization (Mayer et al., 1995), and trust at this level should not be underestimated. For this reason the researcher suggests that EI could impact the development of affective trust.

This study investigates how, during an ICSE, service providers and service receivers comprehend the role of EI in perceiving, understanding, managing and regulating negative emotions in order to enhance affective trust. At this point, the researcher presents the developed conceptual framework (Figure 2.6: “Conceptual Framework for the development of affective trust during ICSEs”). Following Eisenhardt’s (1989) guidelines for the development of knowledge, the researcher builds on the current literature and

extends Williams' (2001) model of trust by introducing the concept of EI for the enhancement of affective trust.

There are a number of reasons for choosing Williams (2001) model on trust. First of all, Williams' model (2001) extends Mayer's et al.'s model (1995), an established model that has not been questioned (Schoorman et al., 2007). The Mayer et al. model (1995) is parsimonious and explains trust from the organizational, the group and the individual level (Schoorman et al., 2007). It focuses on individuals and on risk taking in relationships (Mayer et al., 1995). Also, it approaches trust at the dyadic level, the trustor and trustee, an approach that had been omitted from previous models (Mayer's et al.'s model, 1995). Also, for Mayer et al. (1995) trust is based on the propensity to trust, before the development of a relationship. This approach is relevant to ICSE's nature that is mainly characterized by the lack of duration (Guttek, 1999) and thus propensity becomes an important element.

In addition, Williams (2001) builds on the SIT, which is relevant to the ICSE, as observed in the systematic literature review. For her, trust development is influenced by the social group membership and the consequent affective states. As mentioned earlier, she further categorizes trust in cognitive- and the affect-based trust, an approach that is further espoused by other scholars (Schoorman et al., 2007; Zur et al., 2012; Chai & Dibb, 2014).

In particular, Williams' (2001) model reflects both affective and cognitive trust. However, this study isolates the "category-based affect" and thus the developed conceptual framework focuses on the development of affective trust. By decomposing Williams' (2001) model, the researcher intends to add clarity and precision (MacInnis, 2011).

As suggested by Williams (2001), the researcher takes into consideration the context, which the banking industry. By differentiating the sector, the researcher adds new insight into the conditions under which affective trust is developed (MacInnis, 2011).

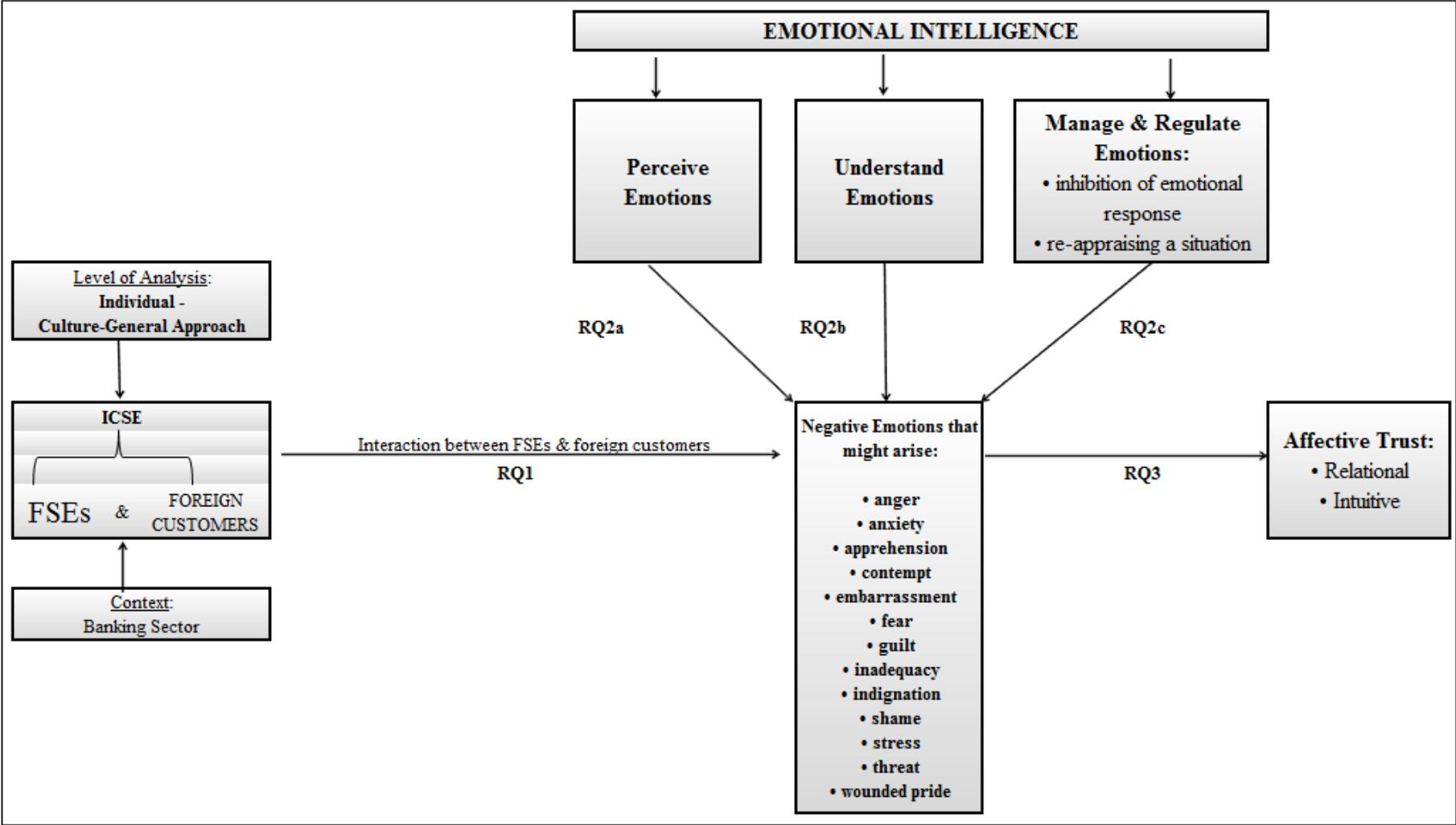
In addition, the developed framework plainly illustrates the level of analysis, which is the individual level of analysis within the culture-general frame. The researcher chose the culture-general approach due to the sixth research objective of this study, which is to develop a conceptual framework that can be used to guide retail banking institutions during the recruitment, training and actual encounter processes. The researcher wishes to develop culture-general training approaches which refer "to such topics as self-awareness and sensitivity training that allow one to learn about him- or her-self as preparation for the interaction in any culture (Brislin and Pedersen, 1976, as cited in Bhawuk, & Brislin, 2000,

p. 172). Also, the researcher depicts the interaction between “out-group” members, as suggested by Williams (2001).

Another innovative aspect of the conceptual framework is the integration of the concept of EI. The researcher introduces Joseph’s and Newman’s (2010) “Cascading Model of EI”, as a mean of perceiving, understanding and regulating effectively the negative “Affect” that is provoked during an ICSE. The researcher draws connection between these two differentiated phenomena, namely affective trust and EI. Through integration and the synthesis of these two, the newly developed conceptual framework produces a novel perspective on affective trust, transforming the “known” into something entirely new (MacInnis, 2011).

This integrated framework is designed to understand the influence cultural differences have on the individual affective responses and discover the perceived role of EI in managing effectively the cultural differences and negative emotional responses in order to develop affective trust.

Figure 2.7: Conceptual Framework for the development of affective trust during ICSEs



As mentioned above, the researcher extends Williams' (2001) model by focusing on affective trust. As argued earlier, this category is very important and relevant to the development of trust during ICSEs. In particular, the researcher is interested to empirically examine this under-explored area, following Lindebaum and Cassell using (2012) approach to EI. In detail, the researcher explores how service providers and service receivers, who have dissimilar cultural backgrounds, comprehend the role of EI in perceiving, understanding, managing and regulating negative emotions in order to enhance affective trust during ICSEs. Since the researcher does not wish to validate EI as a construct, a positivistic approach, which is usually the one adopted in the field (Mayer et al., 2008; Lindebaum and Cassell, 2012), would not benefit this study. Thus, the researcher will adopt a qualitative approach to address the following research questions that derive from the initial conceptual framework, which are developed based on the constructs of the Cascading Model of EI and the approach followed by Lindebaum and Cassellusing (2012):

RQ1: What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?

RQ2: What is the role of EI, in terms of the ability to:

- a) accurately perceive negative emotions, both in oneself and others?
- b) understand negative emotions along with the signals conveyed by these emotions?
- c) manage and regulate negative emotions to achieve goals?

RQ3: What is the impact of EI's abilities on the development of affective trust?

These research questions fit with the premises of symbolic interactionism, which will be analyzed in the next chapter (Chapter 3: Research Methodology and Research Methods), namely the "meaning", the "interaction" and the "interpretive process" (Blumer, 1966). Since an ICSE, as any other service encounter, is a "social event" (Solomon et al., 1985), the researcher explores how both participants perceive the meanings that are conveyed during an interaction and how these people interpret the dissimilarities that derive from their differentiated scripts; in other words, how individuals perceive the role of EI for the enhancement of affective trust.

Table 2.6: Interrelation between the Research Objectives and the Research Questions

RESEARCH QUESTIONS		RESEARCH OBJECTIVES					
		1. To identify the negative emotions arising during an ICSE.	2. To identify employees' reactions when experiencing negative emotions during an ICSE.	3. To uncover the ways for regulating negative emotions.	4. To examine the role of EI in regulating negative emotions.	5. To compare the perception of the role of EI from both, FSEs personnel and foreign customers, and to understand how this might impact the development of affective trust.	6. To develop a conceptual framework that can be used to guide retail banking institutions during the recruitment, training and actual encounter processes.
1) What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?		✓					
2) What is the role of EI in terms of the ability to*: <i>Williams 2001; Guenzi & Georges, 2010; Lindebaum & Cassellusing, 2012; Zur et al., 2012; Chai & Dibb, 2014;</i>	2a. accurately perceive negative emotions, both in oneself and others?	✓			✓	✓	✓
	2b. understand negative emotions along with the signals conveyed by these emotions?	✓			✓	✓	✓
	2c. manage and regulate negative emotions to achieve goals?		✓	✓	✓	✓	✓
3) What is the impact of EI's abilities in the development of affective trust?						✓	✓
*Derived from the "Cascading Model of EI" (Joseph & Newman, 2010) and suggested by Williams (2007).							

2.4. Concluding Remarks

The review has established a degree of structure on the previously disparate body of literature and uncovered several gaps and inconsistencies which provided the basis for narrative review and the development of an initial comprehensive multi-dimensional framework. The identified limited knowledge on trust during ICSEs, gave a new impetus for utilizing the concept of EI for the development of affective trust. The proposed framework outlines a deeper exploration of the constructs of EI, namely the perception, understanding, regulation and management of negative emotions. This research is the first to elaborate on these constructs in relation to negative emotions at the individual level during an ICSE, taking into consideration the service provider's and the service receiver's perspective.

By presenting the state-of-the-art knowledge in the field of ICSEs, this chapter has important implications for scholars in the fields of international business, international marketing and human resource management. The consolidation of a large body of knowledge on ICSEs provides practitioners a comprehensive index with theories and findings that can assist in the training and development of the service providers. The holistic understanding can guide the recruitment and the evaluation of the employees' performance.

The conceptual framework and the empirical research aim to contribute to innovatively expand the limited theory on the relationship among trust, culture and customer relationship development (Altinay et al., 2014). Since there is very little theory on this field, the researcher will employ qualitative approaches to explore the field (Chapter 3: Research Methodology and Research Methods).

Also, this research contributes to the limited knowledge on affective trust (Dowell et al., 2015). This doctoral investigation focuses on the negative emotions, responding to the call of Johnson and Grayson (2005) that encourage future research to explore affective trust with dissatisfying events. Also the focus on negative emotions contributes to the exploration of how employees can successfully manage these emotions in specific context, an area of study that still needs further understanding (Little et al., 2012).

One important contribution is the investigation of the same phenomenon using the perspective of the FSE and the foreign customer. The aforementioned research questions, aim to reveal their perspectives on the role of perceiving, understanding, managing and

regulating negative emotions in order to enhance trust during ICSEs. There is limited research on this kind of approach and the findings are contradictory (Bitner et al., 1994). In summary, this approach aims to offer valuable correlation and juxtaposition of both perspectives. Finding out the similarities and differences will offer valuable information for the organizations that generally mistakenly presume that their FSEs comprehend with accuracy the needs of their customers (ibid.).

Another important contribution is the classification of the customers, which has not been adequately explored (Sharma et al., 2009). This research proposes an investigation of the immigrant and not the sojourners or the tourists. This approach will be further analyzed in Chapter 3 (section: 3.4.2.3 Informants: FSEs and Customers). In this way, the developed knowledge will be specific, inviting future scholars to explore the remainder categories to compare the findings.

In addition, this research, by investigating emotions with ICSEs, which are considered as “social events” (Solomon et al., 1985), contributes to the theoretical development of the field of service management as there is scant research on the social effects of emotion regulation (Côté, Van Kleef & Sy, 2013; Wang & Groth, 2014). This DBA thesis proposes the exploration of emotion recognition and regulation on the enhancement of affective trust during ICSEs. The investigation of the emotions’ consequences, intra- and interpersonally, is suggested by Côté et al. (2013). Trying to discover the social functions of emotions, this research proposes the investigation of emotions in specific context, which is the banking industry. This approach of remaining sensitive to a specific context has been rather rare (Van Kleef et al., 2011; Wang & Groth, 2014).

Based on the findings of the systematic review, the researcher consolidates a large body of knowledge on ICSEs into a theoretically grounded, conceptual framework. The researcher integrates existing theories with new aspects, trying to cover suggested gaps and revealed inconsistencies. Namely, the developed framework suggests the investigation of the perceived role of EI on the affective trust during ICSEs. The results were anticipated to provide implications for the banking industry of Cyprus.

In conclusion, the proposed framework builds on existing knowledge on trust, proposing a novel exploration that corresponds to the calls of prior research.

2.5 Conclusion

This chapter has provided the theoretical foundations of this DBA thesis. It presented the conducted systematic review along with the established connections in the sparse ICSE literature, providing an overview of the identified gaps. In addition, this chapter presented the conducted narrative review that revealed the up-to-date knowledge on the identified key concepts. Last, this chapter synthesized the results and formulated the initial conceptual framework on the development of affect-based trust during ICSEs. This conceptual framework provides the basis for further empirical investigation and validation, which is the main focus of the next chapter. (Chapter 3: Research Methodology and Research Methods).

Chapter 3: Research Methodology and Research Methods

3.0 Introduction

Research is the process of investigating, systematically and methodologically collecting data, interpreting the generated meanings and formulating logical relationships in order to enhance knowledge (Hussey & Hussey, 1997; Marshall & Rossman, 1999; Ghauri & Gronhaug, 2002; Saunders, Lewis & Thornhill, 2009). However, the nature of a DBA program calls for an ad hoc definition of research, due to the fact that the business community expects that the findings would be applicable in the real world too. Thus, a DBA research should ultimately benefit both the academia and practical world. Additionally, in case the management discipline cannot provide all the relevant information, the researcher is expected to retrieve information from other disciplines (Saunders et al., 2009). According to the aforementioned, the current research, being part of a doctoral research degree, investigates true business issues and informs not only the academia but also the managerial world, so as to take action and improve (ABS Guidelines, 2005).

In this chapter the researcher elaborates on the research design, which is developed to answer the research questions. It provides a detailed description of the espoused research philosophy. Next, on the basis of the philosophical foundations, there is a comprehensive description of the selected research process (Hussey & Hussey, 1997), the research design and the data collection process, as well as quality issues and ethical considerations (Saunders et al., 2009) are provided.

3.1 Research Philosophy

According to Guba and Lincoln (1994) paradigms are an aggregate of basic beliefs. Even though these beliefs should be well-documented, they are accepted simply because this is the way an individual thinks. It actually stands for the way someone sees the world and the way he or she comprehends his or her position in the world. The paradigm is reflected on which ontological, epistemological and methodological position someone fits into (ibid.).

3.1.1 Philosophical Position

This section elaborates on the adopted philosophical position that will justify the design and implementation of this research. In doing so, the researcher delineates the research approach to the theory that reflects how a researcher constructs and uses theory (Ghauri & Gronhaug, 2002; Saunders et al., 2009). Accordingly, this section presents the Deductive

or Hypothetico-Deductive Approach and the Inductive Approach, as they are both valid research approaches (Sekaran, 2003; Babbie, 2004). They are both applied in scientific investigations and assist in the comprehension and exploration of various business phenomena (ibid.).

On the one hand, when pursuing a Deductive Approach, the researcher starts from the general and develops a conceptual framework which will be tested in reality (Hussey & Hussey, 1997; Babbie, 2004; Della Porta & Keating, 2008; Saunders et al., 2009). The centre of attention is not the representation of reality but the aspects that the researcher considers essential. The researcher uses existing theoretical frameworks to develop his or her own conceptual framework, which will be then empirically tested and will ultimately give a new perspective to the real world (Della Porta & Keating, 2008). The conclusions are drawn based on logical associations (Ghauri & Gronhaug, 2002). Deductive Approach has its origins in natural sciences and as a testing theory process, has a number of distinct characteristics. For example, this approach tries to identify causal relationships and is interested in generalization. Trying to test a number of hypotheses, the researcher often needs to collect quantitative data (Saunders et al., 2009).

On the other hand, the inductive approach is adopted when a researcher moves from the specific to the general, developing a theory according to the experience gained in the reality (Hussey & Hussey, 1997; Sekaran, 2003; Babbie, 2004; Della Porta & Keating, 2008; Saunders et al., 2009). The centre of attention is the 'subject' or 'subjects' that take part in the phenomenon. The objective is to understand a phenomenon, collect data and analyze them formulating a theory, so that 'Theory would follow data' (Saunders et al., 2009, p. 126). The inductive process begins with an assumption and results with a conclusion through the interpretation and linkage of the collected data (Bernard, 2000; Ghauri & Gronhaug, 2002). Moreover, the data gained from the empirical investigation are used for conceptualization. For example, through the collected data a number of concepts are detected which will then result in patterns and identified themes (Della Porta & Keating, 2008). This approach is widely used in business studies (ibid.).

As mentioned previously, the current research has been initiated with research questions that aim to generate theory. More precisely, the researcher aims to understand ICSEs, develop a model about the perceived role of EI on the enhancement of affective trust during ICSEs and utilize these findings as suggestions for training and recruitment in the banking industry of Cyprus. The researcher, following an exploratory approach, will allow

the findings to emerge from the extensive raw data. Afterwards, the analysis and interpretation of the findings will evaluate the key concepts and create clear links with the research objectives. Finally, a model on affective trust could be established. Based on this process and following Thomas (2006) guidelines, the adopted research approach is the inductive one. The researcher believes that the participants of the current research experience specific emotions and cognitive processes because they act under certain circumstances. This research would contribute to the collective process of knowledge development in the field of ICSE, which is rather new and, there is still a lot of debate around it calling for inductive approaches (Sharma et al., 2012). That is why the generation, observation and analysis of how the data reflect on the contexts, is essential.

Having justified the research approach to the theory, the researcher will clarify the adopted research philosophy, which depends on the way the researcher perceives the development of knowledge (Guba & Lincoln, 1994). When conducting a research, it is crucial that the researcher understands the various philosophical positions because the confident espousal of a philosophical position will empower him or her to argue for the selected research approaches (Dobson, 2002). Also the clarification of the philosophical position enhances the coherence of the research process (Garcia & Quek, 1997). Consequently, the researcher elaborates on the main philosophical dimensions, namely the ontology, the epistemology and the methodology research process (Saunders et al., 2009; Wahyuni, 2012).

3.1.2 Ontology

Ontology refers to the nature of reality or being (Corbetta, 2003; Ritchie & Lewis, 2003; Wikgren, 2005; Saunders et al., 2009). The ontological position reflects the way a researcher views the world and its functions (Saunders et al., 2009). It deals with the question of 'what', which affects the conception of reality (Corbetta, 2003; Wikgren, 2005).

On the one hand, some people believe that reality exists externally and independently of the interpretation given by the social actors. These people belong to the position of objectivism. On the other hand, there are some people, the so-called subjectivists, who believe that not only the reality depends on social actors, but also that the perceptions and actions of the social actors actually contribute to the creation of social phenomena (ibid.). In the literature there are various labels of the above categorization. Objectivist is also termed as realist, whereas subjectivist is also found as nominalist and constructionist (Remenyi, Williams, Money & Swartz 1998; Della Porta & Keating, 2008; Saunders et al.,

2009; Wahyuni, 2012). What is important is not to choose between the labels of the definitions but to choose the essence of it, namely “how” someone make sense of reality.

An objectivist/realist argues that the reality is there to be discovered, whereas the subjectivist/nominalist/constructionist believes that the reality exists because we create it (Saunders et al., 2009). Based on the latter categorization, the researcher espouses the constructionist ontological position. First, this research aims to understand ICSE along with the “parties” that engage in it. Moreover, the researcher tries to comprehend the emotional process for the development of affective trust during ICSEs. This process along with the provoked emotions and thoughts will be investigated in association with the specific type of service encounters. Thus, an objectivist’s approach, that would isolate these elements, would not be the appropriate ontological position for the present research.

3.1.3 Epistemology

Epistemology refers to the acceptable theory of knowledge in the context of a specific field of interest (Bernard, 2000; Ritchie & Lewis, 2003; Wikgren, 2004; Saunders, Lewis & Thornhill, 2007; Della Porta and Keating, 2008). A “resources” researcher considers that reality is represented by objects whereas the “feelings” researcher focuses on the feelings and attitudes, elements which are not easy to measure (Saunders et al., 2009).

The researcher who investigates only the observable data and facts adopts the principles of positivism. A positivist usually uses existent knowledge as a basis, formulate a number of hypotheses and then test them. A positivist considers itself independent from the research and aims to produce generalizable data via a very structured methodology (Wikgren, 2005).

On the contrary, researchers who do not believe that management world is simple enough to allow generalizable results embrace interpretivism (Saunders et al., 2007). The interpretivist adopts the notion that a researcher needs to be empathetic to understand the subjects’ reality. From an interpretivist perspective, generalisation is not of a particular value because social phenomena are very complicated and fluid and thus are studied through the interpretations given by the subjects and the researcher him/herself (ibid.).

This inseparableness of the subjects from the social phenomena, correspond to the constructionist approach, which is the ontological approach of the present researcher. In other words, this research falls into interpretivism. The objectives of this research illustrate that the researcher will study the perceived role of EI on affective trust during ICSEs, by

investigating both service providers and foreign customers. The provoked emotions and emotional processes are investigated in this specific context and cannot be separated from the subjects and the ICSEs.

This epistemological approach will allow the in-depth exploration and generation of rich insights regarding the perceived role of EI on affective trust development. More specifically, the researcher fits better to the symbolic interactionism rather than the phenomenology, both intellectual tradition of interpretivism (*ibid.*). The reason is because symbolic interactionism (SI) highlights the constant process of interpreting the various “objects”, whereas phenomenology stays on the meanings created in everyday life (Ritchie & Lewis, 2003; Thomas, 2006).

3.1.3.1 Symbolic Interactionism

SI is a term coined by the sociologist Herbert Blumer in 1938, based on the interpretations of the pragmatist George Herbert Mead (1863-1931) (Alvesson & Sköldbberg, 2009). Based on the SI, a person, who is engaged in an interaction, acts according to the interpretations he or she makes for the other person’s actions (Blumer, 1966; Ritchie & Lewis, 2003). The researcher agrees with this notion. ICSEs are regarded as social events (Manis & Meltzer, 1978; Solomon et al., 1985) and, thus, the researcher, in order to investigate affective trust development, should understand how employees and customers think and feel during these encounters. The provoked emotions are interactive (Frijda, 1986) and, thus, both parties adjust their behaviour according to the meanings that are jointly developed (Blumer, 1969; Manis & Meltzer, 1978). This is why EI was incorporated in the first place, as its constructs suggest the perceiving, understanding, managing and regulating emotions of self and others.

Moreover, this research aligns with the premises suggested by Blumer (1966), namely the “meaning”, the “interaction” and the “interpretive process”. The researcher aims to understand affective trust during ICSEs, engaging inevitably the concepts of emotion and human interaction. As aforementioned (Chapter 1: Introduction), service encounters are considered as “social events” during which the service provider and the customer try to read from their “scripts” to succeed their goals (Manis & Meltzer, 1978; Solomon et al., 1985). Dissimilar cultural norms create deviations that cause cognitive effort to navigate people’s behaviour (*ibid.*). That is why EI might affect the “meaning” that is created during an ICSE, in a way that affective trust could be developed. These arguments fit with SI’s first premise, which suggests that, an “object”, in this case trust development in ICSE,

acquires the “meaning” given by a person (Manis & Meltzer, 1978; Flint, 2006). Moreover, this research matches the second SI’s premise, “interaction”, because during an ICSE’s “interaction”, the created emotions constantly give information to the cognitive process and, thus, emotions become the basis of judgement (Williams, 2001). The last premise of SI, the “interpretive process”, is reflected in the above justifications, since both parties are constantly trying to interpret and make sense of the dissimilarities derived from their differentiated scripts.

In addition, the researcher, as a symbolic interactionist, investigates how, on the individual level, the emotional processes can influence affective trust during ICSEs. Trust is a construct that is believed to fit with SI (Jones & George, 1998). Moreover, SI suggests that during an encounter, people try to comprehend each others’ expectations, mutually affecting and adjusting their behaviour (Blumer, 1966). They negotiate the development of a definition of the social situation (Jones & George, 1998). Similarly, trust evolves in accordance to the interpretation of the social situation and the people’s perception of the level of trust. Similarities on values, emotions and moods facilitate the development of trust (*ibid.*).

In conclusion, the aforementioned premises of SI will be pervasive throughout the process of fulfilling the aim and objectives of this research.

3.2 Research Design

The adopted methodology shows “how” a researcher tries to find the answers regarding the undertaken study (Guba & Lincoln, 1994). On the one hand, quantitative research aims to preserve generalizability, whereas qualitative research aims to discover the deeper processes in individuals, teams and organizations (Bluhm et al., 2011). According to McCracken (2001, as cited in Suh et al., 2006, p. 271), the qualitative research, in contrast to the quantitative research, “does not survey the terrain, it mines it”. The employment of qualitative research expanded in the 1980s because up until the 1960s and 1970s quantitative methods had been dominating the organizational research (Morgan & Smircich, 1980). Qualitative research brings to the surface a reality emerging from the participants’ eyes and it aims to provide a deep approach to the existing processes and patterns, which are minutely described (Flick et al., 2004; Bluhm, Harman, Lee & Mitchell, 2011). In this way the readers can observe not only the participants’ experience but also their reflection and perception towards this experience (Bluhm et al., 2011).

Moreover qualitative research has a number of basic assumptions which distinguish it from the quantitative research (Flick, von Kardoff & Steinke, 2004; Bluhm et al., 2011). One of the basic assumptions refers to the way the social reality is comprehended (Flick et al., 2004). For a qualitative researcher, social reality is considered to be the outcome of a social interaction. During a social interaction a number of meanings and concepts are created, which are interpreted based on the situation, the environment and the participants. This assumption is closely related with ICSEs, because during ICSEs people have different and sometimes “incompatible values, norms, relationships and communications styles” (Wang & Mattila, 2010, p. 330). This asymmetry increases the chances of misunderstandings (ibid.). The attempt of revealing the subjective views is the first implication for the adoption of qualitative methodology.

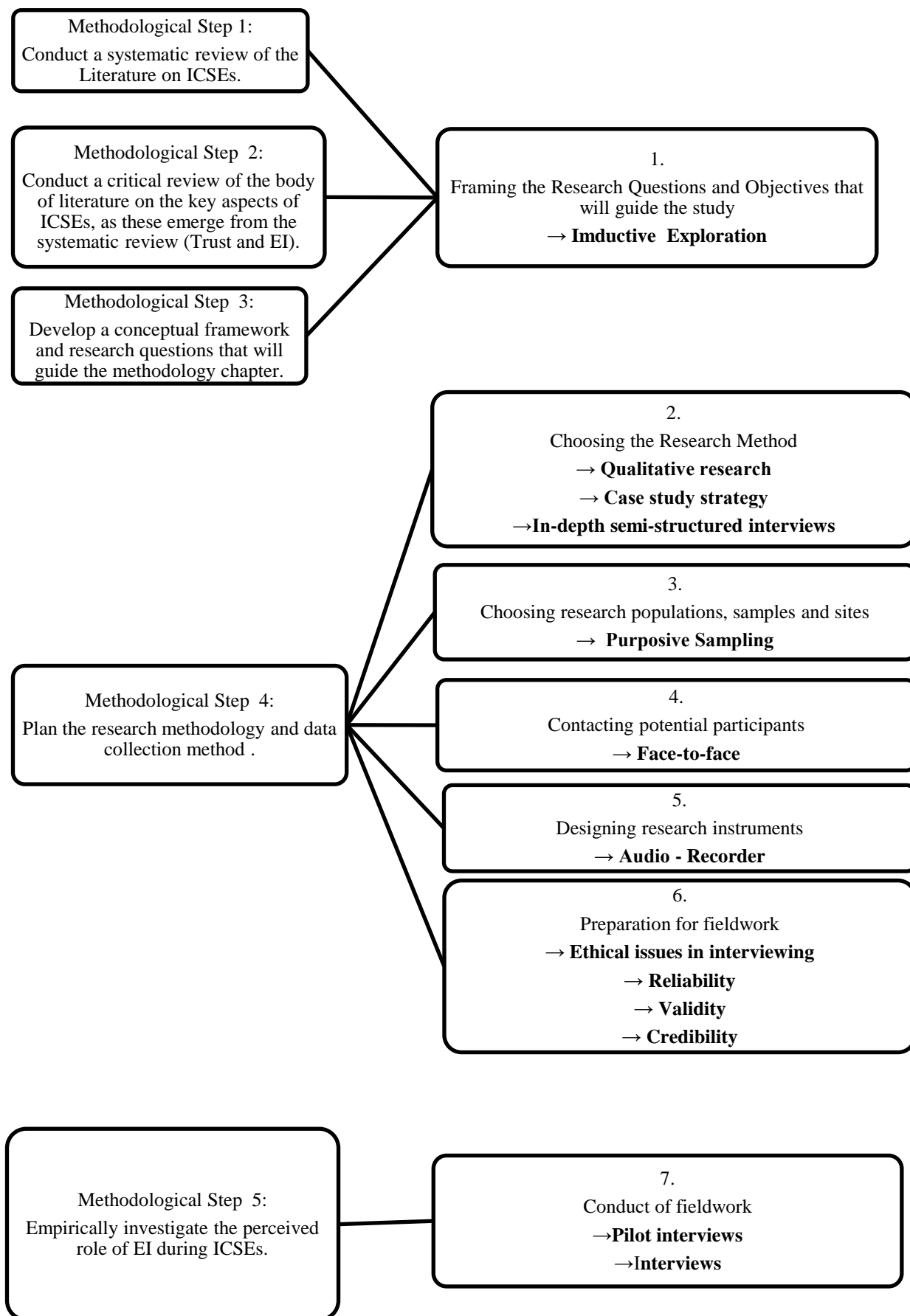
Another basic assumption in qualitative research is the way the social reality functions, which is not considered as static or one-dimensional. On the contrary, social reality in qualitative research is seen from the opposite angle, namely as if it functions in a processual and reflective manner (Flick et al., 2004). This assumption is closely related to this research because it investigates ICSEs, which is the social exchange, from both “angles”, the native FSE’s and the foreigner customer’s. This implication of analysing the communication and interaction indicates the proximity of this research to the qualitative methodology.

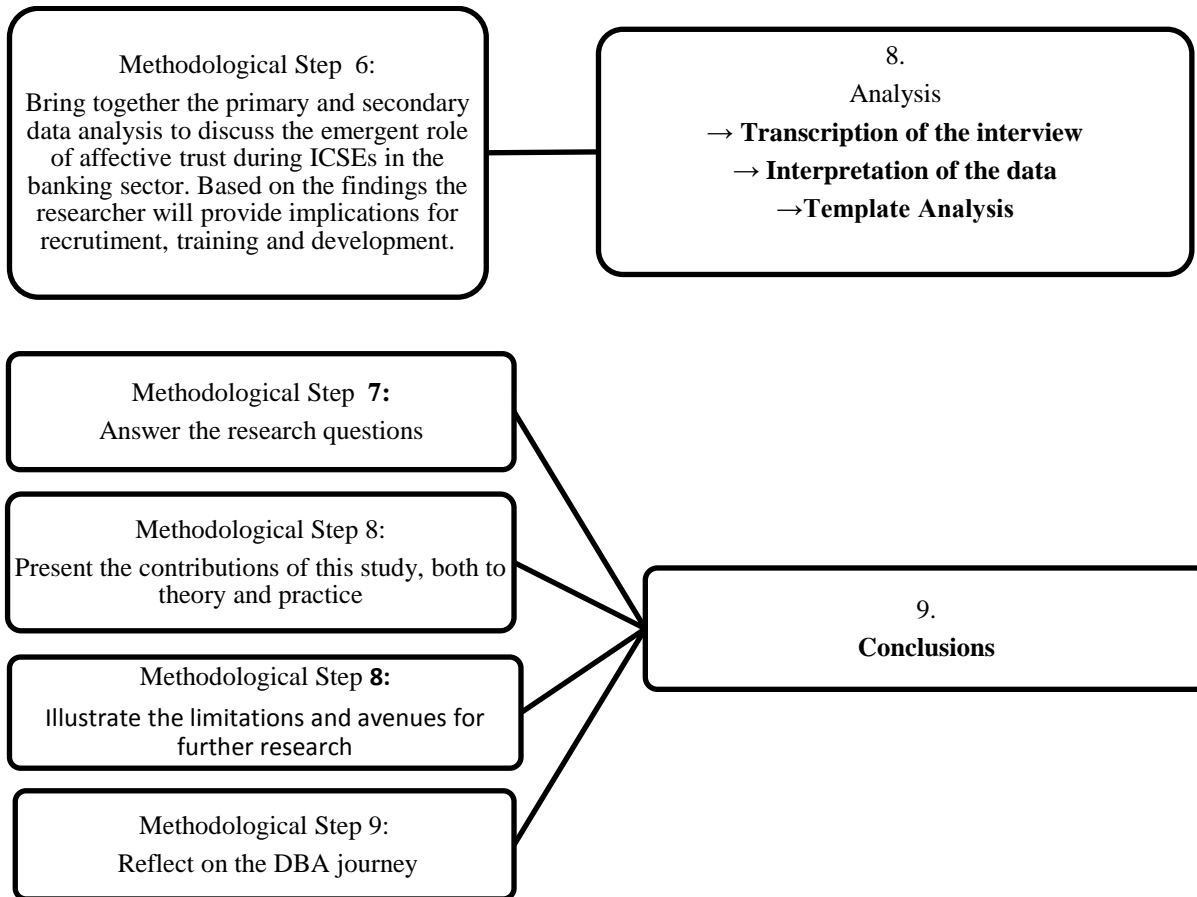
Moreover, the nature of the concepts involved in this research calls for a qualitative approach. The present study engages in the negative emotions that arise during ICSEs. Emotions are complex and multidimensional representation of the upbringing of a person, the Self, the culture, the brain and the body (Fineman, 2004). The present researcher does not believe that, when it comes to investigating emotions, there is a single truth. Even though people may experience the dominance of one emotion, usually their feelings are mixed and ambivalent (Pratt & Doucet, 2000). As explained earlier, emotions are socially constructed, represent a lot of aspects of life, and are fluid and interpretive. In other words, emotions should not be pre-boxed or frozen nor forced into specific formats that are convenient to the researchers (Mathison, 1988; Fineman, 2004). For this reason, the researcher adopts neither any quantitative method nor triangulation, as she wishes to remain flexible and connect with the “subjects”. The researcher will develop a theory based on the interpretation and the rich description of the data. This process is a typical approach for a symbolic interactionist especially when the researcher investigates emotions

(Shott, 1979). Qualitative research can take the form of case study and achieve in-depth understanding through the detailed examination (Flyvbjerg, 2006)

Figure 3.1 (“Research Design – Qualitative Research”) illustrates the rationale for and the coherence of the methodological steps to be adopted. The aim for this design is to generate reliable and valid data that will satisfy the aim of this study (Ritchie & Lewis, 2003). On the right, there is an illustration of the research design for qualitative research. The researcher followed Ritchie’s and Lewis’ (2003) guidelines with some alterations, mainly at the end of the design, in order to fit the outlines of this DBA thesis. On the left, the researcher presents the corresponding methodological steps, which derived from the aim and research objectives of this study.

Figure 3.1: Research Design – Qualitative Research





The researcher wishes to identify, interpret, describe, explore and explain a specific phenomenon, thus deploys qualitative methodology (Marshall & Rossman, 2010). The choice needs to match up with the research questions and the type of contribution that is intended to be made (Dustin, Harman, Lee, & Mitchell, 2011). The research aim and research questions of this study tend to the qualitative methodology. The present researcher, after considering the relevant literature and the experts' opinion on the subject, conducts interviews trying to investigate the same subject under a new light and from a new perspective. By adopting a qualitative method, the researcher enhances the knowledge in the domains of ICSE, EI and affective trust.

Previous research in the aforementioned domains has strived to quantify and measure these concepts and, thus, welcome future research to adopt various qualitative methods for more comprehensive investigation and in-depth information in the service sector (Williams, 2001; Zhang et al., 2008; Schumann et al., 2010; Lindebaum & Cassell, 2012; Chai & Dibb, 2014). Also, there is need for exploratory approaches to the field of ICSEs, which is not yet exhausted and needs further development (Sharma et al., 2012).

Qualitative research can retest theories and provide additional or alternative causal mechanism regarding a specific phenomenon (Bluhm et al., 2011). The fact that this

research involves human affairs relates more to the production of a more concrete and context-dependent knowledge, and thus relates less to the prediction and construction of universal theories (Flyvbjerg, 2006). The researcher will use qualitative techniques, inquiring in more 'natural' places for fruitful insights and will approach participants as associates in theory building. Thus, the following sections elaborate on the adopted qualitative techniques that will be used to gather and analyze data from the informants.

3.3 Case Study

A researcher is expected to choose between various research strategies or methods, like for example experiment, survey, case study or action research, all of which are co-equal. Nonetheless, the arrival at such a decision should not be done with a light heart because the research strategy should produce the answers to the research questions and should accomplish the research objectives. Moreover, time, resources as well as the existing body of literature should colour this choice (Saunders et al., 2007).

This study aims to understand how the perceived role of EI can influence affective trust during an ICSE. The researcher, as a symbolic interactionist, believes that the provoked emotions and thoughts should be investigated in relation to the context, which is the social situation in which they occur. In other words, the phenomenon, which is the participants' EI for the development of trust, should be studied within the process, which is the ICSE in the banking industry. This in-depth exploration tends towards the qualitative methodology and the case study research design, which highlights the overall dynamics around the phenomenon which is under investigation (Eisenhardt, 1989; Hussey & Hussey, 1997; Noor, 2008).

The qualitative approach seeks to understand and explain complex phenomena through the generated data (Ritchie & Lewis, 2003; Flick et al., 2004) and the case study research will provide an in-depth understanding of the context of the research as well as the process being deployed (Creswell, 1994; Ritchie & Lewis, 2003; Flyvbjerg, 2006; Saunders et al., 2007; Della Porta & Keating, 2008). Case study has the ability to give answers to the question 'why' and 'how' (Saunders et al., 2007), which befit with the study's research questions and methodology approach. Also, the fact that case study research engages in the exploration of contemporary issues (Halinen & Törnroos, 2005; Saunders et al., 2007; Della Porta & Keating, 2008), reflect the case of the field of ICSE, which needs further investigation (Sharma et al., 2012).

There are numerous stages to be followed in case study strategy (Bonoma, 1985; Eisenhardt, 1989; Hussey & Hussey, 1997; Halinen & Törnroos, 2005). Concisely, scholars suggest that before even selecting the case or cases that will be under investigation, the researcher is expected to become familiar with the terminology and the concepts of the field and understand the dynamics which will surround the research. After that, follows the design of the data collection, like for example interviews, observation, documentary analysis and questionnaires (Bonoma, 1985; Eisenhardt, 1989; Hussey & Hussey, 1997). In case study research the collected data tend to have substantial information (Creswell, 1994), which could be either qualitative, or quantitative, or even both (Eisenhardt, 1989). The last two stages are the analysis of the collected data and the writing up stage (Bonoma, 1985; Eisenhardt, 1989; Hussey & Hussey, 1997).

The research herein adopted mainly the steps of conducting a case study research suggested by Halinen and Törnroos (2005), with some modifications. The researcher chose Halinen and Törnroos' (2005) work because it is a contemporary work that has critically raised important practical questions regarding the appropriateness of a case study research, and thus fit perfectly with the DBA practical oriented nature. Also, it refers to the business world and thus closely related to the banking industry.

The aforementioned modifications refer specifically to the ontological and epistemological viewpoints, which were deliberately excluded from Halinen's and Törnroos' (2005) work, as they chose to concentrate on practical issues. The researcher at this point turned to Piekkari's, Plakoyiannaki's and Welch's work (2010), because their created linear model of case research combined Halinen's and Törnroos' (2005) with Yin's (2003) work. Thus, the less practical approaches derived from Piekkari's et al.'s (2010) work. The following table illustrates the steps that the research herein adopts.

Table 3.1: Steps adopted for the case study research process

STEPS ADOPTED FOR THE CASE STUDY RESEARCH PROCESS
Clarifying the research purpose → <u>Chapter 3</u> : Research Methodology and Research Methods → <u>Section 3.1</u> : Research Philosophy
Formulating the research problem → <u>Chapter 1</u> : Introduction
Specifying research questions → <u>Chapter 2</u> : Literature Review and Initial Conceptual Development → <u>Section: 2.3</u> : Conceptual Framework
Drafting a theoretical framework for case research → <u>Chapter 2</u> : Literature Review and

Initial Conceptual Development
Defining the case → <u>Chapter 3</u> : Research Methodology and Research Methods → <u>Section 3.3.1</u> : Empirical setting – Industry specific
Choosing a set of relevant cases → <u>Chapter 3</u> : Research Methodology and Research Methods → <u>Section 3.4</u> : Defining the Cases
Choosing organizations from the chosen cases → <u>Chapter 3</u> : Research Methodology and Research Methods → <u>Section 3.4</u> : Defining the Cases
Choosing informants → <u>Chapter 3</u> : Research Methodology and Research Methods → <u>Section 3.4</u> : Defining the Cases
Monitoring the need and availability of different sources of data → <u>Chapter 3</u> : Research Methodology and Research Methods → <u>Section 3.5</u> : Data Collection
Analyzing findings → <u>Chapter 4</u> : 4.1 Method of Data Analysis
Ensuring quality of data → <u>Chapter 3</u> : Research Methodology and Research Methods → <u>Section 3.6</u> : Data Quality Issues
Writing up → <u>Chapter 4.2</u> : Data Analysis and Discussion
Presenting the results → <u>Chapter 5</u> : Research Conclusion

Another important suggestion found in the literature of case study is the importance of setting boundaries and specifying the constructs that will lead to the development of theory (Eisenhardt, 1989). Thus, the researcher, as suggested by Eisenhardt (1989), has formulated research questions that indicate the important constructs. These research questions were developed with reference to extant literature (ibid.).

In conclusion, in case study research there is a specific context and, either multiple data collection methods or one data collection method from subjects with different perspectives (Ritchie & Lewis, 2003). The context in this research is the banking industry. The data collection method will be interviews and the information will derive from the perspectives of native FSEs and foreign customers of local retail banking institutions. Also, case study research is very productive during periods of change because it seeks access to peoples' feelings and emotions (Llewellyn, 2007). As mentioned earlier, the present research will investigate ICSEs during a period of change. The events that took place in March 2013 in Cyprus, along with the general financial crisis, have had an enormous impact on the importance of trust to the employees and the institutions (Hansen, 2012). Thus, the case study research will enable the inclusion of differentiated realities, such as the reality of the

economic crisis. Accordingly, the next section describes the selected empirical setting of this research and the ongoing situation in the banking industry.

3.3.1 Empirical Setting – Industry Specific

This section elaborates on the selection of the empirical setting. Following the results of the systematic review, along with the urge coming from the business world, this section describes the specific industry and context of this research. The conducted systematic and narrative review revealed a number of gaps and inconsistencies, which call for further theoretical and empirical investigation (section 2.1.6: “Gaps and Inconsistencies” and section 2.2.3: “Gaps and Inconsistencies - Avenues for Further Empirical Investigation”). The theoretical invitations were taken into consideration in the Literature Review Chapter (section 2.2: “Synthesis”), while this section will consider the gaps that concern the empirical setting.

The systematic review revealed that a considerable number of articles reported on mixed sector investigations (Barker & Härtel, 2004; Lin et al., 2007; Karande et al., 2008; Chang, 2009; Hartman et al., 2009; Sharma et al., 2009; Hultén, 2010; Wang & Mattila, 2010; Hill & Tombs, 2011; Holmqvist, 2011; Hartman et al., 2013; Montoya & Briggs, 2013) and other clearly stated the need for considering the type of industry when investigating ICSEs (Sizoo et al., 2004; Sizoo et al., 2005; Sizoo, 2006; Sizoo, 2008; Sharma et al., 2009; Hill & Tombs, 2011; Holmqvist, 2011; Tam et al., 2014) because various industries have dissimilar characteristics and yield distinctive challenges to the practitioners (Wang & Mattila, 2010; Sharma et al., 2012; Delcourt, et al., 2013).

In summary, the researcher follows the suggestions of the aforementioned studies regarding the field of ICSEs, and takes into consideration the various stimuli coming from the practical world (section 3.3.2: “Following the Urge of the Practical World – Location Specific”), elaborates *infra* on the focus of the current thesis, which is the banking industry.

3.3.1.1 Service Encounters in the Banking Industry

A service provider is a crucial entity in an organization because, by nature, services are consumed in parallel with their production, and thus the service provider is a determinant for the service quality offered (Gutek, 1999). Nevertheless, not all services are the same. There is a semantic differential between services when it comes to the relationship between

the service provider and the service receiver. The two main types of services are the service relationship and the service encounter.

A service encounter takes place when two people, who do not know each other personally, interact and share no particular expectancy to see each other again in the future. On the contrary, a service relationship takes place when people know each other personally and expect to meet in the future (Gutek et. al, 2002). More precisely, a service relationship offers valuable time and knowledge in order for the mutual expectations to be met. This is why a service relationship, which is by its nature a repeated interaction, has considerable chances of being a successful relationship. On the other hand, in a service encounter, the customer develops expectations based on the experiences gained from the organization and not from the service provider (ibid.).

However, there are cases where organizations, even though place a number of employees to equally and randomly serve customers, in reality, they do not wish to establish a pure service encounter strategy. In contrast, they claim to offer service relationships, when in fact their customers and their employees remain strangers to each other. This phenomenon, which is called “pseudo-relationship” occurs in the banking industry, which is the context of the present research. In banking practice this is a reality, as a number of statistical data and other available information give the opportunity to the service provider to try and retain the customer through a “pseudo-relationship” (ibid.). These encounters are very problematic because their structure as encounters cannot support the personal relationship. For example, FSEs are expected to retain existing customers and acquire new ones. Nevertheless, they do not have the time to collect the required information about the customer so as to create the right foundations and successfully meet their job requirements (ibid).

The above mentioned demarcation between the service relationships and the service encounters raise important strategic issues. Without proper clarification of the strategy things could be confusing and tricky. For example, even though human interaction is not considered substantial in a service encounter, a customer is more possible to be rude to a stranger than to a provider with whom there is an established relationship. In this case, the service provider needs the interpersonal skills to cope with these situations. Those employees haven't got the kind of autonomy and control comparing to the relationship providers and this is due to the structured procedures they are expected to follow (Gutek, 1999). In addition, when FSEs perform well, customers give the credits to the organization.

On the contrary, occasional pure performance is attached to the FSE (ibid.). The question raised here is, how motivated a service provider can be, when he or she will not win a commendation for being a good employee, but he or she will take the blame for performing poorly. Literature suggests that service providers in service encounters tend to be less satisfied with their work, feel less committed with their organization (Bitner et al., 1990), and thus change jobs more often than relationship providers (Gutek, 1999).

Another important element that needs to be clarified is that, regardless the kind of relationship, human interaction in financial industry has an important unique characteristic. Individuals share and reveal important and sensitive information. On the one hand, customers confide important financial and personal information to the service provider. On the other hand, the service provider furnishes information on the various financial subjects which will influence a customer's decision. Due to the fact that the majority of the customers lack of relevant expertise, tend to rely a lot on the service provider. In conclusion, service providers and customers need to trust and rely a lot on each other (Guenzi & Georges, 2010). Nevertheless, little research looked into trust development in the banking industry (Heffernan et al., 2008).

3.3.2 Following the Urge of the Practical World – Location Specific

DBAs emphasize on the integration of theory and practice so as to contribute to the development of professional practice in a specific area (Bareham et al., 2000). The present doctoral investigation brings into focus the development of a conceptual framework so as to enhance professional practice in the financial sector. The chosen area is deliberately selected, as the researcher works in the banking industry of Cyprus and is indeed interested in contributing in the improvement and development of this specific field.

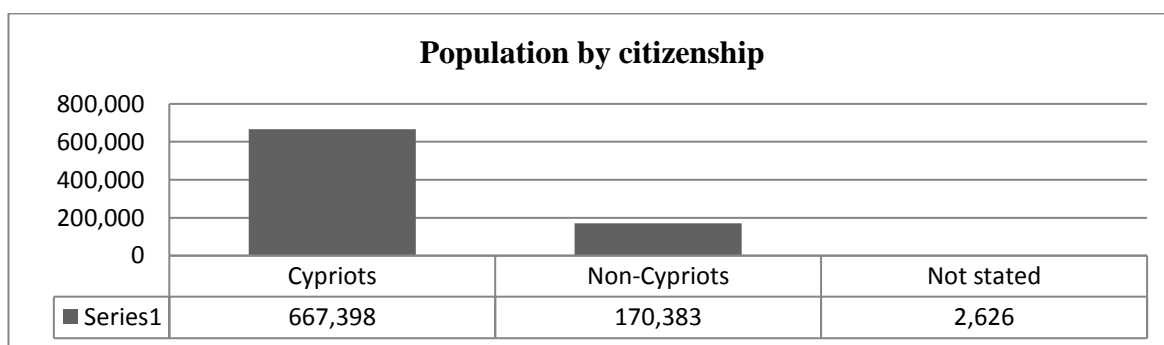
The systematic literature review identified the need for investigating ICSEs in different locations (Warden et al., 2003; Sinkovics & Penz, 2009; Tam et al., 2014). Also, it revealed a possible bias towards the geographical location on “USA” and the lack of empirical research in the geographical location of the “other Europe” and “Australia”. As a response to these calls, this research will focus solely on one geographical context and one industry, so as to develop industry specific knowledge. The following section describes the necessity of this research based on the march of events that prefigure a period of recession in the economy of Cyprus. More precisely, the following section explains the importance of trust development during ICSEs in the banking industry of Cyprus.

3.3.2.1 The Increase of ICSEs in the Republic of Cyprus

Business internationalization has added new impetus to international travel and worldwide immigration (Sharma et al., 2009, 2012, 2015). This trend has not left Cyprus unaffected. Despite being a small economy (26th largest in the EU) and barely industrialized, Cyprus used to have an extremely sizeable financial and banking industry (Stavárek, 2013). Specifically, in 2011 the assets of the banking industry were eight times higher than the country’s GDP. The island has been an international shipping hub and an offshore centre in Europe due to the flat taxation (just 10%), and has managed to attract important capital, especially from Russia, due to the high interest rates (ibid.).

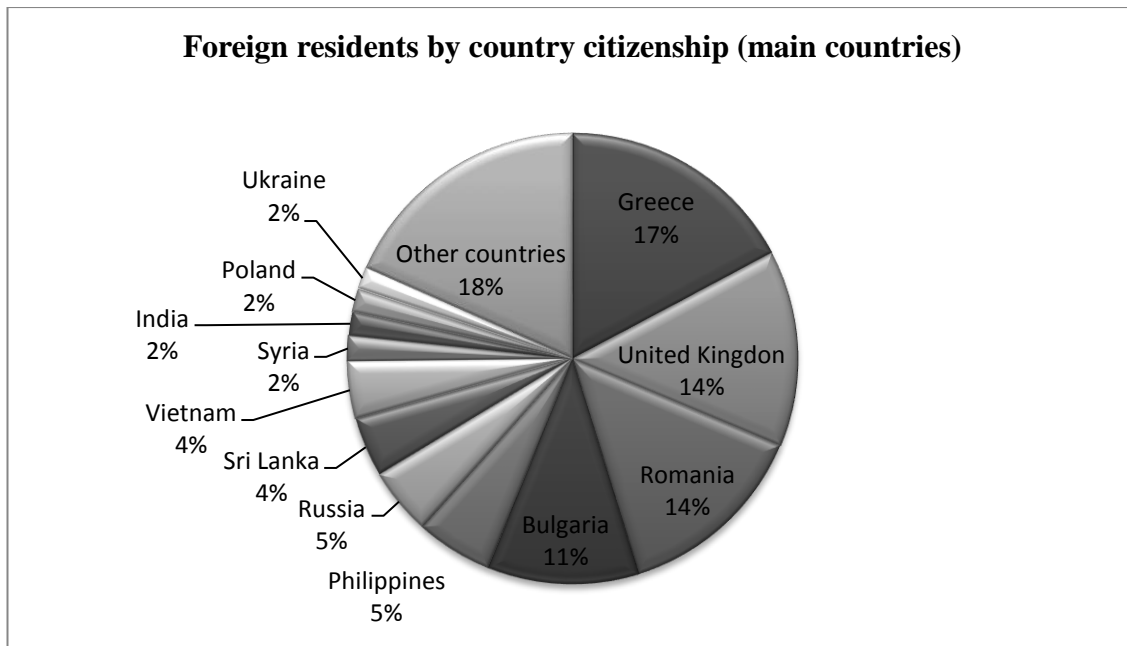
Consequently, foreign residents are becoming an important part of the Cyprus’ resident population. According to the latest published “Cyprus’ Consensus of Population” (CCP) (Statistical Service, 06/11/2013), the number of foreign citizens who live in Cyprus for at least one year has dramatically increased over the last decade. Specifically, foreigner residents come up to 20, 3% of the island’s resident population, compared to the 9,4% in 2001 (Figure 3.2: Population by citizenship). According to the CCP (ibid.), the majority of the foreigner residents come from Greece and United Kingdom (Figure 3.3: “Foreign residents by country citizenship (main countries”). It is worthy of note that the majority of the foreign residents (82,6%) are between the ages of 15-64 (ibid.). This age range indicates that these people are either part of the “Economically Active Population”, or part of the student population.

Figure 3.2: Population by citizenship



Source: “Cyprus’ Consensus of Population”, Statistical Service, 06/11/2013

Figure 3.3: Foreign residents by country citizenship (main countries)



Source: “Cyprus’ Consensus of Population”, Statistical Service, 06/11/2013

The exploding population of non - Cypriots in a rather small period of time illustrates a new reality for the Cypriots, especially those who interact on a daily base with them. Foreign residents take part in various ICSEs to complete their daily tasks, obligations and businesses. These ICSEs differ from simple service encounters (Guttek et al., 2002) as the service provider has a different cultural background to that of the service receiver (Guttek, 1999; Guttek et al., 2002; Delcourt et al., 2013).

3.3.2.2 Trust during ICSEs in the Banking Industry of Cyprus

As already mentioned, ICSEs are complex because dissimilar cultural norms and values easily create misunderstandings, resulting in frustrated service providers, dissatisfied customers, and, ultimately, the loss of business (Chairsrakeo & Speece, 2004; Sizoo et al., 2005; Wang & Mattila, 2010). Given this complexity, trust development during an ICSE is very important because, empirical research suggests that trust encourages and ensures constructive criticism, resolution of problems and maintenance of loyalty (Gundlach & Murphy, 1993; Guenzi & Georges, 2010). Moreover, trust development in service encounters is essential because the company’s intentions and trustworthiness are projected through the service providers themselves (Price & Arnould, 1999). However, empirical research on ICSEs noted the difficulty of developing trust because of the dissimilar cultural

background between the service provider and the service receiver (Barker & Haertel, 2004; Sharma et al., 2012).

The banking industry is an appropriate context to study ICSEs, because it is one of the most internationalized industries (Schumann et al., 2010) and because it involves elements of risk and uncertainty, which also point to the importance of trust (Price et al., 1995; Zineldin, 1995; Knights et al., 2001; Heffernan et al. 2008; Guenzi & Georges, 2010; Schumann et al., 2010; Fatima & Razzaque, 2014). Despite its importance, little research has focused on trust in the banking industry (Heffernan et al., 2008).

Compounding the matter further, trust development within the banking industry of Cyprus is a unique challenge because local banks' credibility faced a severe stroke due to the bail-in approach they applied in order to avoid bankruptcy, with a consequent result of a 47.5% 'haircut' on depositors' money (ICFCBS, 2013). Before the Cypriot Banking crisis, more than one third of the bank deposits were from non-residents (Zenios, 2013). After the Cypriot banking crisis in 2013, deposits represent the most of the banks' liabilities (Stavárek, 2013).

The challenges in developing trust during ICSEs in the banking industry indicate the need for further research in the field. Existing gaps in the literature and new realities in practice, call for an investigation that will serve both the academics and practitioners.

3.4 Defining the Cases

3.4.1 Local Retail Banking Institutions

Based on the aforementioned context, the researcher, in order to explore ICSEs in the banking industry, chooses to retrieve empirical data from native FSEs that work at local banking institutions and foreign customers that cooperate with local banking institutions.

Since these interpersonal situations exist within the institutions (Manis & Meltzer, 1978) the researcher wishes to specify the context in which ICSEs are investigated. More specifically, from the banking industry, only the local institutions that offer retail services would be included. The reason for choosing the local institutions is because Greek, which is the mother tongue of the Cypriots, is a prerequisite for the employment in these institutions. Since this research aims to explore the perspectives of native FSEs, the local institutions seem to be most suitable.

Moreover, the reason for including institutions that offer retail services is because opening an account to a natural entity requires the physical attendance of the customer at the bank at least for the first time (Central Bank of Cyprus, Monetary Policy, Article 59(4)). In this way an ICSE is inevitable, which is the subject under investigation.

3.4.2 Units of Analysis

The researcher, as a symbolic interactionist, wishes to apply a case study research and explore the perspectives of the parties which have an influence on the ICSE, namely the service provider and the customer. The researcher similar to Edvardsson (1992), decided to interview both FSEs and customers, in order to detect possible differences in their attitudes towards ordinary negative service encounters, since this approach is quite rare (*ibid.*) and offers a holistic view. Accordingly, the units of analysis are the native FSEs that work at local banking institutions and foreign customers that cooperate with local banking institutions.

3.4.2.1 Choosing a Sampling Technique

Having specified the research questions, the appropriate research design and the empirical setting, the researcher needs to elaborate on the selection of cases, from which the information will be collected.

The process of selecting the population will define “the set of entities from which the research sample is to be drawn” (Eisenhardt, 1989, p. 537). According to the majority of scholars there are two main sampling categories: probability sampling and non-probability or purposive sampling, which have various types of sampling techniques (Remenyi et al., 1998; Sarantakos, 1998; Bernard, 2000; Ghauri & Gronhaug, 2002; Babbie, 2004; Saunders et al., 2009). In probability sampling each subject has a known, non-zero chance of being included in the sample, which allows statistical inferences. This is why this method is usually adopted with survey based research strategies. On the contrary, with non-probability samples, the probability of each unit being selected from the total population is unknown (*ibid.*). In this case, the researcher selects the sample based on subjective arguments. This technique is usually adopted in case study research (Saunders et al., 2007). In the same vein, Daymon and Holloway (2010) state that this purposeful sampling technique, which is strategically selected to meet the research purpose, is encountered in qualitative research.

Based on the exploratory nature of the present study, on the philosophical position of the researcher and on the selected research method, the most suitable technique is the purposive sampling. The researcher is interested in retrieving in-depth information and, thus, chooses to utilize a sampling technique that would facilitate this need. For this reason, the adopted sampling method would be the purposive sampling, as it allows the selection of cases that are full of enlightening information (Bernard, 2000; Patton, 2002). This selection is also suitable to the qualitative research and case study strategy, which tend to avoid random selection (Eisenhardt, 1989) because they require a concentration on cases to gain information-rich data in order to answer the research questions and meet the research objectives (Merriam, 2009). In addition, the non-probability sampling technique fits perfectly with the concepts of this research, which involve cultural norms and cultural data (Bernard, 2000).

Having a limited number of cases, the researcher chooses information rich cases that are more likely to extend the emergent theory. The selection involves extreme and polar cases (Eisenhardt, 1989). The achievement of an in-depth understanding provides the answer to the formulated research questions. The purposive sampling, which provides the opportunity of selecting the informants based on certain criteria (Patton, 2002), consists of a wide range of non-probability sampling techniques, like for instance the quota sampling, the purposive one, the snowball one, the self selection and the convenience sampling (Saunders et al., 2007). Nevertheless, trying to identify a great spectrum of perspectives and central themes, the present researcher selects the heterogeneous sampling, which is a subcategory of the purposive sample (Ritchie & Lewis, 2003; Saunders et al., 2009). This selection ensures maximum variation and inclusion of possible uniqueness, elements that offer an extra strength to the research (Patton, 2002).

Researchers in cultural studies have suggested that the difficulties of conducting multicultural research can be facilitated by drawing on personal contacts (Hutchings, 2003; Richardson & Mallon, 2005; Von Glinow, Drost, & Teagarden, 2002). Professional and personal contacts were indeed very helpful for providing access to domestic service providers and service receivers from various cultures. It should be noted that the researcher only personally knew 5 of the 21 people included in the sample (3 FSEs and 2 customers), as she was based on these contacts mainly to identify other possible informants that match the selected criteria and provide fruitful information on the topic.

3.4.2.2 Sample Size

As aforementioned, the units of analysis are the native FSEs that work at local retail banking institutions and foreign customers that cooperate with local retail banking institutions. The key informants are the specific FSEs and customers that share their perspectives on the phenomenon under investigation.

As already noted, the technique of selecting the sample is the heterogeneous one, a subcategory of the purposive sample, as it allows the researcher to choose the participants based on particular criteria. According to Patton (1990), this kind of sampling is detected in the majority of qualitative research, because it allows the intentional selection of participants, who will share valuable information. This information could not be pumped from elsewhere and it reflects key themes and different patterns (Ritchie & Lewis, 2003; Saunders et al., 2009).

Following Eisenhardt's (1989) guidelines, the researcher planned in advance the number of cases, due to the time and resources constrains, something common in the case study strategy. Regarding the sample size, the researcher follows Lindebaum and Cassell (2012) who qualitatively investigated EI. In detail, this study conducted 21 interviews, 10 native FSEs and 11 foreign customers. This is a common and an appropriate sample size for a qualitative research (de Ruyter and Scholl, 1998; Creswell, 2007; Marshall et al., 2013). However, Patton (2002) suggests that in qualitative inquiry there is not an ideal number. Usually qualitative sampling does not involve large numbers of participants, because this could prohibit depth and richness (Sekaran, 2003; Daymon & Holloway, 2010). Even though some may criticize the small number of informants, nevertheless in-depth interviews compensate with the retrieved rich contextual details (Daymon & Holloway, 2010; Lindebaum & Cassell, 2012). Nevertheless, following Edvardsson (1992), achieved saturation came as affirmation of the adequacy of sample size.

As far as the characteristics of the informants, the researcher involves men and women, FSEs from various local banking institutions and customers from various cultural backgrounds. As aforementioned, heterogeneous sampling allows diversity and offers high-quality data without excluding any kind of uniqueness (Patton, 2002). This heterogeneity is reflected on the characteristics of the participants, which are further analyzed below. The selected criteria for choosing the key informants, which are discussed in detail in below, were discussed extensively with the supervisory team so as to increase their usefulness regarding the study.

3.4.2.3 Informants: FSEs and Customers

According to the literature, a service encounter, in terms of the interplay between a service provider and a service receiver, is at the core of comprehending and ameliorating the performance of service firms (Wang & Mattila, 2010). Nevertheless, generally the interactions between strangers have not been investigated to such an extent as interactions between familiars (Guttek, 1999; Williams, 2001; Suh et al., 2006; Gelfand et al., 2007; Schumann et al., 2010; Zur et al., 2012; Chai & Dibb, 2014).

As stated earlier, the developed conceptual framework takes into consideration both perspectives, responding in this way to the Schoorman et al.'s (1995) realization, that the one sided consideration, either the trusting party or the party to be trusted, is problematic. This approach is typical for a symbolic interactionist, who espouses that in an interaction, people act according to the interpretations they make for the other people's actions (Blumer, 1966; Ritchie & Lewis, 2003).

Next, the researcher describes the informants of this DBA thesis providing the relevant argumentation to justify their selection. Appendix A "Demographical Characteristics – Foreign Customers" and Appendix B "Demographical Characteristics – FSEs" present in further detail the demographical characteristics of the informants.

Service receiver

The current study focuses on the culture-general approach, as the FSEs constantly interact with foreign customers that come from various cultural backgrounds. A selection of a single culture would not be indicative of the banks' clientele, since, as mentioned previously, Cyprus hosts various ethnicities. The culture-general approach is also suggested by Arasaratnam (2014).

For the purposes of this research, the service receiver is an immigrant, who lives in Cyprus. By classifying the customers and focusing on immigrants, this study contributes to the need of developing specific knowledge (Sharma et al., 2009). The average years of living in Cyprus would be around 10, because the researcher wishes to include cases with low acculturation (Abraido-Lanza, Chao, & Florez; 2005; Chai & Dibb, 2014). The researcher chose the immigrants, as this category includes people who decided to relocate in Cyprus for a long period of time (Ward, Bochner & Furnhum, 2001). Comparing to tourists and

sojourners, immigrants wish to settle (ibid.) and, thus, they need to cooperate with a banking institution for their daily activities.

More specifically, the selected key informants cooperate with retail banking institutions that are licenced and supervised by the Central Bank of Cyprus. Retail banking institutions offer financial services to the mass market, including individuals. The financial services entail traditional banking products such as loans, deposits, current and savings accounts. Branch network is the core delivery channel of these banking services (Ahmad, 2005) and, thus, foreign customers inevitably engage in ICSEs.

Since the literature review (section 2.1.6: “Gaps and Inconsistencies” and section 2.2.3: “Gaps and Inconsistencies - Avenues for Further Empirical Investigation”) highlighted the need for investigating ethnic consumer trust, this study will include more than three cultural groups, following the recommendations of van de Vijver and Leung (1997, as cited in Arasaratnam and Doerfel, 2005). Based on the aforementioned statistical data that refer to the population of the island (Figure 3.3: “Foreign residents by country citizenship (main countries”), the sample consists of various cultural groups, including foreign customers coming from Greece, Russia, Poland, Bulgaria, Armenia, Jordan, Romania and Serbia. By incorporating various cultural groups so as to have adequate variance in the sample, the researcher responds to the diversity and heterogeneous nature of intercultural communication in order to produce results that translate well into different cultures and represent the diverse mix of the island’s population (Arasaratnam and Doerfel, 2005; Wang & Mattila, 2010; Smollan & Parry, 2011).

FSEs

Heffernan et al. (2008) aptly state that “The concept of trust is particularly salient in the context of the financial services sector because customers are not in a strong position to make objective assessments of service quality” (p.192). Similarly, Schumann et al. (2010) stress the importance of trust in the banking industry, because customers often lack the experience and knowledge to assess the results of the service. The development of trust, both affective and cognitive, depends on whether a customer is willing to rely on the service provider (Johnson & Grayson, 2005; Heffernan et al. 2008). For this reason the researcher explores trust development in ICSEs in the banking industry of Cyprus, by investigating not only the foreign customers, but also the service providers, and in particular the FSEs. Banking institutions, which represent the context of this research, trying to cope and survive in the demanding and competitive arena, draw attention to the

abilities of the people working face-to-face with the customers, rather than the traditional “institutional image” (Stephenson & Kiely, 1991). One of the reasons for doing so is because FSEs are no longer the “clerical staff” for the household’s budgeting and related service obligations (Font, 1993) due to the advancement of technology and customers’ increased financial sophistication (Heffernan et al. 2008). For example, salary payments, transfers and other transactions are electronically accomplished through Direct Debits and Standing Orders. Also, service quality is a deciding element when choosing an organization because the range of services offered by banking institutions is more or less the same (Stephenson & Kiely, 1991; Heffernan et al. 2008).

All these alterations have inevitably impacted the way branches are organized. Since the “back office”- transactional- activities have been automated, staff is given the time and space to focus on the interaction with the customer. Today, branches are the “delivery and selling point” and FSEs have become advisors, trying to fulfil their customers’ needs (Stephenson & Kiely, 1991). This extra task along with the extra workload and intensive cognitive process is possible to make people reflect aversion and fear to out-group members. Consequently, the researcher believes that ICSEs in the banking industry might easily evoke negative emotional states (Brewer and Brown, 1998, as cited in Williams, 2001).

However, up to two-thirds of the dissatisfying customers do not report their complaints (Bebko, 2001). This is even more worrying in the service industries because the products are intangibles and thus the customers realize their dissatisfaction with the “product” when they stop receiving “it” (Chairsraeko & Speece, 2004). That is when customers put the blame on the employees. If customers avoid stating their complaints, the employees are not given the opportunity to negotiate in order to resolve the problem and then, using a competitive approach, gain or regain their customers’ trust (ibid.). This is lethal because successful relationships ensure the competitiveness of an organization (Bush et al., 2001).

Nevertheless, even if the employees are given the opportunity to negotiate, they often tend to persuade clients using inappropriate tactics. In case of the banking industry employees should sell through communicating rather than persuading. This communicative procedure includes also a passive approach, like giving information (Font, 1993). The problem-solving approach ensures a long-term relationship, but it can be very challenging during ICSEs, because the problem-solving approach demands an in-depth communication (Chairsraeko & Speece, 2004). Employees need to adapt their behaviour according to their

customers, and thus gather as much information as they can in order to meet their customers' needs and expectations. Thus, a failure to appropriately and successfully communicate with foreign clients, may lead to the loss of possible sales (Chaisrakeo & Speece, 2004). In other words, FSEs should find a way to remain calm, absorb the right information, advise accordingly with confidence, achieve the targets that have been set and develop trust during ICSEs (Font, 1993).

Due to the FSEs' recognized significance in the banking institutions and service sector in general, literature invites further research on this domain (Fisk, Brown & Bitner, 1993; Elmadag, Ellinger & Franke, 2008; Wallace & Chernatony, 2009; Whiting et al. 2011). More precisely, there is a need for further research on the service provider's perspective, which could provide practitioners with an improved design for service processes and training agenda (Bitner, 1992; Whiting et al. 2011). Lastly, the strategic alterations that lead to relationship building approaches in the financial sector call for further research, including the development of trust, which is understudied in the banking industry (Heffernan et al. 2008).

In order to gain more insight in this under-researched field, the researcher will explore how FSEs perceive the potentials of EI in terms of perceiving, understanding and managing negative emotions so as to enhance affective trust.

For the purposes of this research, the FSEs are native and their mother tongue is Greek. They work at retail banking institutions that are licenced and supervised by the Central Bank of Cyprus. By specifying the industry and the particular characteristics of the banking institutions, the researcher re-assures that informants abide by the same regulations (Laurell et al., 2013) and come across the same "distinctive" challenges when serving foreign customers (Delcourt, et al., 2013) For gaining maximum variation in employees' perspectives, the researcher engages both men and women. The informants are experienced FSEs in order to have a lot of incidents to share, and come from various local institutions from various districts. These employees work in the branch network of their bank which is the core delivery channel of retail banking services. As mentioned above, this specific characteristic makes inevitable the occurrence of ICSEs.

3.5 Data Collection

3.5.1 Qualitative Approach

The conducted literature review indicated a preponderance of the positivist approach in the field of EI (Mayer et al., 2008; Lindebaum & Cassell, 2012), which does not correspond to the developed research questions of this present thesis. The espoused approach to EI calls for qualitative approaches, as the informants will be able to recall and reflect upon the process and the meanings they create (Dey, 2003; Lindebaum, 2013), while taking part in an ICSE. More precisely, the qualitative approach is the most suitable one as it allows informants to narrate on their lived experiences when engaging in emotionally challenging events and whether these experiences helped them grow emotionally (Lindebaum, 2013). Namely, during the empirical investigation, informants should be able to reflect on how they perceive, understand, manage and regulate the provoked negative emotions, both in themselves and in others, for the enhancement of affective trust.

In addition, the Literature Review Chapter revealed that the relationship between cultural background, trust and customer relationship has received very little attention, and thus a qualitative approach is needed to explore the field and provide new insights (Altinay et al., 2014). Moreover, affect-base trust, which is the narrower focal point of this research, is characterized as the qualitative more “special” form of trust as it is the emotional form of trust (Massey & Kyriazis, 2007, p. 17). Since affective trust is based on emotions, the researcher chooses to avoid quantitative approaches (Mathison, 1988; Fineman, 2004). In addition, Lindebaum and Cassell (2012) invite future scholars to qualitatively research EI in various sectors in order enhance knowledge on EI and more precisely the individual receptiveness to EI across sectors.

Based on the aforementioned arguments, the researcher will employ qualitative approaches. More precisely, the case study research design provides answers to questions that explore the ‘What?’ and ‘How’, the type of questions formulated by the present thesis. This research design addresses such questions using various techniques of collecting data, like focus groups and interviews (Eisenhardt, 1989).

On the one hand, focus groups could not apply in the context of the present study. The reason is because the researcher focuses on trust in the banking industry through personal experience during negative encounters. People tend to feel more comfortable sharing their emotions, personal experience, thoughts and values in private trusted settings (Denzin &

Lincoln, 1994). Also, the researcher emphasizes on the individual point of view and thus avoids group dynamics. Moreover, the researcher avoids focus groups due to the sensitivity and confidentiality of some issues, like for example customers' financial data and FSEs' behaviour.

On the other hand, interviews can be the most suitable approach for the current DBA thesis. An interview can be defined as the purposive discussion between one person (interviewer) with another person (the interviewee) and the questions can be open-ended or closed-ended or a mix of them (Hussey & Hussey, 1997; Sarantakos, 1998; Bernard, 2000; Berg, 2001; Ghauri & Gronhaug, 2002; Babbie, 2004; Saunders et al., 2009; Teddie and Tashakkori, 2009). Interviews can be conducted face-to-face, voice-to-voice through telephone, or screen-to-screen via the internet or an organization's intranet. In addition, interviews, according to their structure, are separated into three categories: structured, semi-structured and unstructured. Structured interviews are based on a preordained and standardized set of questions and are referred as interviewer-administered questionnaires. Semi-structured interviews are based on a list of themes and questions to be covered. The researcher conducting the interview may add questions during the interview process in order to saturate the subject and at the same time avoid extended discussions on irrelevant and insignificant issues. The information through this type of interview is usually gathered through note taking or by audio-recording the conversation. Unstructured interviews are informal and the interviewer is free to talk about any kind of events, beliefs, behaviours and any other cases that are related with the topic area.

3.5.1.1 Semi-structured interviews

The present research adopts semi-structured in-depth interviews to address the research questions, which were formulated as a response to the calls of various scholars (section 2.2.3: "Gaps and inconsistencies – Avenues for further empirical investigation"). As a symbolic interactionist, the researcher studies ICSEs by interviewing both actors, namely the service provider and the service receiver (Manis & Meltzer, 1978). Qualitative interviews allow the understanding of the cultural assumptions of the "subjects" (Suh et al., 2006), which is of this research's interest. Consequently, the collection of primary data is accomplished through the conduction of semi-structured in-depth interviews. These interviews gathered the crucial data that correspond to the study's research questions and objectives (Chapter 5: Research Conclusion).

Formal interviews, with a list of specific themes and questions to be covered, exhausted the material on research questions and research objectives. The researcher remained flexible in changing the sequence of the questions according to the direction of the interview. Also, the researcher formulated additional questions considering the peculiarity of each situation aiming to understand in-depth the informants' perception on the role EI in affective trust development during ICSEs. The interviews assisted the researcher to have an in-depth exploration and understanding on the investigated topic, detecting “what” is happening and “why”.

Personal contact, namely a face-to-face interview, is considered very crucial in the current study, as the interviewees might need the personal assurance about the way their responses will be used. They need to feel the security that nothing they say will harm them in any possible way. Their thoughts and ideas are sensitive and confidential information and that is why writing them on a piece of paper or having a telephone conversation is not always appropriate (Saunders, Lewis, and Thornhill, 2007). Also, face-to-face interviews will allow the observation of the non-verbal communication (Hussey & Hussey, 1997; Yin, 2010), which is also important for the present researcher.

The interviewees have the opportunity to reflect on their experience and describe their thoughts and feelings (Yin, 2010). The researcher helps them reach autognosis, which is an important pylon of EI (Cherniss et al., 2001). Also, during this process participants gain an intangible but inner reward, as they talk about matters they consider important (Berg, 2001).

3.5.2 Time Horizon

Another important issue to be taken into consideration in the planning of a research process is the time horizon of the research project. In particular, a researcher should decide whether the research is to be conducted as a snapshot taken in a particular time or to be conducted through a series of snapshots over a specific period of time (Saunders et al., 2009). The first case is named cross-sectional while the other case is called longitudinal. The current research falls into the category of cross-sectional studies, because it investigates a particular phenomenon at a particular time, and it is based on interviews conducted over a short period of time.

3.5.3 The Process of Conducting Semi-Structured Interviews

The researcher approached the key informants and handed out an informed consent (Appendix C) and a copy of the University's Ethics Handbook (2008), wishing to establish that the researcher abides by its guidelines. Thus, the key informants were aware that the researcher would preserve their anonymity and would refer to them with numbers. In addition, they were informed that the data would be electronically stored in a password protected file on the researcher's computer. After the completion of the DBA program, data would be destroyed. The agreement also specified their right to review any research results prior publication.

This was the case with FSEs and customers. In addition, since the researcher works in the banking industry, access to employees with considerable experience in ICSEs was feasible. Since the FSEs are not in the senior management level, there were personal power issues. In order to resolve these issues, it was made clear to them that their participation would be in a voluntary base and that they have had the right to reconsider their participation and withdraw from the research at any time (Saunders et al., 2009). The researcher would not share any kind of information neither to their supervisors nor to their employers. In his way, informants would not fear that any kind of disclosure would affect or even ruin their career.

Having straightened everything out with all the prospect informants, none of them declined participation. In case someone did refuse to participate, the researcher would have approached an alternative informant.

The researcher obtained the informants' authorization for using an audio-recorder. Nevertheless, the interviewees were free to switch the tape-recorder off whenever they felt that they wanted to provide information off the record. The researcher used audio-recording machine in order to avoid distraction. Thus, she focused on listening and taking part in the conversation (Saunders et al., 2009). Also, audio recording helps the researcher remember the way questions were stated and thus repeat them, if needed, in the exact same way (ibid.). The audio-recorder facilitates the analysis process, as it allows the transcription of the exact wording. This tool assists the researcher to have accurate and unbiased registration (ibid.). For this reason, a rather quiet place was required to facilitate the equipment. This was the only constraint regarding the location of interviews. The researcher decided to adjust the location according to the informants needs, trying to preserve a relaxing atmosphere, minimize interruptions and enhance trust.

In the same vein, and taking into consideration the sensitivity of the subject under investigation, the researcher tried to create an informal relationship with the interviewees. In order to achieve that, prior to the conduction of the interviews, the researcher dedicated some time in getting to know the interviewees by asking them, among others, about their educational background, as well as family and professional status. Also, the researcher provided an initial overview of the research study and clarified the concepts so as to help interviewees become more familiar with the subject under investigation. In this way, they could more accurately express their inner thoughts and ideas (Tsanis, 2013).

Following this initiatory stage, the interviews were guided by the interview protocol, which is further analyzed below (3.5.6 Interview Questions). Nevertheless, when needed, the researcher provided further explanations and follow-up questions in order to facilitate understanding (*ibid.*). For this reason, the length of the interviews varied, ranging from 60-90 minutes approximately.

In addition, the interviews were conducted in English and Greek, in order to provide the opportunity to the majority of the informants, Cypriot as service providers and Greeks as service receivers, to articulate more easily in their mother tongue (Arasaratnam and Doerfel, 2005). Appendices D and E illustrate the interview guide, both in Greek and in English. From the transcripts that were in Greek, the researcher translated in English only the used parts (Bryman, 2008) in order to be able to manage the great volume of data. An independent researcher translated in English the same parts, so as to reassure the accurateness of the translation (Harzing et al., 2009). In case of divergence, the researcher contacted the informants for confirmation. In Appendix F the researcher provides an example of the conducted translation.

The researcher conducted only one interview per day, in order to allow sufficient time for the analysis. Every interview was transcribed by the researcher within 24 hours (Huberman & Miles, 1994) allowing the documentation of relevant comments regarding the non verbal communication. In case of ambivalence, the researcher conducted a follow-up communication with the interviewees. After transcribing the interviews, the researcher noted the topics that occurred along with some individual aspects. These notes became part of the created categories, which eventually formed the guide of analysing the interviews. This process will be further analyzed below (Chapter 4: Data Analysis and Discussion). All the transcriptions were electronically stored in a password protected file on the researcher's computer. Every note and memo was stored electronically, in order to be transferred in the

qualitative software Nvivo 10, which is further analyzed in next sub-section. Last, the researcher consulted the supervisors as well as an independent academic professor in the area of psychology, who confirmed that the content of the interview questions were appropriate and in accordance with the themes under investigation (Creswell, 2007).

QSR NVivo 10

Once the researcher collects the data from the interviews faces the challenge to handle them appropriately, in other words manage, store and analyze them (Andrew, Salamonson & Halcomb, 2008). According to Eisenhardt (1989) researchers can easily reach to premature conclusions due to the fact that humans are not reputed to be good processors of information. The researcher, in order to avoid inaccuracy in processing the data has employed computer-assisted qualitative data analysis software (CAQDAS). More precisely, the selected CAQDAS is QSR NVivo 10, which fits with the adopted template analysis (King, 2004; Andrew et al., 2008). The researcher transcribed the interviews and saved them in NVivo 10. The interview transcripts were saved in two separate files, the FSE's and the foreign customers' file. Figure 3.4 and Figure 3.5 illustrates this categorization, along with the informants' preserved anonymity.

Figure 3.4: Working Screen in NVivo 10: “Foreign Customers”

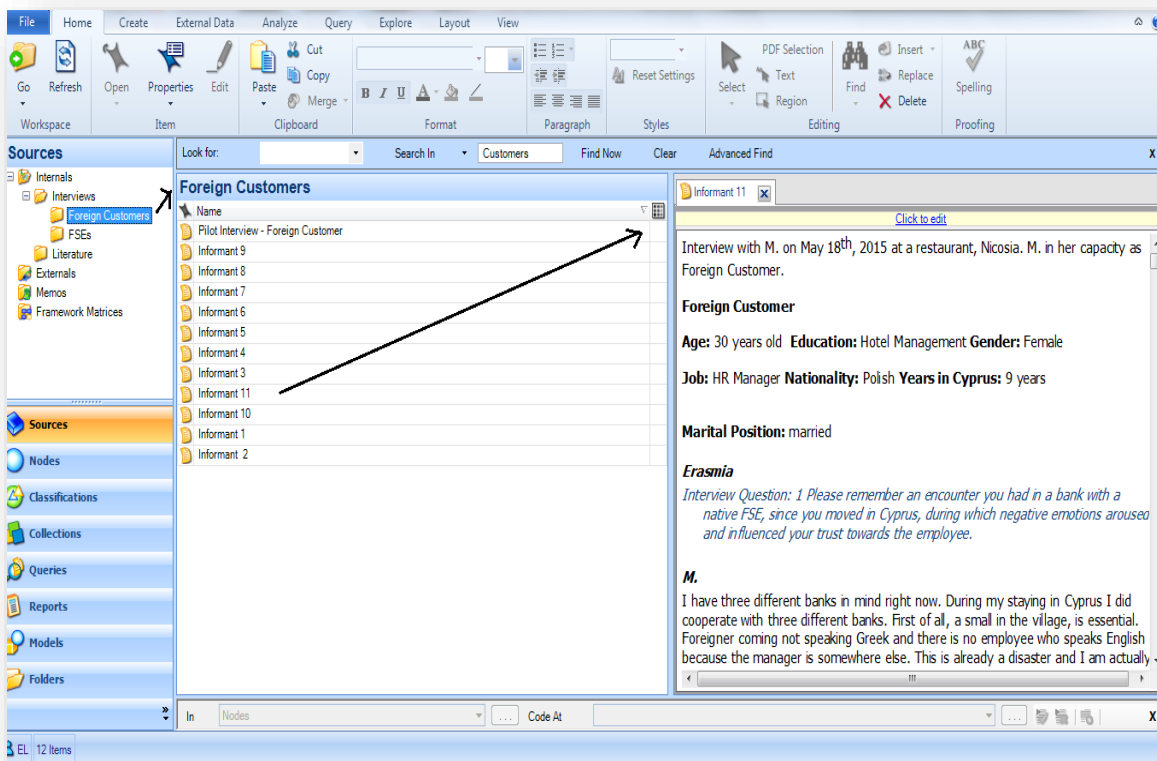
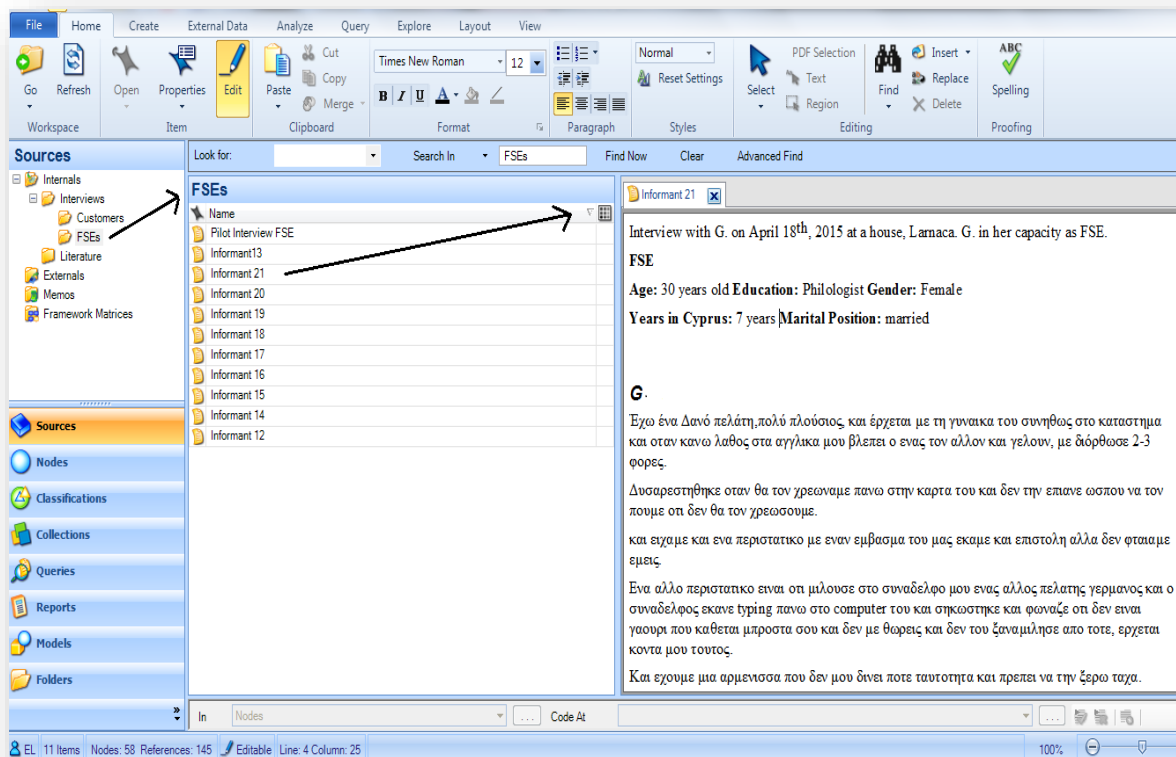


Figure 3.5: Working Screen in NVivo 10: FSE



NVivo is new generation CAQDAS (Andrew et al., 2008) that has some valuable advantages. The searching tools of NVivo 10 allow the researcher to interrogate the data at a particular level. Also, this software has an improved rigour of the analysis process by validating (or not) some of the researcher's own impressions of the data (Welsh, 2002). Generally, NVivo 10 is rather simple to use and gives the option of importing documents directly from a word processing package as well as exporting the created data (Welsh, 2002). It also provides the opportunity to the author to add memos which are important to the analysis. In addition, NVivo 10 saves valuable time because it deducts the burden of manually categorizing using note cards (Davis & Meyer, 2009; Kikooma, 2010).

3.5.4 Pilot Interviews

Before proceeding to the interviews, the researcher conducted 2 pilot interviews. In detail, the researcher approached an experienced service provider and a foreign customer in order to use their diverse views and inter-subjective cultural understandings to confirm the appropriateness of the interview questions, refine aspects of the final study and verify the suitability of the data collection methods (Bennett, Glatter & Levacic, 1994; Yin, 2010). According to Lackey and Wingate (1998) and Hertzog (2008), the sample of the pilot

studies should represent the 10% of the overall sample size. Taking into consideration that the researcher conducts 21 in-depth interviews, 11 foreign customers and 10 FSEs, the number of the pilot interviews, namely 1 FSE and 1 foreign customer, is acceptable. The pilot interviews gave an idea of the estimated duration of the interviews which was around 60-90 minutes. Also, pilot interviews revealed that participants were reluctant in sharing sensitive information and describing their emotions and thoughts. They were willing to share stories but not willing to go in-depth and share their inner thoughts and emotions.

Reflecting on the pilot interviews, the researcher confirmed that focus groups were indeed not an option for the current study. Both of the interviewees were reluctant about sharing their emotions in focus group discussion. The researcher felt that interviews and personal contact appeared to be more suitable for the sensitivity of the questions.

Similarly, observation was not an option. The researcher, working as a full-time employee at the Human Resources Division, was not able to observe other Divisions. More precisely, FSEs come under the authority of Retail Division, and thus the researcher was not able to observe these specific employees. In addition, being a researcher and an employee in the specific organizational setting could confuse the researcher and the participants and thus negatively affect the progress of the study (Coghian, 2001). Dual roles could be a trap for the researcher because fellow organizational members share sensitive and sometimes crucial information. Similarly, participants might also feel confused and their confusion might affect the generated data (ibid.). Last, the researcher intended to investigate customers' perspective too, something that could jeopardise the banking discretion. Moreover, the researcher, being a banking employee, could not observe the encounters of other banking institutions, as this could have been considered as unethical and risky. Clients wouldn't feel secure enough if a third person was watching the encounter along with their transactions. It is a matter of banking confidentiality and financial security. Clients can get very sensitive and very defensive when it comes to disclosing any sensitive information. For these reasons, observation was not a suitable data collection method for the present thesis.

Moreover, the semi-structured approach helped the researcher collect the most relevant and appropriate aspects of the phenomenon under investigation. Last, pilot interviews indicated that people could more easily elaborate on their emotions while recalling specific stories and critical incidents. For this reason, the researcher adopts the critical incident technique (CIT), which is further analyzed below.

3.5.5 Critical Incident Technique

The interviews aim to reveal how people coming from different cultural backgrounds perceive the role of EI for the enhancement of affective trust. There is one qualitative technique that is indeed appropriate while investigating the same subject from different perspectives and it is appropriate regardless of the informants' cultural background. This technique is the CIT (Stauss & Mang, 1999).

This method was first introduced to social sciences by Flanagan in 1954 (Gremier, 2004). According to Chell (1998, as cited in Chell & Pittaway, 1998) CIT is a technique which consists of specific procedures of collecting and analyzing data:

...a qualitative interview procedure which facilitates the investigation of significant occurrences (events, incidents, processes or issues) identified by the respondent, the way they are managed, and the outcomes in terms of perceived effects. The objective is to gain an understanding of the incident from the perspective of the individual, taking into account cognitive, affective and behavioural elements. (Chell 1998, cited in Chell and Pittaway, 1998, p. 25)

Accordingly, the researcher is interested in exploring the "critical incident", which is the incident that decisively affects the general aim of one activity (Bitner et al., 1990). In order to do so, this research defines a critical incident as the incident that involves an interaction between a native FSE and a foreign customer, which aroused negative emotions. The distinctiveness of the interaction makes it a memorable episode for the informants. In other words, this research uses the CIT as an inquiry tool to identify the meaningful and memorable experiences, which meet the aforementioned criteria.

CIT fits with the nature of this research for various reasons. First, CIT is found to be compatible with various research methods, such as the case study (Chell, 1998, as cited in Lipu, Williamson & Lloyd, 2007), which is the espoused research strategy. Moreover, the selected sampling approach, which is the purposive one, is also compatible with the sampling methods adopted with this technique (Gremier, 2004). In addition, CIT is also compatible to the SI, since it assumes that knowledge is socially constructed (Chell & Pittaway, 1998).

Also, this tool has been used widely in the service industry for detecting the success and failures (Chell & Pittaway, 1998; Gremier, 2004), thus closely related to ICSEs.

Nonetheless, only a handful of studies focused on customers' emotions during an incident (van Dolen, Lemmink, Mattsson & Rhoen, 2001). This omission is important because incidents are stored in memory and thus continue to impact (ibid.).

In summary, this doctoral investigation adopts the CIT and focuses on employees' and customers' negative emotions and their impact on affective trust during an ICSE. As aforementioned, CIT is a less culturally bounded technique, and thus fits perfectly to the informants' diverse cultural backgrounds (Gremler, 2004). Lastly, this tool is very powerful for gaining insights and suggesting practical areas for improvement (Bitner et al., 1994; Chell & Pittaway, 1998; Gremler, 2004), thus befits with the nature of a DBA thesis.

3.5.6 Interview Questions

Trying to explore the critical instances, the researcher has developed a number of indicative questions for the interviews, incorporating the mindset of various scholars that used the CIT (Bitner et al., 1990; Bitner et al., 1994; van Dolen et al., 2001; Lin, Nguyen and Lin, 2013), along with the mindset of scholars that have investigated affective trust (Johnson & Grayson, 2005; Chai & Dibb, 2014), following at the same time the recommendations of Mayer et al., (2008) in understanding the emotions that derive from a situation.

The following Tables (Table 3.2: "Interview Questions that investigate the Research Questions – Foreign Customers" and Table 3.3: "Interview Questions that investigate the Research Questions – FSEs") illustrate how these questions correspond to the research questions formulated in Literature Review Chapter. The concept of EI will be investigated through the exploration of the various constructs of the Cascadian Model, which include perceiving, understanding, managing and regulating negative emotions in order to enhance trust during ICSEs.

Table 3.2: Interview Questions that investigate the Research Questions – Foreign Customers

INTERVIEW QUESTIONS TO THE FOREIGN CUSTOMERS		REASERCH QUESTIONS				
		1) What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?	2) What is the role of EI, in terms of the ability to:	2 a) accurately perceive negative emotions, both in oneself and others?	2 b) understand negative emotions along with the signals conveyed by these emotions?	2 c) manage and regulate negative emotions to achieve goals?
Interview Question: 1	Please remember an encounter you had in a bank with a native FSE, since you moved to Cyprus, during which negative emotions aroused and influenced your trust towards the employee.	✓				
Source	<i>Bitner et al., 1990; Bitner et al., 1994; van Dolen et al., 2001; Lin et al., 2013. The form of these questions is based on the CIT.</i>					
Interview Question: 2	Can you describe what happened, what has been said, what you saw, what you experienced and what were the reactions?	✓				
Source	<i>Bitner et al., 1990; Bitner et al., 1994; van Dolen et al., 2001; Lin et al., 2013. The form of these questions is based on the CIT.</i>					
Interview Question: 3	What sort of emotions emerged from that situation?	✓				
Source	<i>Gross, 1998; Elfenbein & Ambady, 2002.</i>					

INTERVIEW QUESTIONS TO THE FOREIGN CUSTOMERS		REASERCH QUESTIONS				
		1) What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?	2) What is the role of EI, in terms of the ability to:	2 a) accurately perceive negative emotions, both in oneself and others?	2 b) understand negative emotions along with the signals conveyed by these emotions?	2 c) manage and regulate negative emotions to achieve goals?
Interview Question: 4	Did any thoughts alleviate your (emotion) and impact your behaviour?	✓				
Source	<i>Keltner, Ellsworth & Edwards, 1993; Bodenhausen et al., 1994; Gross, 1998; Lerner & Keltner, 2001 .</i>					
Interview Question: 5	How did you express/ behave when (emotion) was generated?	✓				
Source	<i>Gross, 1998.</i>					
Interview Question: 6	Did the employee understand your (emotion)? If yes, how did he or she react? How do you believe he or she understood your (emotion) except via your facial expression? Did your body posture or the tone of your voice made it obvious?		✓	✓		
Source	<i>Elfenbein & Ambady, 2002.</i>					
Interview Question: 7	The fact that the employee could/ or could not understand your (emotion), was it irritating or beneficial? Did you prefer that she or he would / would not be able to understand your (emotion)?		✓	✓		
Source	<i>Elfenbein & Ambady, 2002.</i>					

INTERVIEW QUESTIONS TO THE FOREIGN CUSTOMERS		REASERCH QUESTIONS				
		1) What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?	2) What is the role of EI, in terms of the ability to:		3) What is the impact of EI's abilities on the development of affective trust?	
			2 a) accurately perceive negative emotions, both in oneself and others?	2 b) understand negative emotions along with the signals conveyed by these emotions?		2 c) manage and regulate negative emotions to achieve goals?
Interview Question: 8	What did you expect from the employee? What reactions could have minimized your (emotion) and respectively enhance trust towards the employee?				✓	✓
Source	<i>McAllister, 1995; Dowell et al., 2015</i>					
Interview Question: 9	What kind of attitudes, right after you experienced (emotion), would you have perceived as warm and caring?				✓	✓
Source	<i>Johnson & Grayson, 2005; Chai & Dibb, 2014</i>					
Interview Question: 10	Did you feel that the FSE was only interested in selling you products? If yes, what made you to reach to this conclusion?					✓
Source	<i>Johnson & Grayson, 2005</i>					
Interview Question: 11	What was the barrier that stopped you from talking freely about your problems?					✓
Source	<i>Johnson & Grayson, 2005; Chua, Morris & Mor, 2012; Chai & Dibb, 2014;</i>					

Table 3.3: Interview Questions that investigate the Research Questions – FSEs

INTERVIEW QUESTIONS TO FSEs		REASERCH QUESTIONS				
		1) What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?	2) What is the role of EI, in terms of the ability to:	2 a) accurately perceive negative emotions, both in oneself and others?	2 b) understand negative emotions along with the signals conveyed by these emotions?	2 c) manage and regulate negative emotions to achieve goals?
Interview Question: 1	Please try to remember an encounter you had in a bank as a FSE with a foreign customer, during which negative emotions aroused, that influenced customer's trust towards you.	✓				
Source	<i>Bitner et al., 1990; Bitner et al., 1994; van Dolen et al., 2001; Lin, Nguyen & Lin, 2013. The form of these questions is based on the CIT..</i>					
Interview Question: 2	Can you describe what happened, what has been said, what you saw, what you experienced and what were the reactions?	✓				
Source	<i>Bitner et al., 1990; Bitner et al., 1994; van Dolen et al., 2001; Elfenbein & Ambady, 2002; Lin et al., 2013. The form of these questions is based on the CIT.</i>					
Interview Question: 3	a) What were your emotions?	✓	✓			
	b) What was the emotional state of the customer?	✓	✓			
Source	<i>Gross, 1998; Elfenbein & Ambady, 2002.</i>					

INTERVIEW QUESTIONS TO FSEs		REASERCH QUESTIONS				
		1) What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?	2) What is the role of EI, in terms of the ability to:			3) What is the impact of EI's abilities on the development of affective trust?
			2 a) accurately perceive negative emotions, both in oneself and others?	2 b) understand negative emotions along with the signals conveyed by these emotions?	2 c) manage and regulate negative emotions to achieve goals?	
Interview Question: 4	Did any thoughts alleviate your emotion and impact your behaviour?		✓	✓	✓	
Source	<i>Keltner, Ellsworth & Edwards, 1993; Bodenhausen et al., 1994; Gross, 1998; Lerner & Keltner, 2001.</i>					
Interview Question: 5	How did you express/behave when (emotion) was generated?				✓	
Source	<i>Gross, 1998.</i>					
Interview Question: 6	How did the customer react? How do you believe he or she understood your (emotion) except via your facial expression? Did your body posture or the tone of your voice made it obvious?		✓	✓		
Source	<i>Elfenbein & Ambady, 2002.</i>					

INTERVIEW QUESTIONS TO FSEs		REASERCH QUESTIONS				
		1) What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?	2) What is the role of EI, in terms of the ability to:			3) What is the impact of EI's abilities on the development of affective trust?
			2 a) accurately perceive negative emotions, both in oneself and others?	2 b) understand negative emotions along with the signals conveyed by these emotions?	2 c) manage and regulate negative emotions to achieve goals?	
Interview Question: 7	<p>a) The fact that the customer could understand your (emotion), was it detrimental?</p> <p>b) Were you able to understand the customer's emotions? If yes, do you believe that this was beneficial or irritating to the customer?</p>		✓	✓		
Source	<i>Elfenbein & Ambady, 2002.</i>					
Interview Question: 8	<p>a) What reactions could have minimized your (emotion)?</p> <p>b) What reactions could have minimized customer's (emotion) and respectively enhance his or her trust towards you?</p>				✓	✓
Source	<i>McAllister, 1995; Dowell et al., 2015.</i>					
Interview Question: 9	What did you feel when you first saw the customer? What did you expected?					✓
Source	<i>McAllister, 1995; Dowell et al., 2015.</i>					

INTERVIEW QUESTIONS TO FSEs		REASERCH QUESTIONS				
		1) What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?	2) What is the role of EI, in terms of the ability to:			3) What is the impact of EI's abilities on the development of affective trust?
			2 a) accurately perceive negative emotions, both in oneself and others?	2 b) understand negative emotions along with the signals conveyed by these emotions?	2 c) manage and regulate negative emotions to achieve goals?	
Interview Question: 10	What kind of attitudes do you believe should you have done in order for the customer to perceive it as warm and caring?				✓	✓
Source	<i>Johnson & Grayson, 2005; Chai & Dibb, 2014.</i>					
Interview Question: 11	What do you believe the customer expected from you in order to talk freely about his or her problems?				✓	✓
Source	<i>Johnson & Grayson, 2005; Chua et al., 2012; Chai & Dibb, 2014.</i>					
Interview Question: 12	What attitudes can create the impression to foreign customers that you are only interested in selling products?				✓	✓
Source	<i>Johnson & Grayson, 2005.</i>					

These interview questions, being part of the CIT, indicate that the interviews could become largely unstructured. Nevertheless, the researcher, as suggested by Chell and Pittaway (1998), acquired a sound understanding of the theoretical background of the various constructs. In this way, the researcher was able to detect the topics that needed more investigation and adapted accordingly to each informant.

The researcher chooses to avoid bounding the timeframe during which the critical incident took place. The reason is because, since the informants memorised a specific incident for a long time and choose to report it, this indicates that the incident has had a substantial emotional impact. This argumentation is justifiable (van Dolen et al., 2001).

It is easy to observe, that the aforementioned questions, both research questions and interview questions, aim to reveal the perspectives of employees and customers on the same subject, which is the role of perceiving, understanding, managing and regulating negative emotions in order to enhance trust during ICSEs. The aim of posing these questions to the employees and the customers is to be able to correlate their perspectives.

In summary, this research will contribute to the development of theoretical and practical knowledge, because not only there is very limited research in the correlation of employees and customers' views, but also because the existing findings are contradicting (Bitner et al., 1994). The usage of the same questions aims to reveal and explain the underlying socio-psychological processes that take place during an ICSE.

3.5.7 Data Analysis

This study applies a qualitative research approach in analysing the collected data, namely, template analysis (King, 2004). The objective of this approach is to construct a template through which the textual data set can be interpreted. Some of the themes were identified a priori from the literature review and a preliminary analysis of the pilot interviews, thus creating an initial template, but most of them were identified during data analysis. The analysis of the whole data set then serves to develop the final template which was developed according to the abovementioned research questions. NVivo 10 assisted and enhanced in-depth analysis, comparison of perspectives and emerging themes, unfolding with the literature and theory building. The following chapter (Chapter 4: Data Analysis

and Discussion) delineates in a more comprehensive manner the data analysis technique applied and the use of NVivo 10. In addition, all interviews were coded and, as suggested by King (2004), the researcher applied quality checks and reflexivity in order to improve the reliability and quality of the coding process. Quality checks were applied in two ways. First, the researcher and an independent researcher coded a sample of the data separately and then differences were resolved, thus adjusting the initial template accordingly. Second, the supervisory team reviewed the template at all stages of its development. Continuing, reflexivity is defined as the researcher's assessment of his or her own association and perspectives with the research questions and topic under investigation, as well as the way it affects the research findings (Sidani & Ariss, 2014). The nature of the research topic could be personal in nature as sensitive issues that dealt with emotions took place, and a deep personal involvement could bias research assumptions, and consequently research findings. Hence, to avoid such biases, the researcher's supervisors iteratively reviewed the coding process, the development of the template, and the generation of themes emerging from the data analysis.

3.6 Data Quality Issues

According to Gummesson (1991) the researcher will have to confront and overcome some challenges regarding the data quality issues. Firstly, the researcher needs to access reality, which means to acquire the empirical data that would be the base for further analysis. Secondly, a researcher should have the required pre-existing knowledge on the field of interest in order to secure the understanding and to attain the knowledge needed during the research. Thirdly, the researcher needs to ensure the quality of the research, such as the reliability and validity. Long and Johnson (2000) state that reliability and validity have the same meaning irrespective of research tradition and there is no gain by changing labels. In this view, reliability and validity in qualitative research, the methodological approach in which this research project falls into, are defined as the means for achieving rigor in the research through using verification techniques (Morse, Barrett, Mayan, Olson & Spiers, 2008). The applied verification strategies are explained below.

3.6.1 Credibility

At this point, the researcher wishes to unriddle some of the basic ambiguities regarding the quality of case study strategy. One of the most important issues is the credibility and expertise of the researcher. Since the collection of data depends greatly upon the researcher's virtuosity, it is important that the researcher acknowledges it and makes sure that he or she ameliorates the skills required for the case study (Flyvbjerg, 2006). In the same vein, Berg (2001) also highlights that the researcher should be familiar with the interviewers' world.

The present researcher took a number of measures to assure that the quality of her skills would not be under dispute. Firstly, the researcher must have context-dependent knowledge and concrete experience which is achieved through the proximity with the reality under investigation. The researcher worked three years at a branch as a FSE and five years in the Human Resources Department, where she reviewed FSEs' annual appraisals.

In addition, when the research requires qualitative data, the researcher has to achieve credibility (Saunders et al., 2007). This is important especially in a case study and more precisely during an interview, as the researcher must have high scientific (Flyvbjerg, 2006) and interpersonal skills. The researcher arranged, at an initiatory stage, the conduction of seminars with banking employees in order to become even more familiar with the banking industry's reality and at the same time practice the skills of co-ordinating and moderating a discussion. Also, the credibility of the researcher in the participants' eyes is strengthened by the researcher's academic knowledge on the topic (Saunders et al., 2009). The researcher has pored over the theoretical background of the research's constructs in order to arouse credibility and trustworthiness.

Furthermore, the credibility of the interviewer is reflected on the interviewee's willingness to share sensitive data (ibid.). The researcher reassured informants that their responses will remain anonymous and that they should feel free to share their true thoughts and emotions without caring about what their boss would have wanted them to say. The researcher reassured FSEs and customers that she would not disclose, throughout the interview and the data analysis process, neither the participants' names nor the name of the relevant banking institutions.

At the same time, intrapersonal skills are considered of great importance during the exclusive interviews. For that reason, the researcher contacted a counsellor in order to discover herself and have the confidence and aggressiveness in handling difficult cases. Before even the conduction of the first interview, the researcher had already attended a significant number of sessions. This commitment and dedication of money and time proved to be a great investment, as the researcher was enlightened in how to manage constructively emotions and to remain passionate throughout the research. Moreover, these sessions helped the researcher find ways of being lengthily focused. Similarly, Hans Eysnck (1976, as cited in Flyvbjerg, 2006) highlighted the importance of learning through the careful observation and focus on a case.

3.6.2 Validity

Validity exists when the findings reflect and represent the reality (Saunders et al., 2009). The current study should be more aware for protecting internal than external validity, because external validity has to do more with testing theories and verifying patters (ibid.)

The adopted strategy, which is the case study strategy, allows the researcher to approximate reality, protecting the research from misconceptions, which could have shaken the foundation of the research (Flyvbjerg, 2006). Thus, in case of identifying possible flaws in the researcher's reasoning, the researcher can revise his or her initial arguments and continue firmly with the research.

In addition, case studies can test theories, generate theories and provide descriptions (Eisenhardt, 1989). Although there are academics who believe that it is difficult to generalise through a case study, there are some others who claim that case studies may reveal the so called "black swan" (Flyvbjerg, 2006). Namely, an in-depth investigation of a case may provide an example which could contribute to the refutation of a theory. Such a spark may demand further investigation and research in order to revise or even reject that a specific theory is no longer indisputable (ibid.).

Since the validity of the findings is a sine qua non for the quality of the research, the researcher should be very observant and flexible in order to comprehend not only the words, but also the emotional form of the text. The researcher, as a symbolic interactionist, is expected to interpret not only the text, but also the described actions and setting (Goulding, 2002). In doing so, the researcher takes advantage everything that a qualitative method offers, including the capturing of the tension, the hesitation, the contradictory

sensations and the posture (Fineman, 2004). In order to benefit from these advantages, the researcher adopted interviews using the CIT, because “storytelling” can capture the “emotional messiness” (Waldron, 2000, p. 64). The CIT allows the interviewees to describe in detail and in their own words a critical incident based on their own perception (Edvardsson, 1992). Since this is a verbal method, there is a risk of misunderstanding (ibid.). However, as mentioned earlier, the researcher is familiar with the phenomenon under investigation due to previous working experience, something that ameliorates the quality of the responses (ibid.). In addition, the researcher in order to ensure that there is no misapprehension, confirmed the correctness of the received messages through a number of follow-up questions during the interviews. Also, the researcher transcribed the interviews right after their completion in order to ensure accuracy and precision (ibid.).

In addition, the researcher chose to conduct a holistic approach, interviewing both actors of the ICSEs. This decision was the result of the notion, that during an interaction an individual acts according to the interpretations he or she makes for other’s actions, a notion that reflects SI. The researcher enhances the research validity by taking into consideration both sides. Thus, biased and one-sided results are avoided (Blumer, 1966; Mayer et al. 1995; Ritchie & Lewis, 2003).

3.6.3 Reliability

As aforementioned, the researcher considers the quality of the research of high importance. One of the important quality issues is the research’s reliability. Reliability refers to the findings of the research and whether in a repetition of the same research the results obtained will be the same. This means avoiding participant error, observer bias and observer error. As mentioned earlier, the researcher is using non-standardized research methods, which means that is not vitally necessary for the findings to be repeatable.

The researcher investigates ICSEs under specific circumstances, which are rated highly complex, dynamic, and consequently alternated (Marshall & Rossman, 1999). The researcher transcribed the interviews herself adding the extra notes and reflections about each informant. Nevertheless, the researcher separated her notes from the informants’ transcripts (Flick, 2009). During the data analysis process, the researcher quoted informants’ statements, demarcating raw data from their interpretation. Then, the researcher transferred the data into NVivo 10 and re-read the text to minimize bias and omissions. The themes and sub-themes were discussed with other researchers to ensure credibility and accurateness (Flick, 2009).

Nonetheless, the researcher is thoroughly descriptive about the selection and processes, in order to allow other researchers to observe the whole procedure from scratch.

Moreover, the researcher provides a detailed description of the research design and analysis because she wishes to allow replication of the research, to the best possible extent. The scholars can learn both from this study and in comparison to other studies which employ different methods. Trying to achieve transparency, next chapter describes in detail the analysis of the collected data (Chapter 4: Data analysis and Discussion). However, it is not feasible to arrive at the exact same results because researchers have different cultural backgrounds and values that affect the way they perceive meanings and interpret data. In addition, the researcher followed a contextual approach, the banking industry of Cyprus, which indicates that through certain adjustments and modifications the outcomes of this thesis could be applied in similar research contexts.

3.6.4 Ethical Considerations

As already illustrated, this research project abides by the rules and guidelines outlined in the University of Gloucestershire's (2008) Ethics Handbook. In particular, during the interview process, the researcher preserved the anonymity of the interviewees. In order to do so, the researcher refers to the interviewees with numbers in order to protect them from other parties, whose interests contradict with those of the interviewees (Bloom & Crabtree, 2006). Lastly, the obtained data were electronically stored in a password-protected file on the researcher's computer and they will be destroyed after the research is completed.

Moreover, the participation in the research process was on a voluntary basis. The researcher enlightened the interviewees with adequate information about the purpose of the research study providing an official letter (Appendix C). Nevertheless, the interviewer has obtained interviewees' verbal consent during the interviews several times so as to provide them the opportunity to reconsider their participation (*ibid.*). Towards this end, participants were given the right to withdraw from the research study at any time (Saunders et al., 2009).

As aforementioned, the interview questions were reviewed by an independent academic professor in the area of psychology, who confirmed that their content could not offend or harm the participants in any possible way (Creswell, 2007).

3.7 Conclusion

This chapter elaborated on the way of collecting the primary data of this research. It described the espoused epistemological and philosophical position, as well as the research strategy and methods. The researcher highlighted the importance of ensuring the quality of the collected data as well as the compliance with the provided ethical guidelines.

The next chapter delineates the analysis of the collected data, which would allow the development of theory. This part of a case study research is considered to be the most challenging, owing to the enormous amount of data (Eisenhardt, 1989).

Chapter 4: Data Analysis and Discussion

4.0 Introduction

Flanagan (1954) suggests that the aim of the data analysis stage is “to summarize and describe the data in an efficient manner so that it can be effectively used for many practical purposes” (p. 19).

As mentioned above, the researcher collected rich qualitative data, which in the field of business may give a more substantial basis for interpreting a particular phenomenon (Hussey & Hussey, 1997). The researcher collected the data through in-depth semi-structured interviews. She adopted the CIT, as a tool, to identify the perceptions and notions of people in order to understand and provide recommendations for improvement.

Due to the fact that case study strategies produce a considerable number of data, researchers are encouraged to become intimately familiar with every single case in order to be able to make comparisons between cases (Eisenhardt, 1989). Researchers, in order to produce accurate and reliable theory, tend to organize the huge volume of data by selecting themes within each case enabling the detection of similarities and differences. In addition, they select pairs of cases and as pairs detect possible similarities and differences (Eisenhardt, 1989). Then, they tie the emergent concepts with the extant literature, both conflicting and similar (Eisenhardt, 1989). The conflicting results enhance creativity and the similar findings enhance internal validity and offer higher conceptual level (ibid.).

When it comes to humanity there is a need for a thick description and an interpretative analysis (Geertz, 1973). The researcher agrees with the notion that the understanding of how something is meaningful for an individual remains subjective and thus the data analysis process inductive (Edvardsson, 1992). Consequently, the researcher analyses the collected data in a qualitative way including non-numerical attributes (Hussey & Hussey, 1997).

First, the researcher justifies the selection of template analysis, which is the adopted data analysis method, along with the computer-assisted qualitative data analysis software. Then, the researcher refers to the CIT, since the critical incidents detailed by the respondents constituted the basis of the data analysis method. Last, the researcher analyzes the collected data.

4.1 Method of Data Analysis

As stated earlier, the critical incidents detailed by the respondents constituted the basis of the data analysis method. The nature of the present study calls for an inductive data analysis method, and thus deductively based analytical strategies and procedures are not suitable for the present research. The reason is because deductively based analytical strategies involve the prediction of theoretical explanations that aim to fit to the derived data (Thorne, 2000). For example, in Pattern Matching the researcher explains the expected findings based on theoretical propositions, whereas in Explanation Building the researcher tests a theoretical proposition (Amaratunga, Baldry, Sarshar & Newton, 2002).

On the other hand, inductively based analytical strategies and procedures do not involve a predetermined theoretical basis. In these strategies the researcher remains flexible in order to comprehend and incorporate any aspects that emerge from the environmental context of the research. Nonetheless, the researcher needs to be erudite in the specific subject and be able to collate the collected data with the existing theory (Thorne, 2000; King et al., 2004).

4.1.1 Template Analysis

There are a number of inductively based analytical strategies. The most appropriate inductively based analytical strategy for the present study is the template analysis. Template analysis was developed by King and it refers to the set of techniques that produces a list of codes that represent the themes that had been identified in the collected textual data (King et al., 2004). The adoption of this strategy has been growing in the field of business research (Waring & Wainwright, 2008).

First and foremost, template analysis fits perfectly to the researcher's epistemological approach, as a symbolic interactionist, because this method provides rich descriptions via the examination and interpretation of the collected data (King et al., 2004). This kind of examination has been applied to the interview transcripts. Namely, the researcher approaches the matter of affective trust from differing perspectives, namely the employees' and customers', and then reflects upon the conducted interviews. The reflection and the comparison of the perspectives produce a rich description of the textual data (ibid.). In addition, the sample size, which is 21 interviews, is an appropriate number for this kind of analysis (ibid.).

Template analysis combines elements of the inductive and deductive approach (ibid.). The researcher sets a number of predetermined codes which derive from the existing literature and in the process adjusts them according to the analysis of the collected data (Saunders et al., 2007; Waring & Wainwright, 2008). The data are categorised and unitised. The selected codes, which are placed hierarchically, aim to identify the themes. The repositioning of those codes while analysing the collected data, may reveal possible issues and consequently new codes. The “themes” describe the participants’ perceptions and experience derived from the critical incidences, which are relevant to the phenomenon under investigation, whereas “coding” refers to the process of labelling a significant part of text in order to relate it to a theme.

Other approaches of interpreting data, like for example the content analysis and the grounded theory, were not suitable for the present study. For example, the researcher did not wish to statistically analyze the data, neither to solely adopt predetermined codes. This is why, content analysis was not suitable. In addition, having no a priori codes, like grounded theory, is also not suitable. On the contrary, the researcher believes that template analysis is the most appropriate approach for the present study because the aim is to use the existing knowledge as a basis and then incorporate the new codes that derive from the collected data. The categorisation of data aims to identify and explore the themes. The researcher creates an initial template with ‘a priori’ codes and then applies it so as to analyse the interviews. The initial template will then be revised due to the emergent data. This constructive exploration of the data allows the in-depth understanding, as opposed to content analysis and the examination of the frequency of the predetermined codes (King et al., 2004).

4.1.3 The Process of Template Development and NVivo 10

Following King et al. (2004), the researcher formulated the initial template based on the literature review, interview guide and the pilot interviews. Themes and sub-themes reflected the “Nodes” and “Child nodes” in NVivo 10, respectively. The themes are in line with the research objectives and research questions of this DBA thesis, as illustrated in the table below (Table 4.1: Initial Template: Themes that correspond to the RO and RQ)

Table 4.1 Initial Template: Themes that correspond to the ROs and RQs

RQ	RO	THEMES & SUB-THEMES	
		No	NAMES
1 & 2	1,2,3,4,5,6	1	The impact of EI's abilities on the development of affective trust
		1.1	Perceiving emotions
			1.1.1 Foreign Customer's viewpoint
	1,4,5,6	1.1.2 FSEs' viewpoint	
		1.2	Understanding emotions
	1.2.1 Foreign Customer's viewpoint		
	1.2.2 FSEs' viewpoint		
	2,3,4,5,6	1.3	Regulating emotions
			1.3.1 Foreign Customer's viewpoint
			1.3.2 FSEs' viewpoint
3	5 & 6	2	ICSEs and Affective trust
		2.1	Intuitive
			2.1.1 Foreign Customers' viewpoint
		2.1.2 FSEs' viewpoint	
		2.2	Relational
			2.2.1 Foreign Customers' viewpoint
			2.2.2 FSEs' viewpoint

The researcher used the initial template to analyze the interview transcripts. The coding process includes the assessment of each code regarding its significance. The interviews gave rise to important pylons, something that reformed the initial conceptual framework making it more accurate and solid. The repositioning of the themes and the addition of new sub-themes while analysing the collected data revealed issues and consequently new sub-themes. The table below shows the final template for the data analysis (Table 4.2: Final Template: Themes that correspond to the RO and RQ)

Table 4.2 Final Template: Themes that correspond to the ROs and RQs

RQ	RO	THEMES & SUB-THEMES		
		No	NAMES	
1 & 2	1,2,3,4,5,6	1	The impact of EI's abilities on the development of affective trust	
	1,4,5,6	1.1	Perceiving negative emotions	
		1.1.1	Foreign Customer's viewpoint	
		1.1.2	FSEs' viewpoint	
	1,4,5,6	1.2	Understanding negative emotions – Critical Incidents	
		1.2.1	Foreign Customer's viewpoint on Critical Incidents	
		1.2.2	FSEs' viewpoint on Critical Incidents	
		2,3,4,5,6	1.3	Regulating negative emotions
			1.3.1	Foreign Customer's viewpoint – re-appraisal
	1.3.2		FSEs' viewpoint – suppression & avoidance	
	3	5 & 6	2	ICSEs and Affective trust
			2.1	Affective Trust - Intuitive
2.1.1			Foreign Customers' viewpoint	
2.1.2			FSEs' viewpoint	
2.2			Affective Trust - Relational	
2.2.1			Foreign Customers' viewpoint	
2.2.1.1			Cross - Selling Approach	
2.2.1.2			Communicating negative emotions	
2.2.2			FSEs' viewpoint	
2.2.2.1			Cross - Selling Approach	
2.2.2.2			Communicating negative emotions	

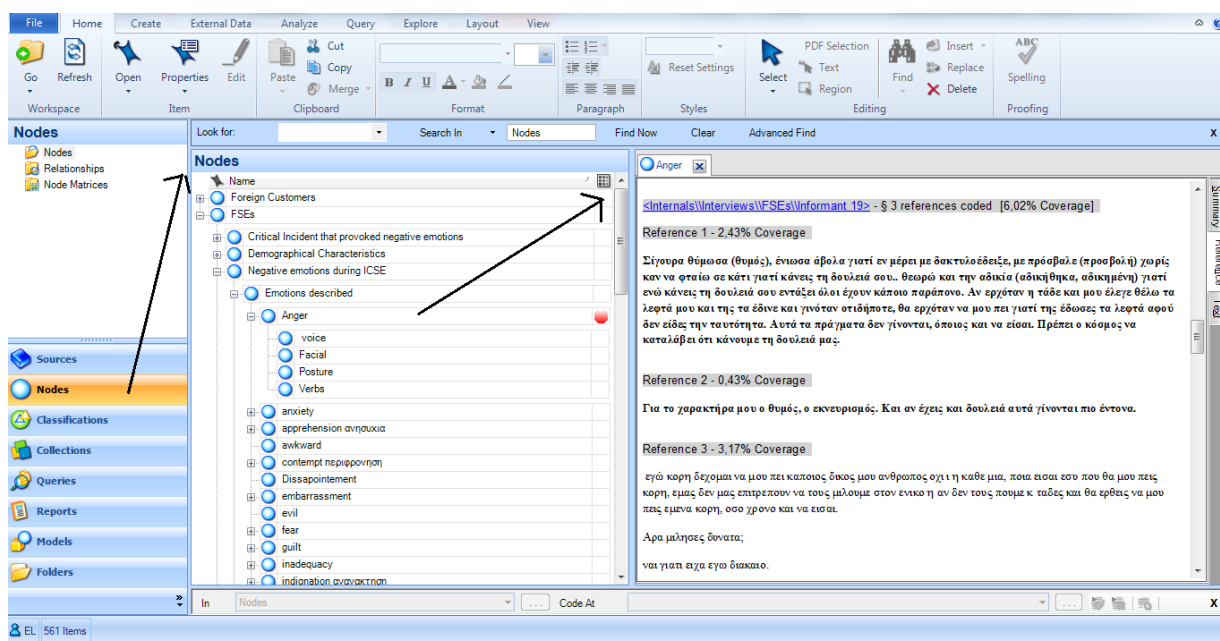
Corresponding Nodes in NVivo 10

The researcher achieved familiarity with the data via the re-reading of the textual data, as suggested by King et al. (2004). Following the same author (ibid.), the researcher closely inspected the data and with the help of NVivo 10, managed not only to develop the emergent codes but also to create causal linkages between the codes and the themes. Regarding the definition of the themes, the researcher received valuable guidance by the

supervisors in order to ensure that their definitions would ultimately assist the exploration of the data and successfully address the research questions (ibid.).

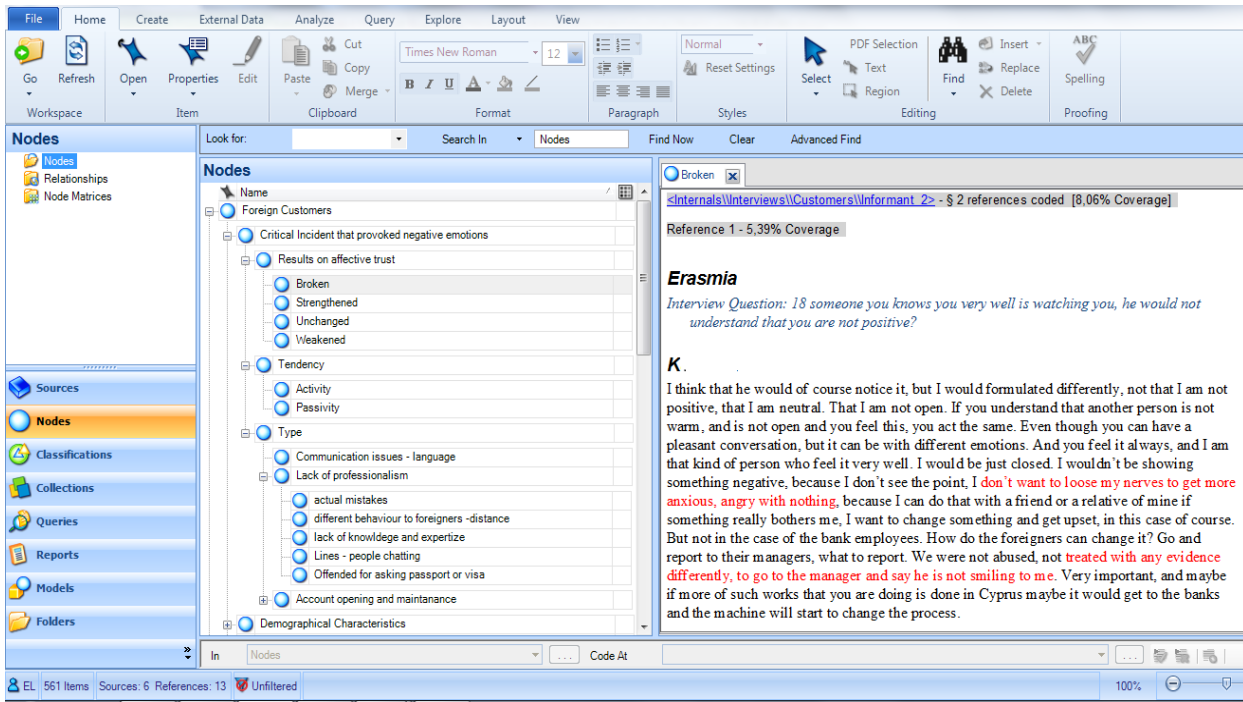
The following figures present the corresponding codes and child nodes in NVivo 10. These tools helped the researcher investigate the relationships in the transcripts. These working screens are an illustrative example of how the researcher managed the data and preserved the emerged ideas. For example, Figure 4.1 illustrates how the researcher categorized negative emotions. As already mentioned, the researcher separated FSEs' from foreign customers' transcripts. Accordingly, separated nodes were created for each category. This figure presents FSEs' negative emotions that were detected in the Literature Review and the interview transcripts.

Figure 4.1: Working Screen in NVivo of Negative Emotions



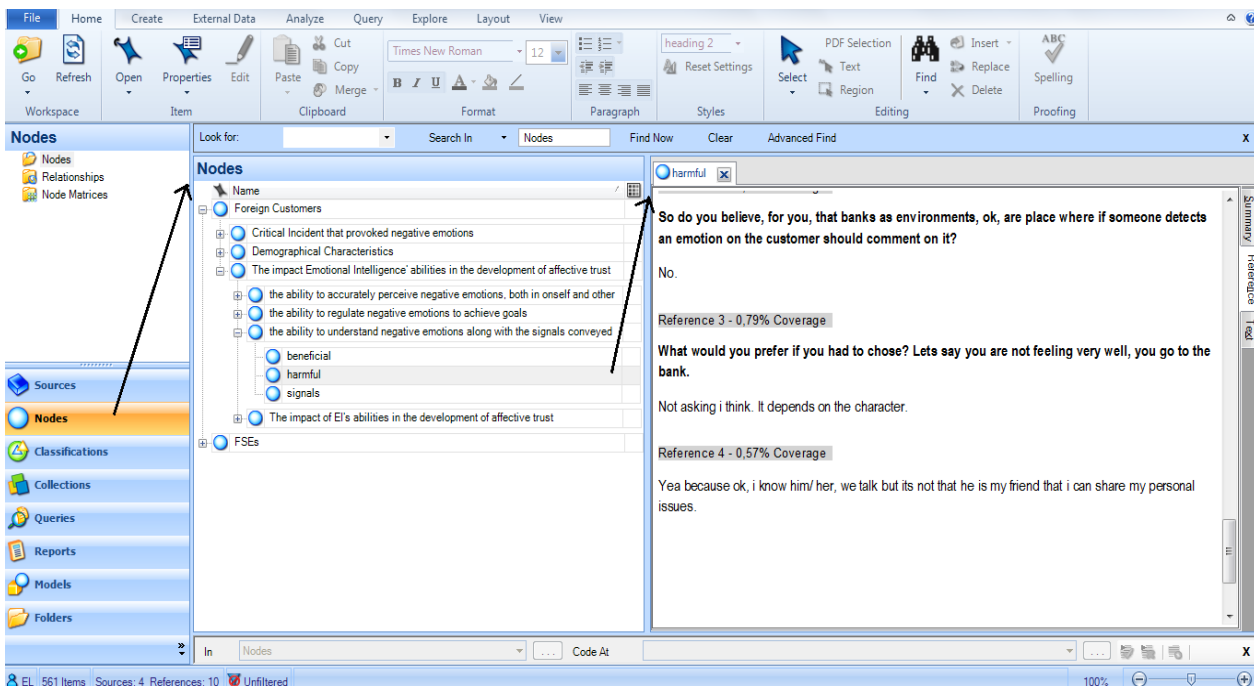
The following working screen (Figure 4.2) presents foreign customers' narrations on critical incidents. The researcher created child nodes in order to further analyze the critical incidents. Similar nodes and child nodes were created for the FSEs.

Figure 4.2: Working Screen in NVivo of Critical Incidents



Last, Figure 4.3 presents the corresponding nodes and child nodes on the way EIs' abilities impact the development of affective trust. This figure represents foreign customers' point of view. Similar nodes and child nodes were developed for FSEs.

Figure 4.3: Working Screen in NVivo of EI and Affective Trust



4.2 Data Analysis and Discussion

As mentioned earlier this doctoral investigation aims to explore how negative emotions can be successfully regulated during an ICSE in the retail banking industry of Cyprus. For this reason, the focus was on the negative critical incidents. The selection of participants was based on certain criteria, which were described in the previous chapter (section 3.4.2.3: “Informants: FSEs and Customers”). In summary, as regards to the FSEs, the requirement was that they were experienced and worked in local retail banking institutions. The critical incident was to be seen from the perspective of the foreign customer too. As regards to the customers, the requirements were that they were non-native customers of local retail banking institutions and lived in Cyprus for less than 10 years. The critical incident was to be seen from the perspective of the FSE too.

As suggested by Flanagan (1954), the critical incidents were classified by an additional independent researcher. The majority of the critical incidents were classified by the two researchers in the same way, approximately 85%. The emergent differences were resolved through discussion.

Regarding the end result of the critical incidents, the analysis confirmed that negative encounters evoke negative emotions that hinder the development of affective trust between the FSE and the foreign customer. From the FSEs’ as well as the foreign customers’ perspective the lack of “professionalism” is thought to create most critical incidents. The researcher tried to convey the informants’ point of view through quoting. In doing so, the researcher lifted extracts from the informants’ narratives and placed them under the created categories. Informants’ anonymity has been preserved and the researcher uses numbers instead of their names.

4.2.1 Sub-theme 1.1: Perceiving Negative Emotions

4.2.1.1 Sub-theme: 1.1.1 Foreign Customers

According to the foreign customers’ perspective, critical incidents provoke negative emotions that can be detrimental to the development of affective trust. The analysis of the interviews revealed that participants reported perceiving various emotions and emotional states of negative valence. Some informants reported anger, annoyance, anxiousness, confusion, disappointment, disgust, embarrassment, frustration, irritation, shock, stress,

guilt, fear, contempt, inadequacy, discomfort, misery, and offence. However, most of the participants highlighted anger, irritation and frustration.

An illustrative example of the aforementioned emotional states is the one expressed by I#1. This customer was convinced that the reason for his inconvenience was the fact that he was a foreigner. The critical incident can be briefly described as follows: initially the customer went to the bank to cash a cheque and the FSE rejected his request returning the passport with the cheque in a rather detached way. Then she provided insufficient information regarding the required documents and the customer lost valuable time and energy. He revealed that:

“She didn’t care, I was embarrassed, angry, disappointedI was angry because of the way she talked to me and disappointed because I said that this only happens to me.” I#1

Another critical incident that provoked negative emotions is the one described by I#3. This foreign customer wanted the first letter of her surname that was shown on her visa card to be written just like her ID card and not like her passport, because it was misspelt. The FSE insisted that this was not possible and did not attempt to assist her to resolve the issue. She admits that her main problem was the fact that the FSE did not show any empathy and did not even bother explaining to the customer why this request was not possible. The customer did not give up and after several attempts she managed to correct her initial letter, but she cannot forget her frustration:

“...They told me that I couldn’t change it on my visa card and I was very frustrated. It would have calm me down if she had told me that she understood what I was asking and that she agreed with me....and if she told me politely that for these reasons this is not possible...to give a me reason and tell me that I was right... ”
I#3

The next quotation describes the emotional state of a foreign customer who also experienced frustration and anger. Interviewee I#4 explained that she repeatedly requested something from the FSE but the FSE did not even try to do something to assist her. This participant was constantly comparing the Cypriots FSEs with the Russian FSEs to justify her anger and frustration. In that particular critical incident she was able to control the expression of her emotions only at the beginning. At the end, she was unable to hide these two intense emotions and did seek confrontation:

“First I didn’t show it. I realised that this is another country, other ways of work and other procedures, but at the end when some things are very ridiculous.... I wasn’t shouting but from the way I spoke and from the look on my face I think it was obvious that I was angry.... I experienced frustration and anger because they were not trying to do anything to help me ...” I#4

Another participant, I#9, recalled an encounter she had with a FSE right outside a branch. Even though she mentioned that she does not usually allow herself to get angry, that particular day she could not control her intense emotion. She tried to explain to the employee that every morning, a lot of customers, including herself, need to withdraw cash from the ATM. Nevertheless, they cannot because the employees are loading the ATM at that specific time. As a result, the customers do not have any other alternative because during this time all the branches are still closed. As she explained, not only the FSE did not attempt to assist her to resolve the problem but he responded with an ironic comment. She admitted that his attitude was the reason she got angry. After that critical incident she never entered the specific branch again, even though it is the most convenient one. She describes:

“There was a time that I was angry at a FSE that was right outside the bank..... I told him that every morning I visit their branch and I cannot withdraw any money....but this is the time people go to their jobs and need money... and I asked him if they could change the time...I got the courage to ask him because he was standing there, smoking, being very relaxed, whereas I was in tense because I was going to be late for work. He got angry and told me that this particular time the ATM is loaded and that I should pass another time!” I#9

Someone can observe that the interviewee repeated the name of the emotion twice. This was obvious in other transcripts as well. This repetition shows that the respondents felt it not only a minute but over and over during the critical incident. The intense emotion colours the memory of the critical incident. For example, participant I#4 trying to describe something that usually annoys her when she goes to the bank, she repeated verbatim the word “annoy” several times. Nevertheless, the interviewee did not report making any complaints about it. Here follows an indication:

“In Cyprus people work slowly because of the way they live. For example, in my bank they are very slow and the FSE doesn’t know how to do simple things. It was very annoyingI had to wait for a long time and then for a 5 minutes job he

was sitting not knowing how to do make the transaction....slow...calling someone to ask and this is annoying. ...”. (I#4)

Even though this emotion was not included in the initial conceptual framework, it emerged twice. Respondent I#11 explains how she feels:

“..I do feel discriminated in the bank because I am not Cypriot... First of all you can see the discrimination from the facial expression, I love this thing. So I am approaching the counter and I am speaking Greek and you can see this, they are trying so hard to focus to understand you (!). This is very annoying but ok. And the moment I show my ID, and it is not a Cypriot ID, this is the stage two, I understand that I am not a target.” (I#11)

Respondent I#11 became very upset while describing the FSEs’ reactions. It was obvious that she was mentally re-living the moment of discrimination. Her gestures were very expressive and the interviewer could observe the tension in her eyes.

As aforementioned, a lot of foreign customers experienced irritation due to the FSEs’ lack of care and professionalism. In the next example, foreign customer I#5 was extremely irritated because the FSEs didn’t attempt to help her resolve the issue she had with her visa card. On the contrary, she went three times to the branch only to realise that the card was not ready yet. What irritated her was the fact that the FSEs would not agree to call her when the card was ready, because it was not the policy of the Bank. After this discomfort they agreed to call her when the visa card was ready but of course the customer received no compensation for the inconvenience. She stated:

“It was a different FSE...by coincidence his colleague who took my first application was right next to him. He told me, that my visa card should definitely be there. Nevertheless, when they checked they realised that it was not there yet. They told me that everything was ok and that there was no problem, and that I should pass again. I was irritated for wasting my time.... I did not want to make a scene...but they could see it in my eyes...” (I#5)

Informant I#8 experienced a similar critical incident that caused her irritation. This customer wanted to issue a card and the FSEs, instead of informing her about all the required documents at hand, every time she went to apply they were asking for a new document. She describes the day she was irritated:

“I said I was disappointed and I asked them why... I told them how irritating and unacceptable this was. I insisted that they should tell me exactly what they need...I raised the tone of my voice.....Only then did the FSE called someone to make sure what documents were actually required”. (I#8)

The abovementioned narrations illustrate that the provoked negative emotions have had a determinative impact on the customers’ relationship with the FSEs and the organization. This finding is in line with the literature which suggests that negative emotions are very important because they impact the relationship with the customers (Little et al., 2012).

What is interesting is the fact that informant I#11 witnessed irritation on behalf of the FSE. She explained that this critical incident occurred after she changed her ID card. Even though she had provided all the documentations, unfortunately the FSE did not up-date the system. When she went to the bank the FSE could not find her data. She describes:

“She couldn’t find my account and she didn’t show that she cared whether I was anxious or not. She could at least tell me that I shouldn’t worry and that it was just a technical issue. She got irritated, said something in Greek, like oh I cannot find! Maybe somebody can help us!she raised her hands.... I believe that normally I would get angry.....these situations easily make me angry but I had my baby with me and the baby saved the lady from having a really bad day...” (I#11)

Based on the above interviews, foreign customers seem to experience “annoyance” and “anger” during ICSEs. According to Lazarus (1991), “annoyance” shouldn’t be confused with “anger”. Ekman (1993) suggests that “the anger family...would include variations in intensity stretching from annoyance to rage” (p. 386). In other words, people get angry when the incident is very important to them, whereas annoyance is aroused when something is immediately upsetting someone (Lazarus, 1991). When people are annoyed are able to hide their feelings. In case they feel angry, they may find it difficult not to express their anger and there is a possibility that they may seek confrontation in achieving “catharsis” (Lazarus, 1991; Goleman, 2004). This tendency was also detected above. Annoyed interviewees did not show their annoyance and remain passive. When the researcher asked them if they showed their annoyance, they were sure that no one could understand their emotional state. On the contrary, the angry interviewees expressed their anger in various ways, like raising their tone of voice, complaining to the manager, avoiding certain people or even closing the account. In addition, the interviews revealed

irritation too, another emotion within the anger family (Matsumoto & Ekman, 2004). Irritation, just like annoyance, is a milder version of anger (Lazarus, 1996).

The in-depth investigation allows different views to reveal. For example, one informant admitted experiencing guilt, an emotion that had been already detected in the Literature Review. This interviewee (I#6) left her work in the middle of the day to visit her branch in order to do a quick and easy job. Nonetheless, the FSE did not attempt to assist her, encouraged her to arrange it on-line and did not provide any further instructions. Even though she acknowledges that he should have assisted her, his approach made her feel guilty for bothering him. She confessed:

“I felt that it was my fault for asking additional information...for something that I could do from my house... I understood that he wanted me out of the branch...he was unwilling to assist me...I understood that from his voice, he gave me a brusque reply and showed no emotions....” (I#6)

According to Bitner et al. (1990), customers that cooperate with poorly managed organizations experience these kinds of emotions. The FSE should acknowledge the incident, apologize about the created inconvenience, devote time and energy to explain the situation to the customer and offer compensation when feasible (ibid.).

The interviews with the foreign customers revealed various negative emotions that emerge during an ICSE in the banking industry. When the informants were asked to recall the critical incidents, informants were able to describe a lot of negative encounters, and the majority of them were coloured with anger, irritation and frustration. This frequency illustrates that critical incidents during ICSEs in the banking industry are not rare.

Informants could easily recall the critical incidents, as if they have told their stories over and over again. The detected frequency of negative emotions aligns with extant literature which states that negative emotions are very important because they last longer and occur more frequently than positive emotions (Little et al., 2012). Also, this finding confirms Friman's (2004) suggestion, that negative emotions elicit a great variety of emotions.

Next, the researcher presents the results from the FSEs' perspective, trying to create a holistic view on the perceived emotions during ICSEs.

4.2.1.2 Sub-theme: 1.1.2 FSEs

The research findings suggest that FSEs experience a lot of negative emotions during ICSEs. Most of them feel angry and others are left with a wounded pride. On the one hand, some are angry with the foreign customers and on the other hand, others experience less aggressive emotions as their pride and self-esteem become wounded. The overall emotions and emotional states that were detected are the following: anger, anxiety, apprehension, awkwardness, contempt disappointment, embarrassment, hostile, fear, inadequacy, indignation, injustice, offended, panic, revengeful, shame, stress, suspicion, tension, wounded pride. Some of them were identified in the Literature Review and shown at the initial conceptual framework, whereas others were detected in the interview transcripts, like hostility and offence.

As aforementioned, a lot of FSEs feel angry during an ICSE. For example, informant I#16 described a critical incident during which both of them, customer and employee, experienced anger. The critical incident can be briefly described as follows: initially, a Russian customer approached the FSE and wanted to cash a cheque. The FSE asked for her ID card. The customer for some reason did not like it and instead of giving her ID to the FSE she threw it at him. The following narrative demonstrates how angry the FSE got, as well as his inability to control the tone of his voice:

“I felt that she underestimated me... she was in a quarrelsome mood...that behaviour made me angry....I wanted to express my anger....kick something with my legs...I raised the tone of my voice to let off steam...of course at the end I had to apologize.” (I#16)

As aforementioned, anger was frequently detected in the transcripts. Another critical incident that provoked anger, was the one described by informant I#19. This FSE was so angry and, thus, unable to control her tone of voice. This critical incident took place when a foreign customer wanted to withdraw money without showing an ID card. The FSE expressed her anger without apologizing for her behaviour. She stated:

“To withdraw money you need your ID card, especially if you are a foreigner, how can you tell who is who! Their names are so similar and they sign with a bizarre way. Their signatures are so similar....She was so impudent as to get angry with me for not being able to remembering her!....I was so angry and felt so offended with the tone of her voice...I told her that her request was rejected!” (I#19)

Another informant that perceived anger is I#18 and explains:

“Even if I wanted to hide it, he could see it in my eyes, he could hear the tone of my voice... Anyone can tell how angry I get especially from the expression of my eyes and less from my body posture” (I#18)

Anger is an emotion widely encountered in the interview transcripts. Informant I#20 describes the anger experienced by a foreign customer. This customer complained for a charge. According to FSE I#20, the customer was right:

“I could see that from the look on his face, his body posture and the rapid movements, and the overall body language...As soon as he said the first sentence he blushed...” (I#20)

In addition, a lot of interviewees admitted experiencing awkwardness, offence and wounded pride during ICSEs. For example, informant I#20 admitted that his pride was wounded during an encounter with a Russian customer. The FSE, trying to be friendly, asked her how her trip to Rome was and she told him that she was not there to talk about Rome. He blamed himself for asking this question and he admits:

“That was an insult....Thank God she didn't say that loud enough to insult me in front of my colleagues....After her response....I lowered the tone of my voice.... To be honest I couldn't think clearly...she couldn't understand what I was trying to explain in English... I couldn't....I asked a colleague of mine to take over her case...” (I#20)

Informant I#20 was very self-conscious while describing the aforementioned event. He did not look the interviewer in the eyes, making his inconvenience more apparent. Similarly, informant I#21 experiences emotions of wounded pride whenever a specific customer from Denmark comments on her ability to speak English. This emotion is even more intense, when the customer laughs about it with his wife. She cannot perceive it as humour. On the contrary she ends up with low self-esteem:

“He stresses me... I am afraid that I will say something wrong... I feel the pressure... I feel inadequate and offended... My self-esteem is low... I keep making mistakes...I am not able to think of the right words...I cannot express myself and I keep saying 'eeee'....” (I#21)

The informants I#20 and I#21 ended up with low self-esteem and wounded pride. Similarly, Hogg, Terry and White (1995) suggest that individuals tend to see “in-group” members more positive than the “out-group” members, as they are more likely to enhance their self-esteem. Low self-esteem and wounded pride froze the informants and made them lose their motivation. This finding is in line with Frenieu (1997), who suggests that negative emotions dampen people’s intellectual activity and hinder their capacity to listen. Also, the findings strengthen Tice, Baumeister and Zhang’s (2004) results who suggest that negative emotions are suspected to reduce the awareness of personal goals, which is also detected in the above narrations.

The next participant describes a similar critical incident. However, informant I#14 did not freeze. He realized that the customer was trying to wound his pride and he reciprocated. He did not regret for not apologizing about his behaviour:

“The customer was from Ukraine...being himself a banking employee at another bank...He approached me and reported that there was a fraud with his card...he wanted his money back. He stated that with a very dry tone of voice...He made me feel inferior... his attitude was very offensive...I wanted to defend myself...I replied with an intense tone of voice trying to pay him back with the same price...”
(I#14)

As stated earlier, people get angry when the incident is very important to them (Lazarus, 1991). They may find it difficult not to express their anger and there is a possibility that they may seek confrontation (Lazarus, 1991; Goleman, 2004). This tendency of seeking confrontation was also detected here.

The interview transcripts revealed critical incidents that provoked revengeful emotions. For example, informant I#12 describes a situation where she felt injustice from the revengeful emotional state of the foreign customer. According to her description, this Australian customer came to the branch to update his personal folder. The FSE asked him a number of questions and the customer provided all the answers. At the end, he refused to sign the documents. The FSE explains her perspective:

“He was acting in a revengeful and spiteful way. When he answered the questions he didn’t show any reluctance...If he showed his negativity from the beginning I would have respected his choice....then he crossed his hand and withdraw into

himself...started raising the tone of his voice... he said that he was sorry but that was his decision... I lost my time and felt indignation and injustice... ” (I#12)

These emotions were detected in another transcript. Informant I#14 was trying to explain to a foreign customer that his request could not be granted. Even though he seemed to understand the situation, he would not accept it. He chose a hostile way to show his dissatisfaction:

“I was trying to tell him that I couldn’t help him...he kept asking the same thing over and over again in a revengeful manner. He was enjoying watching me repeating the same thing...I had to call the manager. It was like he knew how to make me angry... I couldn’t see him in the eyes...” (I#14)

Here, ability of perceiving negative emotions both in themselves and in others is clearly shown from the informant's answer, which is also in line with arguments from extant literature that this ability is universal (Shao et al., 2014).

The interviews revealed various perspectives and viewpoints. For example, a quit different critical incident took place in a small branch, where the FSE wanted to help a foreign customer but his supervisors did not have the same opinion. This informant I#17 describes the supervisor’s hostility toward the foreign customer:

“A customer from Ukraine came to the branch and asked for a specific recommendation letter. I reassured the customer that this was a routine task for me...I prepared the letter and sent it to my supervisor for authorization... Unfortunately my supervisor was totally negative about it... She told me to inform the customer about the fee... however if she wanted to proceed, she had to come after two days to collect it. That was very irrational and I couldn’t understand her negativity. The customer was totally disappointed, left and never came to our branch again. I was offended by my supervisor’s hostility and felt sorry for the customer...” (I#17)

The same interviewee experienced similar emotions when a lady from Nigeria came to open an account. He cannot forget the revengeful emotional state of his supervisors:

“Both of my supervisors were negative...They were trying to figure out ways to avoid her...They even told me to ask for a document that the embassy usually refuses to provide...I was embarrassed and the last thing I wanted was to cause her

any further inconvenience...I told her that it wasn't possible to open an account due to legal issues...a senseless excuse...Of course the lady felt their negative emotions, said something in her own language and left totally disappointed..." (I#17)

These two examples illustrate that these two ICSEs provoked negative emotions that had a major impact on the FSE's psychology. Inevitably, he was disappointed and lost his motivation:

"At the beginning I was very motivated to open the account.... I decided to withdraw..." (I#17)

Based on the aforementioned narrations, the researcher noticed that the most frequently detected emotions were anger and wounded pride, emotions that belong to very different families. Some FSEs do not tolerate a non co-operative behaviour on behalf of the foreign customers and when they encounter one, they frequently experience anger. On the other hand, some FSEs feel very vulnerable during an ICSE and they tend to experience negative emotions that are directed inwards. Both of these emotions seem to be intense. FSEs admitted that they were unable to control the consequences of their emotions. The importance of promptly and accurately perceiving these intense emotions is further analyzed below.

4.2.1.3 Discussion

As mentioned in the Literature Review Chapter, the researcher adopted Joseph and Newman's (2010) model of EI. The first Sub-theme presents the first branch of this model, which is the "Perception of emotion". This branch refers to "the ability to identify emotions in oneself and others, as well as in other stimuli, including voices, stories, music and works of art" (Brackett, Rivers, Shiffman, Lerner, & Salovey, 2006, p. 781). Shao et al. (2014) suggest that the ability to perceive emotions, both in oneself and others, is the first pylon of EI. This ability is less influenced by cultural constructs because it is in people's emotion system. The findings of this research are in line with the literature review, since FSEs and foreign customers were able to perceive negative emotions, their own and the emotions of others. This was accomplished through the tone of the voice, posture and the expression on the face.

Literature Review revealed that individuals from dissimilar groups are possible to view each other with various negative emotions, such as distrust, suspicion, stress, anxiety, fear,

wounded pride, shame, guilt, feelings of inadequacy, threat, apprehension, anger and indignation (Mayer, Davis & Schoorman, 1995; Williams, 2001; Williams, 2007; Little et al., 2012). Since affective responses influence the way people evaluate their trust to others (Jones & George, 1998; Williams, 2001), developing affective trust during an ICSE can become a challenging task.

Research findings confirmed all of the aforementioned emotions. According to the analysis, FSEs perceived the identified emotions along with some additional emotions, whereas no foreign customer perceived verbatim the emotions of “indignation”, “shame” and “threat”. In addition, most of the FSEs highlighted the emotion of “anger” and “wounded pride”. Similarly, most of the foreign customers highlighted “anger”, but also emphasized “irritation” and “frustration”.

As discussed above, most of the participants, both FSEs and foreign customers, admitted that perceived anger during the ICSEs. This emotion can be detrimental for the development of affective trust because the informants could not recall an actual conversation after the critical incident that caused them the emotion of anger. The data analysis introduces another emotion in the anger family that can be provoked during an ICSE, which is “frustration” (Matsumoto & Ekman, 2004). Most of the participants reported perceiving this emotion while experiencing anger. This is reasonable, because frustration can be the primary cause of anger (Scherer & Ekman, 1984; Lazarus, 1991). More precisely, frustration is defined as the “interruption of some planned or ongoing activity” (Lazarus, 1991, p. 1149). This definition illustrates a connection of this emotion with RT that had been identified in the Literature Review. More precisely, researchers suggest that the service provider and the service receiver participate in dyadic interaction as social actors with clearly defined roles and scripts and any deviation from the script may cause dissatisfaction (Sizoo et al., 2005; Sharma et al., 2009; Wang & Mattila, 2010; Sharma et al., 2012). The findings of this research are in line with this theory. Foreign customers perceive frustration when they realize a deviation from their script. In other words, frustration during an ICSE is provoked when a customer or a FSE perceives something as an interruption of his or her planned activity.

As stated earlier, the analysis of empirical data also demonstrated emotions that were not encountered in the Literature Review. For example, the emotion of “annoyance” was perceived by foreign customers during an ICSE. Annoyed interviewees did not show their annoyance, whereas angry interviewees, both foreign customers and FSEs, expressed their

anger with various ways. Some of them raised their tone of voice, others complained to the manager, some chose to avoid certain people and one customer even closed her account. The analysis revealed another negative emotion, “irritation”. Even though irritation was not included in the initial conceptual framework, a lot of the foreign customers admitted experiencing it.

The findings of this research suggest that informants, both FSEs and customers, were able to perceive negative emotions, both in themselves and in others. According to Shao et al. (2014) this ability is universal (). It is easy to observe that negative emotions and critical incidents occur quite frequently and have substantial negative affect on the ICSEs in the banking sector. The interviewees focused on the critical incident and the affective information. This illustrates that, after the occurrence of the critical incident, the informants were not interested in collecting cognitive-based information. Similarly, literature suggests that, the more intense the feeling is, the less influential the non-affective information is (Clore, Schwarz & Conway, 1994; Williams, 2001). Thus, in order to effectively regulate the detrimental negative emotions that substitute other important elements of trust, it is crucial first and foremost, to accurately perceive them. The interviews revealed various negative emotions that call for a customised approach.

From the analysis of the first sub-theme, the researcher realized that preserving interviewees’ anonymity was very crucial. On the one hand, this approach allowed FSEs to speak as individuals and express themselves without the burden of representing their organizations. On the other hand, foreign customers’ preserved anonymity allowed them to feel protected and speak freely about their own experience. The next sub-theme, elaborates on the second pylon of EI, which refers to the “Understanding of Emotion”.

4.2.2 Sub-theme 1.2: Understanding Negative Emotions

This sub-theme elaborates on the understanding of the negative emotions. In order to do so, the researcher analyzed the critical incidents so as to reveal the true roots of the negative emotions. As regards to the analysis of the critical incidents, the researcher, following Edvardsson (1992) approach, divided them into several categories. First category refers to the type of critical incident that reflects what had happened that caused the negative emotions. The analysis revealed 3 types, “Account Opening and Maintenance”, which consists of events with inappropriate behaviours and negative incidents, “Lack of Professionalism”, which refers to the lack of knowledge on procedures and certain transactions, and “Communication Issues - Language”. Another categorization, as

suggested by Edvardsson (1992), is the passivity or activity on the part of the customer and the employee. The interviews indeed revealed these two tendencies, “Action” and “Passivity”, as there were cases where one of the parties took action, whereas other parties chose to remain passive. The majority of the customers, even though fully disappointed by the service encounter, deem it impossible to do anything about the behaviour of the FSEs and the procedures of the organization. Another category suggested by Edvardsson (1992) is the result of the critical incident. The researcher classified the results of the critical incidents, in terms of the levels of affective trust, as “Unchanged”, “Weakened” and “Broken”. Most of the interviewees admitted that the negative incidents not only “weakened” affective trust, but in some cases even “broke” it, a tendency that indicates that the FSEs were in most of the cases unable to deal with the situation in an effective way.

4.2.2.1 Sub-theme: 1.2.1 Foreign Customers

The most common type of critical incident from the foreign customers’ perspective is related to the “Lack of Professionalism”. An example of a critical incident involving this lack of professionalism is the one described by I#6. In this specific instance the foreign customer was convinced that the FSE discriminates between the customers. Even though the customer remained passive, the incident resulted in a weakened affective trust, since she felt lack of empathy, care and concern. The customer described:

“We went to open a fixed deposit..... we asked what is the interest rate and the employee, for some reason, couldn’t answer right away. She told us that she was going to call us later. However, I told her that I wanted to know right away in order to open the fixed deposit. Then she called someone and told him: “How much should we give her?”(!) I couldn’t believe what was happening in front of me....I realised that the next person in the queue might get something better! I try to speak Greek so that they didn’t treat me any different, to show that I live in the country and speak the language...I didn’t want to hear that...This information should be publicly known... I did show that I was angry... I think she noticed my anger but didn’t do anything about it, didn’t show something, anything!” (I#6)

Another critical incident that shows the perceived lack of professionalism, is the one described by I#11. In this critical incident the customer, trying to collect her visa card, lost valuable time from work and the FSE did not seem to care. The customer complained to the branch manager and agreed to collect her visa card from the manager’s office one day after the critical incident. She felt that the FSE was not professional enough to understand

her anxiety, which illustrates that the affective trust was already broken. Informant I#11 gave a very lively description of the critical incident using the verbal and non verbal channels of communications. In detail, she had an angry look on her face, raised her voice and moved her hands intensively while recalling the critical incident. She described the critical incident as follows:

“...There is a line of people waiting to do their jobs. The banks are working until noon so whoever is coming from his job has only ten minutes and then she or he has to go back!..., and then he is stuck in this line because the FSE is blah blah blah, talking about the beans she had yesterday! As soon as my turn comes, she tells me that she couldn't find my visa card. I told her that I came from work to do a quick and easy job and she was keeping me in the line listening about the beans she had yesterday... and I don't want to know these things. I asked that she called the manager and the lady at the next counter shushed me, as if I was bothering her.”
(I#11)

The next common type of critical incident is the “Account Opening and Maintenance”. The situation described below by I#3 occurred when a foreign customer wanted to open an account and was insulted by the FSE's attitude. The critical incident was described as follows:

“I got a new job that cooperated only with a specific bank... the day I went to open an account, a colleague of mine came with me at the bank in order to introduce me to the FSE...the FSE gave me all the documents in Greek even though I had asked for the English version...she wouldn't look me in the eyes and even though I could speak Greek, she was asking my colleague instead of me regarding the information needed, as if I was his housekeeper. That was very insulting...” I#3

This critical incident illustrates that domestic FSEs' behaviour is sometimes inappropriate and unacceptable to the foreign customers. In addition, it illustrates that FSEs are not able to detect the consequences of their behaviour in order to take remedial measures. In other words, it seems that the different cultural background affects the way FSEs understand foreign customers' emotional state. FSEs' inability to accurately conceive an emotion makes them impotent in preventing the negative consequences of a critical incident. This finding is in line with the literature that suggests that the ability to understand an emotion progresses in parallel with the development of language and propositional thought, and,

thus, is influenced by culture (Elfenbein & Ambady, 2002; Mayer et al., 2004; Shao et al., 2014).

Another interviewee, I#4, described a critical incident that caused great disappointment from the very early stages of the collaboration with a specific bank. For personal reasons, the customer requested to receive the pin code from the branch, and not to have it mailed to her home address. However the FSE did not attempt to assist her to resolve this issue and kept sending the same pin code to her home address. After the second unsuccessful attempt the FSE agreed to assist her. Months after the critical incident, the customer received the lost envelopes only to realise that the pin code was the same. The customer was disappointed due to the lack of empathy and attention, an approach that stroked the foundations of affective trust. The critical incident expressed this view:

“When I opened my account I had a problem.... they gave me the card but the pin code was sent twice to my home address and was lost. It never reached me. Every time I requested to give me the envelope by hand, the FSEs replied:”no we can’t give it to you, it is not safe because when you leave the bank someone can attack you and take this envelope” ... and then I said “yes and you sending the envelope to my home address and losing it is very safe”....then finally I managed to persuade them to give me the envelope and then I received those envelopes. Every time they were sending me the same pin code, even though I asked them “are you sure that you are sending a different code every time”, and they said “yes yes every time is a different code” This was a very negative experience and it was my first experience with the banks of Cyprus. I was disappointed”. I#4

She considers that her “special” request required some kind of adaptation to the system, without actually violating a specific policy. The informant could not think of something to excuse FSEs’ behaviour and, thus, she was unforgiving towards FSEs’ mistakes. This is not strange, as people tend to become unforgiving towards the negative behaviour of an “out-group” member (Williams, 2001). In line with this, she felt negative emotions because FSEs did not attempt to adapt to her preferences.

Another critical incident that provoked a variety of emotions, is the one described by informant I#11. The provoked emotions were caused by the FSE’s impolite reaction to the fact that the customer did not bring her passport. The customer, who comes from Poland, did not feel that she was treated as a European citizen. She mentioned:

“In this bank they are driving me nuts because I am foreigner and I do not have Cypriot nationality... I do not feel that I need it. My ID has different structure, it has both letters and numbers....So the lady made a drama out of it, that I had to bring her my ID, and I said I do not have one and I am not obliged to have one! Then she asked for my passport... I also do not agree, I do not mind, but since I am allowed to do my job with my ID why is she insisting for my passport? I am a European member I can use my ID all over Europe. No! That was the minute I lost it and I called the manager. I told him to help me open my bank account because I didn't know what to do anymore.... I felt totally discriminated. ... The manager explained with a polite and calm way that the system in the bank does not accept this kind of number because it is designed for six numbers only. So I did what he asked me...” (I#11)

In summary, foreign customers blame FSEs' behaviour for the critical incidents. In particular, they believe that both, FSEs' lack of effort and professionalism, trigger the critical incidents. This is the reason why foreign customers experience mostly negative emotions towards the FSEs. In addition, the detected negative emotions are supported by existing literature which argues that when people from different demographic groups interact, they tend to behave in a biased or prejudiced manner (Stephan and Stephan, 1996) that reduces the co-operative behaviour and the perceived benevolence (Williams, 2001).

4.2.2.2 Sub-theme: 1.2.2 FSEs

The most common type of critical incident in the view of the FSEs is also related to the “Lack of Professionalism”. One example that illustrates this lack of professionalism is the critical incident described by I#13. This FSE admitted that her knowledge on the provided services and on general financial issues was very limited. The lack of confidence “broke” affective trust once and for all. She felt that the result of the incident was a very dissatisfied customer. She felt really bad and the researcher could easily observe her emotions. She described the critical incident with an obvious wounded pride and low self-esteem, lowering her eyes and voice:

“One time an ambassador came, you can imagine the panic...he had so many questions...I didn't even know the procedures for the foreign customers...I wasn't able to open the account he wanted...He left and never came back...” (I#13)

This lack of professionalism often triggers critical incidents and results with lack of affective trust. Most of the FSEs admitted that they remain passive because they are not motivated enough to overcome this obstacle. This lack of professionalism is obvious to the foreign customer and even though the FSEs feel offended, they do not attempt to reduce customer's irritation and disappointment. Another critical incident that shows this lack of professionalism is the one described by I#21. This FSE described an encounter she witnessed in the branch, during which a FSE, unable to provide some information to the foreign customer, tried to avoid him by giving the impression that he was working on the computer. During this encounter the customer was extremely annoyed and angry. This critical incident, which irreparably stroke affective trust, can be briefly described as follows:

“A foreign customer, who I distinctly remember was from Germany, was sitting in front of a colleague asking for some information. My colleague, not having the knowledge and the expertise to provide the answers, was pretending to be typing something on the computer. The customer stood up and started yelling at him, telling him that he shouldn't be treated like donkey! He never spoke to the colleague again, even though my colleague apologized for this unprofessional behaviour...Now, when he comes to the branch, both of them avoid any possible contact...” (I#21)

Another critical incident that was detrimental to the development of affective trust, was the one described by informant I#13. She realised that the FSE sitting next to her was not able to provide a proper service to the foreign customers. She comments on her colleague's unreasonably slow performance, which according to Bitner et al. (1990) is very annoying to the customer. Unfortunately, the lack of knowledge and expertise were obvious to the customers:

“They were from Australia and wanted to open an account...She was so slow that you could see the customers' irritation. She didn't know the answers to their questions and, thus, they just left. I am sure that they felt that they couldn't trust such an organization...” (I#13)

According to FSEs, “Communication Issues - Language” are common cause of irritation among themselves and foreign customers. This type also hinders the development of affective trust. Informant I#19 described a critical incident during which the FSE didn't understand the instructions of the foreign customer, due to the lack of proficiency in

English. The end result was an irritated customer, who considered her colleague as the source of her inconvenience:

“A customer from England...wanted to create a standing order and she gave the instructions in English. My colleague was having a difficulty in comprehending the details and was asking over and over again the same thing in order to make sure that she understood all the details. Unfortunately my colleague didn't understand the information. The customer returned to the branch after two weeks. She was very irritated and said that the bank made a mistake...she attributed the mistake to the FSE and commented on her ability to communicate in English...” (I#19)

In the same vein, some FSEs admitted feeling inadequate and stressed due to the fact that they are not very fluent in English. The customers become irritated because they do not receive an appropriate service level. Unfortunately these negative emotions hinder the development of affective trust. Another example is the one provided from I#21:

“I have a customer from Denmark...he is very rich and he usually comes with his wife. When I make verbal mistakes, they look each other and laugh at me...he even corrects me...sometimes I try to explain the charges and he becomes very irritated when I don't explain it appropriately”. (I#21)

Informants I#19 and I#21 stressed that foreign customers' can become hypersensitive when it comes to the FSEs' ability to communicate in English. In other words, FSEs' willingness, care and concern could not substitute their inability to communicate sufficiently in English. This finding comes in contrast with the literature that suggests that care and concern, which are elements of affective trust, can supplement the more cognition based elements (McAllister, 1995; Rousseau et al., 1998; Shapiro et al., 1992; M. Williams, 2001).

Taken together, the FSEs were invited to recall critical incidents and the emotions that coloured these incidents. According to their narrations, FSEs experience emotions that are directed towards others but also that are directed inward. FSEs seem to feel self-conscious when it comes to ICSEs, since they lack of some basic abilities and skills. The process of reflecting on the service failures helped them think about their own responsibility and accountability. This process, which is the processes of attributing a failure, is a presumable result after a failure (Weiner, 1985; Hopkins et al., 2005).

4.2.2.3 Discussion

According to the Literature Review, the second branch of EI is the ability to understand and appraise an emotion, comprehend how it evolves and distinguish it from other emotions (Mayer et al., 2004; Shao et al., 2014). In summary, CIT helped the participants recall the emotions that were provoked during an ICSE. The detailed description of their negative emotions and thoughts confirms and furthers the finding from Fredrickson (2001), who suggests that emotions are generated when someone consciously or unconsciously is assessing the personal meaning of an event that occurred. The retrospect helped the informants discover what caused the provoked emotions.

Research findings suggest that people from different cultures do not think alike and express their emotions and thoughts in various ways. This finding suggests that FSEs may misconceive an emotion, offend or irritate a customer. As mentioned above, this finding is supported by the literature which states that, the ability to understand an emotion progresses in parallel with the development of language and propositional thought, and thus is influenced by culture (Elfenbein & Ambady, 2002; Mayer et al., 2004; Shao et al., 2014). Both, FSEs and foreign customers, shared critical incidents that illustrated FSEs' ignorance towards the customers' emotional state. The findings suggest that FSEs should be extra careful when trying to understand the causes and consequences of an emotion during ICSEs.

Moreover the findings of this sub-theme are in line with the AT that was detected in the systematic review, and more precisely with "Controllability" and "Locus of causality". As aforementioned (LR), the AT refers to the process during which people attribute the performance gaps and failures (Hopkins et al., 2005; Sharma et al., 2009). "Controllability" refers to the extent to which someone believes that is able to control a cause, whereas "Locus of causality" refers to whether the cause is perceived to be internal or external (Weiner, 1985). For example, anger, which has been widely detected in the interviews, is directed toward others, because the cause of the negative outcome is considered to be someone else. FSEs consider the cause of the critical incident to be the foreign customers, and vice versa. On the contrary, there are emotions that are directed inward. For example, guilt is provoked when someone attributes the performance gap to personal failure and to lack of effort, whereas embarrassment is provoked when the person attributes a failure to his or her low ability. In both cases the causes was controllable by the perceiver (ibid.). The process of attributing a failure was detected both in FSEs' and foreign customers'

narrations. The detected emotions were inextricable with the attributions of a failure. This finding is similar with various studies which found that different emotions, although negative in valence, have different effects on judgement and thus, different effects on trust (Keltner, Ellsworth & Edwards, 1993; Bodenhausen, Sheppard, & Kramer, 1994; Lerner & Keltner, 2001; Dunn and Schweitzer (2005).

The research findings show that FSEs experience emotions that are directed towards others but at the same time experience emotions that are directed inward. This variance in the emotions illustrates that some FSEs realise that, when it comes to ICSEs, they lack of some basic abilities and skills. On the contrary, foreign customers experience mostly emotions that are directed towards the FSEs. The detected emotions illustrate that they believe that FSEs are responsible for the critical incidents. Most of the foreign customers experienced these emotions due to the FSEs' lack of effort and professionalism. These findings suggest that banking institutions need to improve their employees' abilities and motivation to do the "extra mile for their customer", as suggested by informant I#3.

Foreign customers experience mostly emotions from the anger family which are detrimental to the development of affective trust. They perceive that none of the critical incidents were caused by their own problematic behaviours. They blame FSEs rather than anything themselves. They feel these emotions because they believe that FSEs don't seem to care about their unresolved issues. According to the Literature Review, this lack of care and concern strike the foundations of affective trust (McAllister, 1995; Dowell et al., 2015). Emotions like anger, frustration and irritation become the base of the subjective judgements about the FSEs. This is also in line with Dowell et al., (2015) who suggest that the subjective judgements about other's character are based on the provoked emotions. These subjective judgments reflect the intuitive element of affective trust (McAllister, 1995; Dowell et al., 2015). Foreign customers create negative subjective judgments about the FSEs, who are the "image of the bank", as expressed by FSEs I#13, I#14 and I#21, and by foreign customer I#9. This is the reason why banking institutions need to find ways to reduce and regulate effectively these negative emotions. The fact that foreign customers predominantly experience negative emotions towards FSEs and not inward, is an additional alarm signal, because, according to Dunn and Schweitzer (2005), emotions like anger reduce trust more than sadness does.

Foreign customers have reported some "special" requests that required a level of service customization. However, FSEs had not showed the initiative in anticipating their

customers' requests to fit their needs and preferences. This is detrimental to affective trust, as it shows no interest and empathy towards the customers' unresolved issues.

Another interesting finding regarding the attribution of failures is the one relating to the unreasonably slow service. This was mentioned by a number of foreign customers and acknowledged by some FSEs. Regardless of the main issue that caused the critical incident and negative emotions, FSEs' performance is perceived as inordinately slow. Even though delays are important to the customer (Bitner et al., 1990), there is neither some kind of compensation nor an apology with an explanation. This affects FSEs' image and creates relative expectations and judgments for the future.

Research findings suggest that FSEs and foreign customers find it difficult to excuse each other's mistakes. For example, Cypriot FSEs create the impression of having important knowledge gaps when it comes to providing certain information to foreign customers. In addition, they create the impression of not being motivated enough to overcome their weak points. However, research findings suggest that foreign customers in Cyprus would forgive FSEs' limited knowledge, but they would not forgive their lack of effort. On the contrary, they take this lack of effort personally and they automatically associate it with them being foreigners. This is in line with Williams (2001), who suggests that low motivation drives people to unforgiving attributions. This illustrates that affective trust is very important for the success of an ICSE. The poor management of negative emotions hinders the development of affective trust that forejudges the failure of an ICSE. Previous researchers had also detected that affective trust can supplement more cognition based resources (McAllister, 1995; Rousseau et al., 1998; Shapiro et al., 1992; Williams, 2001). These research findings affirm the aforementioned studies.

On the contrary, when it comes to the ability to communicate in English, foreign customers adopt an unbending attitude towards the Cypriot FSEs. The detected innovative aspect is that, foreign customers in this case do not value "effort" more. They are very demanding when it comes to communicating in English. In this case, effort and care cannot supplement the more cognition based resources.

Literature suggests that only when someone fully understands an emotion is able to manage it (Goleman, 2004). Research findings are in line with this, because when the FSEs were not able to understand their emotions, they could not control it. This lack of self-awareness and self-control was detrimental to the development of affective trust. This is

also in line with Goleman (2004) who suggests that “when the emotional brain is driving the body with a strong reaction...there can be little or no empathy” (p. 104).

The findings also affirmed that anger builds on anger (Goleman, 2004). For this reason, FSEs that engage in ICSEs should be trained to understand an emotion as soon as it occurs. FSEs should be able to recognize, in themselves and others, the signals, verbal and nonverbal and the thoughts that accompany this emotion in order to realize the true cause that triggers this particular emotion. Only then, FSEs will be able to develop strategies for the regulation of a specific emotion (Shao et al., 2014). Next sub-theme, elaborates on the regulation of emotion, as it was described by the participants.

4.2.3 Sub-theme 1.3: Regulate Negative Emotions

4.2.3.1 Sub-theme: 1.3.1 Foreign Customers

Research findings suggest that foreign customers use various ways to regulate their negative emotions. For example, informant I#2 adopts the re-appraisal strategy. Whenever she visits her branch she encounters various negative issues. For example, she does not like the fact that FSEs chat only with the local customers. She cannot complain about it because there is no evidence that she can support the differentiated behaviour. So, she decided to re-appraise these emotions and thoughts in order avoid emotional engagement. She explains:

“I don’t have any evidence to prove that she looks at me in a different way compared to the way she looks at the local customers. It is kind of silly, but you cannot evidence the emotions that you get from another person, you just feel it insight. I cannot change it, so I prefer to disregard it and I take it as granted...I cannot do anything about it, so it doesn’t really bother me anymore. I am living in this country, otherwise I would have left.” (I#2)

Similarly, participant I#4 admitted feeling this discrimination mostly from women FSEs. She accepted their approach and chooses not to let this ruin her day. She describes how she reappraises the situation:

“...women in Cyprus don’t like foreign women. It is obvious and probably this is the reason why they don’t have very friendly faces... they are jealous. I take it for granted and I am not upset anymore. I don’t get frustrated with this.... I don’t expect anything much. I just go to solve what I have to solve and then leave.” (I#4)

Informant I#3 highlighted the FSEs' lack of professionalism. At the beginning she couldn't understand the delay and lack of expertise. However today she developed a strategy to avoid negative and destructive emotions. She re-appraises the situation and tries to prevent these emotions from provoking. Her strategy is the following:

“Now I try to estimate the time. If I have a task that would normally take 5 minutes, I make sure that I have 30 minutes to spare in case the FSE messes everything up....I try to avoid making the FSE employee feel even worse. I cannot say that I don't think about the delay but I don't allow this issue to cause me any kind of irritation. My negative emotions are possible to stress the FSE even more and, thus, make more mistakes.” (I#3)

In addition, research findings suggest that foreign customers have witnessed FSEs' strategies of regulating their negative emotions. Most of the foreign customers accused FSE for lack of empathy, as they realise their emotional detachment. Below are narratives showing this attitude. Informant I#3 felt that the FSE did not like the customer and, thus, she did not bother at all:

“I didn't feel that she went deep enough to think about it. She just didn't like the customer...” (I#3)

Similarly, informant I#5 stressed FSEs' lack of empathy:

“They didn't care or bothered enough if I was bothered.” (I#5)

Informant I#11 described FSEs' lack of emotional engagement:

“At least she did not show that she cared. She could at least say....She blocked! She was just saying no. And when the manager came she was happily passing me to him...next!” (I#11)

Moreover, informant I#6 described the impression she formed for the FSE:

“I understood that he wanted me out of the branch....he wasn't willing to assist me...I understood that from his voice, he gave me a brusque reply and showed no emotions....” (I#6)

Last, informant I#7 was astonished by the overall apathy:

“I didn’t see anyone disturbed...” (I#7)

In summary, research findings suggest that foreign customers do value empathy and can become very unforgiving when employees show lack of commitment, lack of effort and lack of empathy. They tend to regulate their own thoughts and emotions, a strategy that helps them experience the milder versions of certain emotions. According to Gross (1998), the re-appraisal of a situation decreases the intense and harmful emotions and the general expressive behaviour. This finding furthers Joseph’s and Newman’s (2010) findings who suggest that this branch of EI refers to the ability of influencing the “when” and “how” a certain emotion will be expressed and experienced.

In addition, foreign customers believe that FSEs do not care about their emotions. They believe that domestic FSEs are emotionally detached, as they usually maintain impassive expressions. These misconceptions make individuals jump to conclusions that might not correspond to the truth. Of course, this is understandable during ICSEs, because the expression of an emotion is not uniform across cultures (Gross 1998; Shao et al., 2014). Foreign customers and domestic FSEs hold dissimilar cultural scripts and, thus, express their dissatisfaction, anger and other negative emotions in different ways that are not understood and accepted by “others”.

4.2.3.2 Sub-theme: 1.3.2 FSEs

Research findings suggest that FSEs do not feel that they are emotionally detached. On the contrary, some confess that they are emotionally engaged. For example, the following quotations, illustrate FSEs’ reaction to emotions. They admit experiencing negative emotions, which were successfully suppressed. For example, informant I#16 describes the strategy he and his colleagues adopt when it comes to negative emotions:

“I felt that I was going to burst...I managed to keep it insight until all the customers were gone...and then I burst out! This is what we usually do...” (I#16)

Similarly, informant I#21 described her usual attitude when experiencing negative emotions. She believes that she is expected to control her negative emotions and make sure that that the customers remain pleased. This must be accomplished regardless of her inconvenience:

“I cannot show my anger because they are very good customers. I block and make everything worst. If I say something they will be offended and this will definitely

worsen the situation... I play the fool... just smile and continue working...I wanted to defend myself and my work...but my job is to be polite, cheerful and be trampled...There was a customer from Greece and asked me very private question...that time I couldn't say I am sorry but this question is inappropriate. I answered with hesitation... but I didn't show how insulted and offended I felt". (I#21)

In the next example, informant I#19 suppressed her negative emotion more than once. She had to describe the critical incident many times and this made her re-live the same emotion over and over again. This process was very exhausting. She describes:

"I really wanted to stand up and walk away. But you have to keep it together and that makes me work with even more tension until all the anger vanishes...I really do believe in walking away at least to go for some water. But if there is a queue unfortunately you cannot. What is more unfortunate is the fact the next customer may ask you what had happened...people can be very curious...and then it is not easy to forget the emotion and let it go...All the customers that were present will definitely ask you about the critical incident..." (I#19)

According to I#19, the process of suppressing intense negative emotions creates even more tension. This finding is supported by Joseph and Newman (2010), who also found that this process might drain a person.

Of course, there are cases that FSEs unsuccessfully attempted to suppress their negative emotions. They tried to hide their emotions because they knew that it was inappropriate to act spontaneously. Informant I#12 admitted being unable to control the non verbal channels of communication:

"I tried to hide my anger and irritation...Verbally I am sure that he couldn't tell. But I am not one hundred percent sure about my facial expressions. I don't really know if I managed to hide it after all" (I#12)

On the contrary, informant I#16 was unable to control the verbal channels of communication:

"I know that it wasn't appropriate to show it...The words that I used and the tone of my voice made my emotions obvious. For example, I highlighted some words that indicated my negativity. There was no conciliatory spirit..." (I#16)

In addition, some of the participants admitted that there were cases when they did not even try to hide the intense emotions. They were convinced that they were right. Informant I#19 became very angry when the customer refused to show her ID. However, she felt that she was right, so she wanted to show her emotion:

“She wanted to cash the cheque without showing her ID card...I raised the tone of my voice because I was right... My face became red...I was doing convulsive movements... I was knocking my desk with my pen...I wanted to show my anger in any possible way...then my manager came and that was it!” (I#19)

Similarly, informant I#14 was more than happy to show his irritation. The foreign customer would not change his attitude and, thus decided to show how he felt:

“He said that his daughter’s card was wrongly charged with 5 euro... he wanted to close her account.... (by the way his daughter was 20 years old, she was a student) and get his 5 euro by Monday. He had an inflexible attitude... his attitude was very irrational and offensive...I wanted to defend myself... I smiled ironically.... I replied with the same tone trying to show my irritation.... ...I told him, we won’t close the account, we won’t give you your 5 euro by Monday, thank you very much for your patience, next please!” (I#14)

Based on the above narrations, FSEs find it difficult to control their anger. This finding is also supported by Tice et al., (2004), who suggest that this kind of emotional distress can reduce self-regulation and ultimately the ability of remaining within the standards of social desirability. Zillmann (1988) also suggests that the re-appraisal strategy is only useful in the moderating levels of anger. This is the reason why, some FSEs were unable to re-evaluate a situation and, thus, end up regretting for expressing their true emotions.

The research findings suggest that a lot of FSEs do not always allow themselves to get emotionally attached. What they do is call their supervisor to handle the “difficult” cases. They avoid confrontation in order to remain calm. They disclaim the responsibility of resolving the foreign customers’ issues. The following quotations illustrate this tendency. Informant I#12 admitted calling her supervisor in order to resolve the difficult cases:

“The customer didn’t want to sign the documents... he crossed his hands and withdraw into himself...started raising the tone of his voice... he said that he was

sorry but that was his decision... ..it was a difficult case... my supervisor tried to convince him...usually when the supervisor takes over things get better...” (I#12)

Similarly, informant I#14 turned to his supervisor as he could not stand the confrontation:

“The customer insisted on his story....so I called my supervisor!” (I#14)

Informant I#16 adopts a similar strategy when the customers are not convincing:

“He wanted to open an account because he was expecting some money from Russia. He told me that this money derived from a bank loan. I wasn’t convinced and I called my supervisor because I didn’t want to argue...I usually send them to my supervisor or the branch manager...” (I#16)

Informant I#18, even though she has been a FSE for fifteen years, she chooses to avoid demanding customers:

“If they insist on something I cannot control them... I go to my supervisor... I don’t want to pick a quarrel with them or ruin my health” (I#18)

In summary, participants admitted that not every day is the same day. Some participants admitted that sometimes suppress or express negative emotions, and some other times avoid any contact that could ruin their mood. This finding is in line with the literature that suggests that people sometimes avoid experiencing negative emotions (Mayer et al., 2004; Mayer et al., 2008), which might be an explanation for the reason why FSEs avoid interacting with some customers. They consider foreign customers as “out-group” members that might be a threat to their well-being (Williams, 2001). Thus, some FSEs choose to avoid confrontations. When it comes to challenging and demanding cases, they prefer calling their supervisor.

4.2.3.3 Discussion

Regulating negative emotions is the last branch of the adopted EI model (Joseph & Newman, 2010). According to the research findings, participants tend to adopt various strategies in regulating their negative emotions. This variety in expressing and regulating negative emotions lies in the differentiated cultural scripts held by the individuals during ICSEs (Gross, 1998; Shao et al., 2014). Some of the participants described critical incidents during which people tried to avoid the emotional engagement. Foreign customers

perceive FSEs' avoidance as emotional detachment and lack of empathy. They are very unforgiving when they realise that the FSEs are not trying enough to resolve an issue. They do not like it when FSEs relegate their issues to another person. On the other hand, FSEs claim that they avoid the discussions because they do not want to quarrel with the customer. Nevertheless, this strategy is perceived as lack of effort, as foreign customers do value empathy and extra effort. This is also in line with Gross (1998) and Shao et al. (2014) who suggests that emotion regulation could be influenced by the cultural forces and the cultural scripts held by the individuals and thus different ethnic groups express their emotions differently. The findings support Williams (2001) who claim that, when people experience negative emotions tend to avoid the other individuals and thus the motivation to trust decreases.

Research findings suggest that ICSEs may easily provoke negative emotions. When it comes to regulating these emotions, Gross (1998) suggests that the re-evaluation of a situation is better than the inhibition. The reason is because when people re-evaluate and re-appraise a situation decrease the intense and harmful emotions. On the other hand, in inhibition, the emotion has already been generated and thus people have experienced the detrimental effects.

Most of the foreign customers admitted that, when it comes to regulating negative emotions that are provoked during ICSEs, they adopt the re-appraisal strategy. In other words, they try to influence their emotion by thinking in a different way. Some of them describe the thoughts that help them re-appraise anger and irritation. In this way, they manage to experience a mild version of the emotion. On the contrary, FSEs did not report such a strategy. As aforementioned, one of the ways the use is avoiding ICSEs that might provoke negative emotions. In case they choose not to avoid such an encounter, they try to suppress their negative emotions. According to their descriptions, this process can be very exhausting and overwhelming, both mentally and physically. They know that they are not supposed to express their negativity because this process might cause disastrous consequences. Sometimes their emotions are so intense and they are unable to suppress them. The innovative aspect is that the researcher found a clear demarcation between FSEs' and foreign customers' approach towards negative emotions. Foreign customers tend to adopt the re-appraisal strategy, whereas FSEs either inhibit or avoid negative emotions. This consistency illustrates a connection between the regulation strategies and the "role" held during an ICSE. On the one hand, foreign customers feel that they have a choice when it comes to experiencing certain emotions. They have the advantage of time.

They are able to think beforehand the possible events that could trigger their negative emotions and so they have the time to weigh the consequences. This helps them control their thoughts and the valence of their emotions. On the other hand, FSEs need to deal with each customer at hand. They do not have the time to weigh the consequences and re-organize their thoughts. Consequently, unable to think clearly, they act spontaneously by either avoiding a challenging case or suppressing their provoked negative emotions.

As aforementioned, research findings suggest that anger was one of the most frequently detected emotions during an ICSE. This suggests that critical incidents can become detrimental to the development of affective trust. Participants described how energizing they felt and how difficult it was for them to control this emotion. Some of the FSEs confessed regretting expressing their intense negative emotions. They know that they are expected to remain within the standards of social desirability, but the intense negative emotions overmaster their thoughts.

Based on the above mentioned findings, banking institutions need to help FSEs regulate the intense negative emotions. This training should include the true causes that trigger anger during an ICSE. On the one hand, FSEs should avoid the issues that cause emotions from the anger family to the foreign customers. Research findings illustrated that the lack of effort and professionalism irritate foreign customers. Thus, in order to reduce the possibility of causing such negative emotions, FSEs should become motivated enough to truly engage in an ICSE. In addition, FSEs should also know how to reduce negative emotions in case they realize that the foreign customer is already angry. According to the findings, a lot of the foreign customers confessed that an apology on behalf of the FSEs, that illustrates their intention in assuming their responsibilities, could reduce their aggressive emotions. On the hand, FSEs should learn how to monitor their own emotional state and discover the true cause of their anger. They should be trained in the re-appraisal strategy in order to decrease the intensity of the negative emotions along with the harmful expressive behaviours.

Nevertheless, they should be trained on how to cool down in case they experience high levels of rage. FSEs described critical incidents where they were unable to re-appraise their thoughts and control their expressions. The CIT confirmed that difficult customers do exist (Bitner et al., 1994). For instance, there are customers that misbehave and others that have unreasonable demands. Consequently, FSEs should learn strategies in how to defuse intense negative emotions.

In summary, affective trust can only be achieved when individuals show honest care and concern (McAllister, 1995; Dowell et al., 2015). The roots of caring is empathy which according to Goleman (2004) “Empathy requires enough calm and receptivity so that the subtle signals of feeling from another person can be received and mimicked by one’s own emotional brain” (p. 104). Thus, FSEs should be trained in self-awareness, in order to be able to recognize the negative emotions early enough to control them. Only then, will FSEs have the lucidity to read and regulate foreign customers’ negative emotion.

4.2.4 Sub-theme 2.1: Affective Trust - Intuitive

4.2.4.1 Sub-theme: 2.1.1 Foreign Customers

As illustrated above, the interviews revealed that foreign customers experience negative emotions during ICSE. These emotions are the affect-information that influence the decision on whether to trust FSEs or not. The interviews revealed that foreign customers feel that the FSEs discriminate between foreign and local customers. The following descriptions illustrate this category-driven approach that was perceived by the foreign customers. First, informant I#6 highlighted the discrimination between poor and wealthy countries. She describes her experience with FSEs:

“If you cannot speak Greek they are not willing to assist you...They speak English and they understand what you are saying...If I tell them that I am from Bulgaria is even worst! The reason is because generally people from Bulgaria don’t have good jobs...I know that this is how it works. I knew that before I came in Cyprus...that coming from a poor country I shouldn’t expect a lot...” (I#6)

Informant I#11 claimed that Cypriot FSEs consider foreign customers inferior compared to local customers. She can see this discrimination on the FSEs reactions. She explains:

“I think, and this is my honest impression, that the moment a FSE realises you are a foreigner, you are a second category...I believe if I go to the bank alone, my husband would get a better offer than I would...This is what I don’t trust, I know that what you are giving me is not your best offer, I know there is something more....I do feel discriminated in the bank because I am not Cypriot.... So I am approaching the counter and I am speaking Greek and you can see this, they are trying so hard to focus to understand you. ... And the moment I show ID and is not a Cypriot ID this is the stage two, I understand that I am not a target...Because you

are a foreigner they have to take your finger prints...I am exaggerating...She could say whatever... to cover it, be smart, say something about the procedure, the signatures, whatever, you can tell me whatever you want because I do not know your procedures. But don't say no just because you are not Cypriot. This was very offensive. Do I have to be Cypriot to be served in an appropriate way? ” (I#11)

Informant I#1 highlighted FSEs' lack of effort when it comes to foreign customers. He avoids any possible interaction. He admits:

“They are bored and they easily lose their patience.... They need to do give more effort when it comes to foreign customers. They need to understand that the foreign customers' thoughts have nothing to do their own thoughts They know me but I prefer to take money from the ATM, rather than seeing them...” (I#1)

Informant I#1 emphasized that FSEs and foreign customers do not think alike. He puts FSEs in a different category and highlights his hesitation in interacting with them. He sees them as “out-group” members that could become a threat for his well-being. For that reason, he avoids ICSEs. This finding is in line with Williams' (2001) theory and Barker and Härtel's (2004) findings on how individuals consider “out-group” members as possible threat and how this possibility increases avoidance. The absence of affective trust increases customers' avoidance, something that was also suggested by Johnson and Grayson (2005).

An illustrative example is the following confession. Informant I#2 elaborated on this category-driven process. She tried to understand the reasons why local FSEs have these subjective judgements about foreign customers, and specifically Russian customers. She feels that FSEs perceive themselves as if they belong in a higher category. Informant I#2 makes a valuable quote below:

“When they understand that you are a foreigner, you can feel this... I cannot describe it, they are not talking rude or say bad things, but you can feel that they treat you differently. It is on the emotional level, you as a person can feel it... and I have been to different FSEs and they are all the same....And you notice that they talk to native speakers. I don't understand what they are saying, but from the relaxed way they talk, I know that besides helping them with an issue, they are also talking about life, the weather, or something irrelevant to the bank. But they never ask me anything, “how are you today”... I don't think is the lack of knowledge in English, I doubt it; I believe is the fact that I am a foreigner... Maybe if I would

have spoken Greek, they would react differently, although they would understand by the accent that I am not local... but anyway the way of treating me would be different. But since I am not even speaking Greek they are.... I don't know why! We are working here, paying the taxes and actually helping the economy in a way, we are not thieves or doing something illegal. The foreigners, for example the Russian ones, most of them work in good companies which pay taxes, where everything is clean. I am not saying something bad for other nationalities, to put us higher than the others... There shouldn't be any difference in treating the customers, local or foreigners... maybe when they see me by the appearance I guess, that you can see that I am not local, when they see me coming, maybe they are trying to perceive that they are higher than me, because they are local and I am not". (I#2)

Her fear of being offended makes her avoid an intimate relationship with a FSE. She adopts a defensive approach to protect her pride and self-esteem:

"I am always to the point, strict, not smiling. When they feel my emotion, that I am officially friendly, their tendency of offending me is blocking. I have time to feel their negative emotions..." (I#2)

She attributes this behaviour to the FSEs' bad experience with foreign people. She believes that they have created certain stereotypes that make them rely more on previous beliefs than on new information.

"I can think of different issues for them having this distance. Maybe something personal happened. In the local banks there are some Russian employees, who are married to Cypriots and are fluent in Greek, but still they are not local....so maybe a FSE's colleague crossed his career. So, it can be in professional life or in personal life as well... I think maybe is jealousy. For different person could be different things.... Because there is a big percentage of unemployment and I am a foreigner, working here, having my salary ... maybe is understandable. So I am here working taking someone's place. .. I believe that the background is personal..." (I#2)

Another informant speculates the reason for this category-driven approach. Participant I#3 tried to speculate the FSE's thoughts when she went to open account for her new job. Nevertheless, she admits that her own personal experience with the local people in general could have influenced her negative attitude:

“I felt that my cooperation with the bank didn’t have a good start...she made me feel awkward...underestimated me from the beginning....I guess she thought “this young Bulgarian girl came to open an account for her salary....having a good job...”. She didn’t make my life easy...It was the way she made feel ...her posture...never looked me in the eyes...didn’t speak directly to me...from the beginning it went wrong...It became personal...It could be my personal bad experiences with the locals that made me perceive everything in a negative way...But I believe she didn’t want to do something extra, she was bored...In my country is very competitive...” (I#3)

Based on the above narrations, foreign customers feel discriminated during ICSEs in the local banking institutions. They feel that FSEs are not willing to serve foreign customers in the best possible way.

4.2.4.2 Sub-theme: 2.1.2 FSEs

A lot of FSEs admit placing foreigners into different categories compared to local customers. They do not rely on new information; they rather retrieve from previous experiences and judgments. They base their decision on certain stereotypes that affect the way they feel towards these customers. The provoked emotions, which are most of the time negative, create negative judgments and distrust. The researcher could see this categorization and sub-categorization of the foreign customers, something that illustrates FSEs’ thoughts and negative emotions that accompany their subjective judgement. Informant I#15 admitted that certain stereotypes forejudge FSEs’ disparaging attitude towards foreign customers:

“I do believe that we discriminate the foreigners...we cannot accept that the foreigner can be something else than a housekeeper, a worker...that he can be equal to locals especially the foreigners that come from a non European country, like for example Russians... of course there are some exceptions...” (I#15)

Informant I#16 considers foreign customers as difficult cases. He is positive that most of them hide information. He is reluctant when it comes to foreign customers. He describes:

“He was tall, white with blue eyes... he wasn’t in a suit to make you respect him immediately...He could barely speak English or Greek...Nobody introduced him to the bank...I immediately thought that he was a difficult case... I thought to myself,

'Oh my God, something must be wrong'... The foreigners always hide something...they don't say much because they will confuse their stories...These women are always well-dressed, tall, with long hair, blond, she could be a manager...very difficult to handle..' (I#16)

Informant I#19 described a combination of the above mentioned approaches. She is definite that foreign customers cause problems and that they try to deceive FSEs. She becomes very sceptic when it comes to serving foreign customers:

“There are people that as soon as you see them you truly realize that wherever they go they will cause problems. You can tell from their face that they will cause some kind of problem...She stood over there and was watching me in a way, as if she was telling me, 'come on, what are you doing, why this delay...' Their movements are not calm and they talk with other people in the line about the delay. I could tell from her face...This nationality is a little bit weird... these ladies sometimes they are in a good mood and sometimes they are in a bad mood, you don't know how to approach them...I don't say that we are better, but....sometimes I admit discriminating them, not because I feel that I am better, but because I think that they are trying to deceive...Especially when I see foreigners coming in pairs...You know they talk and make a fuss.....” (I#19)

A different approach is given by informant I#13. She sub-categorized foreign customers. However, her approach is no different than the above:

“I put foreigners into two categories. I can do that just by looking at them... someone well-dressed, I immediately suspect him for money laundering. I start thinking, what is he doing in Cyprus, why does he need the account. You have to know your customer...The other category, and I am sorry to even tell that, is the foreigner that will get you in trouble with other ways...he is peasant....you need to be careful... foreigners come to Cyprus as students and want to open the account for immigration purposes and then you cannot find them....” (I#13)

Based on the above narration, regardless of the sub-category, foreign customers usually mean trouble. Another totally negative approach is described by informant I#14:

“They are cold-blooded... skimp...they constantly check their account...how much does it cost to do that or that, we all know how they think and act, I don’t need to say more!” (I#14)

It is easy to observe that FSEs express their views with a rather dogmatic way. Their views are built on previous information that is not debatable. They are not willing to retrieve new information that might question their views. This insight is in line with Hilton and von Hippel (1996) and Williams (2001) who found that the stereotypes make individuals rely more on previous beliefs rather than on new information. This lack of motivation and willingness of overcoming the initial impression and developing affective trust is reinforced by the provoked negative emotions (Williams, 2001).

A different point of view is provided by informant I#17. He abominates any form of discrimination. However, he provided his own interpretation:

“Both of my supervisors were negative...They were trying to figure out ways to avoid her...My supervisor, due to personal experience, discriminates foreign customers...if they are not local they are all the same for her...The general attitude towards foreign customers sucks. FSEs try to avoid whoever is possible to cause them any kind of problem. So, who is more likely to cause me problems, the student from China or my neighbour’s son? The whole system intimidates FSEs and makes them extra careful with foreign customers” (I#17)

The abovementioned perspectives confirm the importance and relevance of SIT. During ICSEs, the FSEs seem to experience a psychological process of intergroup discrimination. They believe that they have to be extra careful in case they are obliged to serve foreign customers. These findings strengthen Williams (2001) theory, which states that an “out-group” member is appraised for being a threat to the “in-group” members. These findings are also supported by Barker’s and Härtel’s (2004) results, which suggest that these evaluations affect service provider’s preference when serving a customer. The importance of SIT had been detected in the systematic review (Bailey, 2000; Barker & Härtel, 2004; Hopkins et al., 2005; Sharma et al., 2009; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Hill and Tombs, 2011; Sharma et al., 2012; Montoya & Briggs, 2013). According the informants, this psychological process along with the cognitive and social evaluations place foreign customers into different categories. This categorization affects FSEs’ affective disposition towards foreign customers. This is also in line with Jones and George

(1998) who claim that affective trust is challenged when category-driven process takes place.

Taken together, the systematic review revealed that the lack of trust is more intense in customers rather than employees (Sharma & Patterson 1999; Tam et al., 2014). However, the research findings do not support this view. Even though FSEs have advanced resources to gain information, this is not enough to increase their level of trust. In addition, even though they are expected to understand their customers' intentions due to their job requirements, they do not have the motivation to do so.

The researcher requested honest and truthful answers in order to capture the participants' reality and perspective. At this part of the interview, the researcher detected feelings of shame and guilt. FSEs didn't seem to feel proud about their inner thoughts. They were avoiding eye contact. Nevertheless, the researchers neither criticized nor applauded these perspectives.

4.2.4.3 Discussion

Intuitive trust refers to the subjective judgements about the other's personality. Research findings illustrated that certain stereotypes trigger negative emotions that destroy affective trust during ICSEs. On the one hand, some foreign customers feel that local customers enjoy better service than the foreign customers do. Some of them feel that FSEs treat foreign customers as non-equals and this puts them in a defensive mood. Nevertheless, some of the foreign customers admitted creating certain stereotypes based on their own negative experience with the local people. This situation automatically provokes negative emotions to the foreign customers that hinder the development of affective trust.

FSEs admitted discriminating foreign customers. The categorization is based on certain stereotypes that were created based on their own previous experience. These subjective judgements intuitively create negative emotions and feelings of threat and distrust towards foreign customers, which eventually destroy affective trust. Foreign customers easily observe that FSEs feel more comfortable with domestic customers. They complain about the impersonal treatment, as they feel that FSEs become more impatient, show lack of empathy and provide very minimum information during ICSEs.

Based on the informants' confessions, this study strengthens existing literature and suggests that perceived cultural differences challenge the success of an ICSE (Bailey, 2000;

Hopkins et al., 2005; Wang & Mattila, 2010). More precisely, SIT is proven to be playing a crucial role in the development of affective trust during ICSEs in banking industry. Most of the informants expressed witnessing this categorization between the local and foreign customers. Foreign customers and FSEs perceive each other as out-group members and thus consider each other as possible threat. Some foreign customers could not trust the FSEs' pure intentions, as they thought that a local customer could get a better rate or a better offer. They believe that FSEs are not interested in making their lives easier. On the contrary, they feel threatened. Also, FSEs believe that foreign customers hide important details and they can become a serious threat and possible danger. They believe that they have to be extra careful in case they are obliged to serve them. They place foreign customers in different categories and sub-categories that forejudge the success of an ICSE in terms of developing affective trust. Their narrations indicate consolidated views and positions that are not easy to change. Overall, the researcher was not able to detect a spirit of goodwill neither from the foreign customers' perspective nor from the FSEs'.

As mentioned above, affective trust influences customers' willingness to meet with a service provider (Johnson & Grayson, 2005). Research findings support this view, since some foreign customers admitted to have hesitated visiting their branch due to the negative emotions that were provoked in the past. Some of them prefer using the ATM or the on-line banking, simply to avoid meeting with FSEs. Research findings illustrated that neither of the participants tried to overcome the initial negative emotions. Even though some of them realized that these thoughts were subjective and thus the emotions were category-driven, no one admitted trying to overcome this initial impression.. In summary, the findings of this study suggest that within the specific context of the banking industry, FSEs and foreign customers have similar propensity towards the lack of trust. However, this was highlighted even more by FSEs. This could be explained by Williams (2001) who noted that the category-driven process is more possible to occur when someone is cognitively busy. FSEs are working at that specific time, are under stress and thus are more inclined to place people in certain categories.

However, the researcher came to an important realization. FSEs' create certain stereotypes and are reluctant when it comes to serving foreign customers not only because of above mentioned category-driven process. They prefer avoiding foreign customers because of their banks' general approach towards foreign customers. According to the research findings, FSEs are given some very basic guidelines that could potentially help them detect possible suspects for money laundering activities. For example, a possible suspect could be

a foreigner that is well dressed and cannot speak English fluently. However, these characteristics are too broad and FSEs avoid further scanning. These generalizations create more stereotypes and deepen the distrust towards foreign customers. FSEs carry a heavy burden and they avoid further responsibilities and risky situations. This general approach towards foreign customers affirms their own stereotypes and hinders the development of affective trust.

Moreover, FSEs admitted that when it comes to foreign customers, they cannot hope for reciprocity, meaning that they don't really believe that foreign customers will act as expected. This lack of faith strikes the second element of affective trust, the relational one (Massey & Kyriazis, 2007; Dowell et al., 2015). Some FSEs admitted that were bored to even make an effort to develop affective trust with foreign customers. This emotional state was observed by some foreign customers as well. These findings are in line with the literature review that suggests that negative emotions decrease the motivation to trust (Williams, 2001). FSEs have had a difficulty in finding a motivation to increase affective trust.

4.2.5 Sub-theme 2.2: Affective Trust - Relational

4.2.5.1 Sub-theme: 2.2.1 Foreign Customers

Selling Approach

All of the foreign customers that participated in the present research shared their disappointment regarding the empathetic behaviour on behalf of the FSEs. No one has ever recommended to them a product or a service that could satisfy their needs or resolve their issues. It is important to note that all of the informants are full time employees and their salary is regularly credited in their accounts. They admitted that a recommendation would be beneficial to them, as this act would illustrate a more caring approach. Informant I#1 described how he perceives the fact that no one ever recommended a product:

“Nobody ever tried to sell me a product...Ever! Once I went there to ask an additional card for my wife... But they never told me... They don't care!” (I#1)

Similarly, nobody has ever recommended a product to respondent I#11. She compared herself with her husband, who is Cypriot:

“I opened a bank account and nobody wanted to send me a credit card. And that is actually funny, because my husband {Cypriot} told me that every time he goes to the bank, they are trying to sell him credit cards and he is telling them that he doesn’t want any...and nobody ever offered me... I have personal experience with three different banks and nobody ever asked me...” (I#11)

Informant I#2 also confirmed this tendency:

“I have just one product and nobody ever asked me if I need something else.” (I#2)

Moreover, interviewee I#3 explained how FSEs’ passivity made her choose another company when she wanted to purchase a life insurance product:

“Nobody ever called me for anything, not a service, not an insurance product; nothing and I have a life insurance and car insurance with another institution. Sometimes, while I wait in queue, I can see some brochures; I can see that they have insurance products. They have never recommended a product. Not even a savings account. I did think about and wondered why they never asked me if I need something. I may need a life insurance. Maybe they think that I am not going to pay them, I don’t know.” (I#3)

In addition, informant I#4 admitted that she would like it if the FSEs recommended something. She would like to know the available services because there might be something that she needs:

“They have never recommended something...it would be positive because maybe I need something and I don’t know how to ask or whether I can ask because I am a foreigner. If I don’t need anything I can stop it and say thank you, I don’t need this. If I don’t want to hear something I would stop them. But of course I would like to hear, maybe I need something, but they never ask. ...” (I#4)

However, informant I#5 shared a different point of view. She claimed that FSEs do not have the required knowledge and skills to recommend a product:

“I didn’t even know that it was possible to purchase more products, like insurance products from the bank... I am not even sure if they are well educated on promotions...I don’t think they are salesmen...They are afraid that I am going to ask them something, so they give me brochures, they are not professionals”. (I#5)

Furthermore, interviewee I#6 tried to purchase a credit card but the FSEs did not encourage it:

“I have a lot of transactions and I believe they should have recommended me another product. There was a time that I went myself to ask about a credit card and they didn’t explain the characteristics of the card well enough and at the end I didn’t purchase the credit card”. (I#6)

Informant I#7 confirmed the FSEs’ lack of initiative on recommending a service to the foreign customers:

“I was never asked. If they have targets and they don’t try it means that they are not doing their job properly. It is commitment, they don’t care. If I would ask maybe I will get an answer from them, the initiative is on me, I didn’t ask I didn’t get”. (I#7)

Informant I#10 tried to understand why FSE do not recommend products to foreign customers:

“They never ask me for any additional service...Maybe is more comfortable for them to ask a Cypriot...Maybe they don’t know what I need...I don’t like aggressive selling. She can ask me if I need other services. And if I need something I will ask, how much it costs...” (I#10)

Based on the aforementioned quotations, one can easily observe, that foreign customers would enjoy if a FSE would recommend a product to them. During the interviews, the researcher realised that they were disappointed. At this part of the interview, most of them lowered their tone and their eyes. It was easy to observe that it disappoints them to think about the FSEs’ lack of concern.

In addition, the following quotations illustrate another important conclusion. Some foreign customers admit that they would appreciate if a FSE could detect their needs and recommend a product that would save them from additional expenses and fees:

“They should recommend products that are relevant to my needs. If they are trying to sell me something that I obviously don’t need, it would be as if they are trying accomplishing a sale. If they tell me, I can see that you travel, so you need insurance...if the FSE thought to recommend me something that would charge me less...” (I#3)

Similarly, interviewee I#8 stressed that she would appreciate a recommendation that satisfies her needs. In addition, she highlighted the importance of being well prepared:

“They know my profile, so based on my needs the FSE should recommend something that would benefit and help me....I would be sceptical because nobody really cares for another person...if it had charges I would possibly be even more sceptical...If I felt that he was unprepared, I would think that he is trying to convince me without caring. I could see that from the look on his face, I don't know how to explain it...” (I#8)

Respondent I#9 suggested a possible way that the FSE could detect her needs:

“They have to see my statement and see that by the end of the month my balance is negative and recommend something that would be more advantageous...if it is worth paying extra interest...” (I#9)

This could also be accomplished through the customers' personal profile:

“The right approach would be meeting my needs first... if he would know exactly what I need through my profile”. (I#5)

A lot of the informants highlighted that they would appreciate the FSE that would first of all try to meet their needs and not the bank's interests:

“Firstly, what matters is what they will sell. You can understand by their expressions if they are trying to simply sell a product, because in this case they usually say the same sentences to everyone. Or they are taking every person differently. Even if they are pretty much saying the same thing, they need to have the professionalism not to show it and add something that would suit the customers' personal needs.... The tone of their voice, their facial expressions, the eye contact.... all of these play a crucial role.” (I#2)

In summary, informants acknowledged that Cypriot FSEs have never recommended a product or a service to them. Some of them were puzzled, as they consider themselves to be “good” customers. Others are confident that the only reason for not being offered an additional service is because they are foreigners. Regardless of the reasons, all of them were disappointed. They admitted that they would appreciate if a FSE would recommend a product that would meet their needs and serve their own interests.

Communicating negative emotions

The researcher, trying to uncover what promotes affective trust when it comes to negative emotions, addressed a number of questions regarding the acceptable way of expressing the care and concern. More precisely the researcher wanted to determine whether uncovering hidden negative emotions and information, would be beneficial. Most of the informants would not like it if the FSE asked them about their unintended negative mood. This is illustrated in the following narration by informant I#2:

“I think is not beneficial because the person can be upset or look differently for different things and some things can be personal a bank employee puts the customer in a less comfortable position because it is kind of rude to say that I am not going to tell you... you can say it in a more polite way but still is a bit rude. I think that for FSEs, what is needed is simply ask how you are doing today. And this is a neutral question which is beneficial, is not irritating. Whenever a person doesn't look happy he can react differently to such a question, he can say something rude, get angry. Someone may think why he is getting into my personal life, it can be irritating. It should be done with professionalism, because the employee needs to understand when he is asking something deeply personal... he needs to formulate the question in such a way that the customer would not perceive it as if he is trying to get his sol.” (I#2)

After providing her point of view on the subject, she compared the Russian and Cypriot mentality. She realized that Cypriots are more open with strangers compared to Russians:

“Russians are much “closed” as opposed to Cypriots, and they are “closed” because a person from the street or a bank employee cannot know your life... Russian people have reasons to behave like this. We are “closed” with unknown people but we are very “open” and friendly with friends and people we know... as opposed to the local people.” (I#2)

Nevertheless, in-depth exploration allows different perspectives to emerge. There were foreign customers that would have liked it if the FSE understood their negative emotions. However, they would like the FSE to formulate the question in a polite and appropriate way. For example, foreign customer I#1 believes that when it comes to people, he can no longer focus on the institutional nature of the bank. He disclosed:

“For me it doesn’t depend on the organizational setting but on the employees. If it is a nice person, she or he can provoke emotions to the environment. If I go there and I am angry and she wants to break the ice she can tell me, ‘I can see that you are in tension’...that would break the ice...then you can talk and this is nice. Even though it is a bank... but for me is important”. (I#1)

The interview transcripts revealed another informant who would like the FSE to perceive her negative emotions. Informant I#6 would like the FSE to show that he or she has detected the difference in her mood. Nevertheless, she does not prefer the direct verbal manner. More precisely she prefers the following approach:

“I wouldn’t like it if the FSE directly asked me or made a comment... However, I would like him to be extra polite; I would love if he or she behaved in a warmer way compared to other days. This would make me feel that he or she cares about me... I want to know that he can see the difference. Even though it is just a bank, I would feel that there are people there who care, they can understand if you have a problem...”

The research findings revealed that most of the foreign customers, even if they deliberately show their negative emotions, they would not like the FSE to directly comment on it. For example, informant I#3 admits expressing her anger because she wanted to make her aggressiveness obvious. However, she would get even angrier, if the FSE addressed her emotion in a direct manner. On the contrary, she would prefer that the FSE would use the nonverbal channels of communication to express his regret and willingness to resolve her issue.

“I wouldn’t tell him in a direct manner that I was irritated and I wouldn’t like him to do that either... he doesn’t really know me.... how can he tell with accuracy what I feel? He doesn’t really know how I feel and that would irritate me even more”. (I#3)

Similarly, informant I#5 espouses the same idea:

“If he told me, ‘I can see you are frustrated but your visa card is going to be here tomorrow’, it is not going to help. I am frustrated so...?(!) Thanks for noticing it! It is appropriate to note it but don’t say it out loud. If you see that I am frustrated tell me that you will make sure that tomorrow is going to be here!” (I#5)

Based on these narrations, foreign customers would like the FSEs to detect their negative emotion. However, they prefer if the FSEs showed their understanding through the non verbal channels of communication. They highlighted that this approach would be more beneficial. In this way, they might feel that the FSEs genuinely care about them. They would not like to elaborate on their unintended negative emotions. This finding is in line with Elfenbein and Ambady (2002) who suggest that people do not always prefer to share bad news and negative information with others. The interviewees innovatively revealed that, even though banking institutions in Cyprus offer “enhanced” encounters, nevertheless foreign customers seem to value an additional “relationship” gesture. In other words, the findings confirm Gutek’s et al.’s (2002) argumentation on “enhanced” encounters and further expand the knowledge by adding new insights and characteristics of the “enhanced” encounters in the specific domain.

4.2.5.2 Sub-theme: 2.2.2 FSEs

Selling Approach

The researcher intended to understand FSEs’ approach when it comes to recommending products and services to foreign customers. This question revealed two approaches. First, some of the informants admitted avoiding cross selling with foreign customers. For example I#12 claimed that foreign customers don’t need this kind of personal selling as they prefer to distant themselves from the FSEs. She explains:

“The foreign customers need to feel their distance, for them this is professionalism. You can only recommend something, nothing more....Usually the foreigners are businessmen. They are always in a hurry....they will not start a conversation and they don’t want you do that. They don’t think is necessary....These people need their distance....they are not emotionally engaged with the bank...” (I#12)

Similarly, informant I#18 is convinced that foreign customers are not used to this personal selling:

“Usually foreign customers ask what they need because this is how they are treated in their home country”. (I#18)

These two informants avoid recommending something to foreign customers because of the way they perceive foreign customers. Some other FSEs tend to avoid cross selling but for

another reason. They admit being reluctant due to the extra effort foreign customers require. Informants I#14 and I#19 confessed feeling totally de-motivated:

“We were doing a campaign for internet banking...it didn't cross their mind to recommend it to foreign customers...if they don't change attitude I cannot approach them...I wait for them to approach me after an incident...with foreigners I don't have the same passion. It is very boring trying to explain something that the foreigner might find it difficult to understand.” (I#14)

Similarly, responded I#19 admitted hesitating when it comes to recommending something to foreign customers:

“I will hesitate...I couldn't recommend a product to a foreign customer...it is not easy for me to explain the details and make him understand what I am trying to explain.” (I#19)

Other informants admit being unwilling to recommend a service to a foreign customer and they put the blame on the system. More precisely, informant I#20 avoids recommending new products to foreign customers and raises the issue of support within the institution. He believes that his colleagues, who work at other departments, do not understand how frustrating it is to be unable to provide all the required information to the customers. This lack of support makes FSEs avoid complicated cases.

“Foreign customers need professionalism...and they consider us unprofessional. The FSE cannot show professionalism when the other people, that are in the chain of service, are not professional, don't answer the telephone when you need them. Unfortunately there is not much you can do...it is not easy to settle their queries, so we avoid offering them new products.” (I#20)

Similarly, informant I#17 claims that the whole system does not encourage FSEs to serve foreign customers. They avoid recommending a new product because there is a great risk of unrequited bureaucracy. He also considers that language can become an additional burden. He described his selling approach towards foreign customers.

“You have to know his daily transactions. You have to ask how he pays or transfers his money from abroad in order to help him save money from the exchange rate and the additional charges. You have to recommend something that would serve his interest. You should never lie. Don't make him buy a product he doesn't need because this

product may cause more expenses and then he will not trust you. It is not easy to recommend something because of the fear of saying something in the wrong way. It is difficult to be accurate and understandable in another language...I would be very offended if I was not able to settle a query...The general approach towards foreign customers is not appropriate, there is extra bureaucracy and time consuming procedures. FSEs carry this entire burden. FSEs are extra careful and try to avoid complicated cases...” (I#17)

Based on the above narrations, FSEs avoid recommending additional products to the customers and thus sustain a pure “clerical” image. This finding contracts with the existing literature that suggests that branches should not have a cold “institutional image” but should be the “delivery and selling point” of the bank. They are expected to be the advisors of their sophisticated clientele (Stephenson & Kiely, 1991; Font, 1993; Heffernan et al. 2008).

In addition, the above quotation reveals another essential issue that introduces the second approach towards cross-selling with foreign customers. Informant I#17 explains that, based on his experience as a FSE, foreign customers appreciate honesty and a recommendation that would save additional costs. Similarly, informant I#21 considers that foreign customers value a product that would not have extra cost. She also believes that foreign customers appreciate honesty:

“With foreign customers you have to be honest...If I have a target I may use humour to approach them...they may agree to buy something they don’t even need, as long as there is no extra fee, if it is for free it is doable” (I#21)

In the same vein, informant I#16 stated that foreign customers would appreciate if the employee could detect their needs and recommend a product that would save them from additional expenses and fees. He also highlighted that foreign customers require comprehensive description of products and services. That could be challenging, taking into consideration that the communication in English makes them self-conscious:

“Foreign customers need details...they need recommendations based on their needs, something that could help them reduce their costs and make them feel more secure because they are alone...The foreigner needs professional information about the interest rate and the charges...sometimes the language is a barrier...” (I#16)

Informant I#13, who also advocates the aforementioned perspective, justifies foreign customers' need to avoid additional charges. She affirms that their daily needs require transactions that cost more than the average transactions do. She explains:

“The communication is a barrier. Especially at the beginning I wanted them to leave the branch as soon as possible, I was stressed and I didn't want to recommend something because I was asking for trouble...Foreign customers have more complicated questions, requests and the communication is not easy. The services they need have extra cost and that is very uncomfortable for them. So they appreciate if you recommend something that would save them these extra fees. Recently, I recommended to a foreign customer a USD account that could save him the extra cost of exchange rate....This saved him at least 5 euro per transaction, so he appreciated my recommendation. Their needs include transfers with different currencies, swifts and other transactions that have extra fees. This is why they appreciate if a FSE tries to save them these extra costs.” (I#13)

In summary, there are FSEs who are reluctant in recommending a service to a foreign customer because they think it is impossible to succeed. Whereas other FSEs, even though few, consider it is doable, as long as the FSE is honest, tries to make the foreign customers' life easier and aims to save them from extra charges. These findings are in line with Rempel et al., (1985), who suggested this exact approach in eliciting an emotional bond of trust within the financial sector.

Communicating negative emotions

The researcher, at this point tried to reveal FSEs' perspective on communicating hidden negative emotions with foreign customers. The informants shared various perspectives. Informant I#15 believes that foreign customers usually are afraid because they are in a foreign country. She explained that she has numerous ICSEs per day and that she feels even more empathetic towards foreign customers. She describes the negative emotional state of a foreign customer from Philippines:

“I could see the fear and I was trying to help her....She had this look on her face, she couldn't speak...I suppose is the fact that she is in a foreign country, not being able to express herself...she depends on me ...she experienced fear and anxiety..I make a small talk at the beginning in order to make her feel more comfortable. I

can see that she distance herself and I don't think is personal, I totally understand.”
(I#15)

On the other hand, informant I#16 considers this “distance” a personal matter and he makes no effort to approach foreign customers:

“The foreigners are more distant with me so I distance myself from them” (I#16)

Informant I#19 described an intermediate stage. She admitted that she has a difficulty in approaching foreign customers in a more friendly level. She assumes that her reluctance derives from the fact that she had never lived in a foreign country long enough so as to become familiar with other mentalities.

“With some foreigners I cannot connect...I cannot ask them what is the problem, it doesn't mean that I don't care, I believe they don't want you to ask them... is hard for me because I have never lived in any other country besides Cyprus, so I only know Cypriot idiosyncrasy...Foreign customers don't share their problems. They are not warm and they say only the basic. I cannot remember a time when a foreign customer came and shared something. Maybe the language is a barrier...” (I#19)

Informant I#12 thinks is unethical to use this awareness in order to accomplish a target. She does not feel prepared enough to approach a customer at that level. She believes that the workload and pressure do not allow FSEs to really understand their customers. She describes:

“If I verbally communicate the specific emotion I think it would be like using the emotion to do my job. For foreign customers this kind of place has no room for emotions...If you work as a FSE you should be able to understand if a person would like this kind of approach. FSEs are responsible for losing and winning the customers...However we never have the time to up-date their personal folders in order to really know their profile. Serving foreign customers requires extra effort.”
(I#12)

FSEs expressed various perspectives on this matter. The researcher was able to detect that FSEs were confused. They usually ended their answers with the expression “of course I can think of some exceptions”. There was an obvious vacillation between communicating or not the unintended emotions. Informant I#13 concludes:

“Foreign customers need special treatment. You have to understand their profile because if you are more direct than they would like you to be, you become less professional and then you lost the game. For example, customers from England are more strict and they don’t like intimacy, they would not like if you asked more than the strictly professional information ... it is not easy to understand them...Of course there are also exceptions to the rule...”(I#13)

Informant I#13 engages in many ICSEs and feels that foreign customers require extra effort on behalf of the FSEs. She affirms that the FSE should not have a predetermined approach based on a foreign customer’s nationality. She claims that people are different and FSEs need to be able to understand their limits.

Except the unintended emotions, the researcher tried to understand FSEs’ experience on the emotions that were deliberately expressed. The vast majority of the informants believe that they should not show their awareness. Some of the interviewees have regretted saying to the customer the emotion they observed. For example, informant I#16 described a critical incident during which he expressed in a direct manner the detected emotion. According to respondent I#16, the customer was angry because he requested her ID card. Then, she deliberately expressed her anger and the FSE directly commented on this emotion. The critical incident peaked that moment:

“I told her to relax, that she shouldn’t get angry, and that I was just doing my job... Then she became even more angry and told me verbatim “who are you and what gives you the right to tell me to relax, I am relaxed”....So now I know that even if they show me their anger I shouldn’t comment on it” (I#16)

Informant I#20 supports the same notion:

“It is better if you don’t express verbally the detected emotion. I think they will get more irritated. You have to be careful with the words you choose...All they need to know is that you want to resolve their issue”. (I#20)

Similarly, other informants believe that when foreign customers deliberately show their negative emotions, FSEs should not communicate the detected emotion at all. Informant I#21 believes that FSEs should pretend that nothing is wrong and keep doing their job. She believes that it would be harmful to show her awareness:

“I don’t believe we are allowed to show that we are aware of their emotions. We are supposed to pretend that we cannot understand their frustration, remain polite, smile and serve the customer who is always right... You cannot lose a customer just because he offended you or because you do not like him. You cannot judge a customer by his character, for you it is a customer.” (I#21)

On the other hand, informant I#18 stated that foreign customers do not allow FSEs to discuss a critical incident. For her, foreign customers do not feel comfortable enough to stay at the bank and talk about their inconvenience:

“Foreign customers don’t allow you to elaborate on their emotions. They get angry, say something in their language and then leave. They don’t give you the chance to discuss the situation because they don’t feel comfortable enough.” (I#18)

Research findings suggest that FSE are intimidated by foreign customers. They are not confident enough to adopt a specific strategy. While discussing with the researcher, it was obvious that they were trying to recall specific incidents in order to answer the interview questions. However, the common consensus is that FSEs need to speculate the foreign customers’ limits, especially when it comes to communicating negative emotions.

4.2.5.3 Discussion

This subtheme elaborates on relational trust, that relates to reciprocity (Massey & Kyriazis, 2007; Dowell et al., 2015) and to the faith that the other party will act as the expectations held by the individual (Dowell et al., 2015). Emotions play a crucial role in relational trust as the individuals can only hope for reciprocity (ibid.). The analysis of the interviews revealed that FSEs and foreign customers experience various negative emotions that hinder the development of affective trust. As aforementioned, most of the foreign customers that participated in this research admitted experiencing anger, irritation and frustration. These emotions coloured the critical incidents, which were found difficult to let go. These critical incidents were mostly triggered due to the lack of empathy, since foreign customers felt that the FSEs did not really sympathize with their unresolved issues. This lack of care and concern strikes affective trust (McAllister, 1995; Dowell et al., 2015). According to the foreign customers, the lack of empathy was also reflected to the lack of effort in selling products and services. Foreign customers highlighted that no one ever recommended a product to them. They do not hope that FSEs care enough to satisfy their needs and they do

not feel that FSEs sympathize with their daily challenges. This lack of empathy does not allow positive and caring emotions to emerge (Goleman, 2004).

However, research findings suggest that FSEs hold a perversion of the truth. Some FSEs avoid recommending additional services to foreign customers because they do not think that it would be beneficial for the development of trust. They consider that foreign customers would not enjoy additional care and concern because they are more independent compared to the local customers. This innovative and crucial finding was revealed only because the researcher asked the same questions to both, FSEs and foreign customers. This allowed the fruitful comparison of the created meanings and concepts.

Moreover, most of the FSEs admitted having low self-esteem when encountering foreign customers. Most of them had a difficulty recalling a case where they successfully sold something to a foreign customer. FSEs admitted being intimidated by foreign customers. They feel that they need to be fully prepared in order to approach a foreign customer. They are afraid of their questions and requests. They admit that their knowledge is not deep enough to successfully negotiate with foreign customers. They also admit not knowing the competitors' products and services. They believe that foreign customers are educated customers and have high standards.

Nevertheless, the researcher tried to reveal the most preferable way of selling a service within the banking industry. The aim was to uncover strategies that would make the foreign customers feel genuine care and concern, which would ultimately increase affective trust and FSEs's performance.

According to the research findings, most of the foreign customers and FSEs identified that the most preferable way of selling, is recommending a service to foreign customers that will save them fees and other charges. Foreign customers admitted that if FSEs could spot their needs and offer a product that would save them money and make their life easier, it would definitely raise the levels of affective trust. Similarly, FSEs realised that the most effective way of approaching foreign customers is by offering them a product that has little commission for the bank and saves them additional expenses. Moreover, the research findings might suggest that foreign customers in Cyprus would also appreciate if recommended a product that would save them time energy. The banking hours in Cyprus are not very convenient to the public. This means that when they need to go to the bank, they have to leave their jobs or even take a half day off work. For this reason, foreign

customers would deeply appreciate a FSE that could detect their inconvenience and offer a product that could make their life easier.

The research findings contradict with what the literature suggests about the changing role of the branches. The FSE should not be another “clerical staff” and the branch should not have the cold “institutional image”. On the one hand, foreign customers have created this image about the banking institutions they co-operate with, and on the other hand, FSEs do nothing to restore this obsolete approach. The research findings revealed that banking institutions in Cyprus have not invested in the training and development of their FSEs. Foreign customers highlight the lack of empathy, something that illustrates that banking institutions sustain this cold “institutional image”.

In addition, according to the findings, FSEs admitted that they are expected to provide one-on-one service with a personal touch. Foreign customers that cooperate with local retail banking institutions are not expected to rely solely on ATMs and other technologically based service delivery processes. Despite their financial difficulties, local retail banking institutions in Cyprus chose to maintain branches all over the island. This means that the banking institutions’ strategy does not support a simple service encounter that could be easily replaced by self-service technologies. They seem to be interested in discovering and meeting their customers’ needs, a strategy that refers to a more service relationship approach (Guttek et al., 2002).

Exploring foreign customers’ perspective, the researcher retrieved some contradicting results regarding the nature of ICSEs in the banking industry of Cyprus. On the one hand, foreign customers did not expect to interact with the same FSE, which is typical in “enhanced” encounters (ibid.). However, foreign customers do have preferences when it comes on selecting a FSE because of their previous service experience. Some even reported avoiding visiting their branch in order to avoid a possible interaction with a specific FSE (Informant I#1 and I#3). In addition, research findings suggest that not all foreign customers are always cost-sensitive (Informant I#1) and they tend to attribute mistakes and poor performance to the FSEs. These last two findings do not support Guttek’s et al.’s (2002) argumentation on “enhanced” encounters, who suggest that in “enhanced” encounters customers can be satisfied by receiving service from the next available FSEs, they value mostly low cost prices and they attribute poor performance to the organization. Research findings innovatively suggest that in these particular ICSEs, foreign customers value the personal touch and extra effort as well as fewer charges.

Based on aforementioned detected flaws, the researcher, tried to uncover the desired empathetic approach. More precisely, the researcher tried to elicit the desired behaviour towards the foreign customers' negative emotional state. The findings illustrate that FSEs should not risk repeating the identified negative emotion. Foreign customers were reluctant in sharing their accurate emotional state with the FSE. Also, some FSEs have regretted communicating to the foreign customer the detected negative emotions. However, some foreign customers would prefer if the FSE showed that he or she understood their emotional state. In other words, they consider the nonverbal channels of communication to be more beneficial. They need to know that the FSE can detect anger and instead of directly expressing it, do something about it.

The researcher wanted to understand what the informants think when a FSE of a banking institution is able to perceive the hidden negative emotional state of the foreign customers. Most of the participants admitted that this could harm the development of affective trust. Some foreign customers felt that the FSE working at this specific organizational setting, should not perceive the foreign customers' uncontrollable negative emotions. The fact that they did not intent to show their negative emotions, illustrates that they would not like to discuss something with the FSE. Some others would like to feel that the FSE cared enough to perceive their negative emotions. However, they admitted that, FSEs should not comment on it in a direct manner. According to the research findings, foreign customers consider the nonverbal channels of communication to be more appropriate and more polite.

In addition, Elfenbein and Ambady (2002) suggest that this ability of detecting unintended negative emotions might negatively influence FSEs' emotional state. This was also detected in the FSEs' transcripts. Some of them find it difficult to dissociate themselves with the foreign customers' negative emotional state. That has detrimental consequences on the FSEs emotional state. Their ability to detect the hidden negative emotions influences adversely their own emotions.

In conclusion, the findings suggest that FSEs that engage in ICSEs in the banking industry of Cyprus should be able to detect and communicate negative emotions using the non-verbal channels of communication. They should be trained to develop this competence in order to develop and enhance affective trust in the specific context. On the other hand, banking institutions should not train FSEs on detecting the unintended negative emotions, because this can be harmful in the development of affective trust. In addition, one important conclusion is that FSEs and foreign customers have a very different perspective

on what the word “professional” represents. Foreign customers highlighted that for them it would be professional if a FSE recommended a product that would meet their needs and save them additional charges. On the contrary, FSEs believe that foreign customers do not consider this approach beneficial. FSEs think of foreign customers as more independent. They believe that foreign customers do not prefer to be treated with extra care and concern. This finding is very illuminative and innovative for the FSEs and the banking institutions.

4.3 Conclusion

This chapter explored how FSEs and foreign customers perceive the role of EI for the development of affective trust ICSEs in the retail banking industry of Cyprus. Two pilot interviews and 21 semi-structured interviews were conducted involving FSEs and foreign customers. The conducted interviews, as a data collection method, proved to be useful for the in-depth exploration and understanding of the ICSEs in the banking industry in Cyprus. The researcher presented a representative number of critical incidents and comments that assisted in the exploration of negative emotions during ICSEs. The formulation of the initial and final template allowed the reflection and served the exploratory nature of the present study. The researcher, as a symbolic interactionist, managed to produce a rich description through the exploration of the interview transcripts. Interviewing both, FSEs and foreign customers, the researcher collected various perspectives that provide a more holistic idea of ICSEs in the banking industry of Cyprus.

The next chapter presents the thesis’ contributions, providing the concluding remarks. The researcher injects new ideas into the conceptual framework, which aims to provide a training and recruitment basis for developing affective trust during ICSEs in the banking industry of Cyprus.

Chapter 5: Research Conclusions

5.0 Introduction

This chapter first presents a summary of the main findings along with the refined conceptual framework. Next, this chapter elaborates on the conceptual contributions and practical implications. Then, the researcher delineates the study's limitations and avenues for further research. Last, this chapter reflects on how this doctoral journey helped the researcher develop as an individual, as a researcher and as a practitioner.

5.1 Summary of Main Findings

The current doctoral investigation focused on exploring how negative emotions can be successfully regulated during ICSEs in the retail banking industry of Cyprus. This exploration included the perspectives of the FSEs and the foreign customers on the role of EI in the development of affective trust. The researcher analysed the conducted interviews in an attempt to provide answers to the research questions analyzed in Chapter 2 (section: 2.3 Conceptual Framework).

5.1.1 Research Question 1

RQ1: What are the negative emotions that arise during an interaction between a FSE and a foreign customer in the banking industry?

The semi-structured interviews revealed a number of negative emotions that FSEs and foreign customers experience during ICSEs. The CIT helped informants reflect on their emotional state. They identified the negative emotions that coloured the critical incidents. The emerged negative emotions are illustrated in the Figure 5.1 (“Negative Emotions that emerge during ICSEs”), which is an excerpt from the validated conceptual framework (Figure 5.7: “Final Conceptual Framework”). The research findings revealed that FSEs and foreign customers experience similar and dissimilar emotions during an ICSE. For this reason, the refined conceptual framework demarcates the emotions that refer to the FSEs from those that refer to the foreign customers. This innovative approach facilitates an employee and / or customer specific approach. The researcher underlines the negative emotions that were detected in the research findings but not in the literature review.

Figure 5.1: Negative Emotions that emerge during ICSEs

Negative Emotions experienced by:	
<p><i>FSEs-</i> <i>tend to avoid or suppress:</i></p> <ul style="list-style-type: none"> • anger • anxiety • apprehension • <u>awkwardness</u> • contempt • <u>disappointment</u> • embarrassment • fear • guilt • <u>hostile</u> • inadequacy • indignation • <u>injustice</u> • <u>offence</u> • <u>panic</u> • <u>revengeful</u> • shame • stress • <u>suspicion</u> • <u>tension</u> • threat • wounded pride 	<p><i>FOREIGN CUSTOMERS-tend to reappraise:</i></p> <ul style="list-style-type: none"> • anger • <u>annoyance</u> • anxiety • apprehension • <u>confusion</u> • contempt • frustration • <u>discomfort</u> • <u>disgust</u> • <u>disappointment</u> • embarrassment • fear • guilt • inadequacy • <u>irritation</u> • <u>misery</u> • <u>offence</u> • <u>shock</u> • stress • wounded pride

5.1.2 Research Question 2

5.1.2.1 Research Question 2a

RQ2a: What is the role of EI, in terms of the ability to accurately perceive negative emotions, both in oneself and others?

This research question reflects the first pylon of EI (Shao et al., 2014) which is “the ability to identify emotions in oneself and others, as well as in other stimuli, including voices, stories, music and works of art” (Brackett et al., 2006, p. 781). Informants, both FSEs and foreign customers, highlighted the importance of this pylon during the critical incidents. They described a considerable number of negative emotions that were detected via the tone of the voice, posture and the expression on the face.

The findings suggest that during ICSEs, the accurate perception of negative emotions in oneself is very important because it becomes a prerequisite for the understanding and regulation of the specific emotion. For example, when a FSE is able to accurately and

promptly perceive anger, an emotion that could dampen FSE’s intellectual activity (Frentiu, 1997) and hinder the development of affective trust, only then he or she will be able to successfully regulate anger and avoid its detrimental consequences (Goleman, 2004). In addition, the accurate perception is very important because there are various negative emotions that emerge during ICSEs that should not be confused with each other. Research findings suggested that negative emotions from the anger family, like annoyance, frustration, irritation and anger are expressed in different ways and can have different consequences. For this reason, the accurate perception of negative emotion is very important during ICSEs.

In addition, the perception of negative emotions in others is also very important during ICSEs in the banking industry. The FSE should be able to accurately perceive negative emotions through the non-verbal channels of communication. This is also supported by the fact that nonverbal communication comprises more than 60% of the interaction (Riddle, 1992, as cited in Mattila & Enze, 2002). Specifically, FSEs should recognize negative emotions via the posture and the voice, which are less easy to control (Elfenbein & Ambady, 2002). FSEs should be able to detect negative emotions in foreign customers because different emotions indicate different causes that trigger those specific emotions. For example, research findings and literature suggest that frustration is experienced when someone realizes a deviation from a script or an interruption (Lazarus, 1991). Thus, the sooner a FSE realizes this specific emotion in a foreign customer, the more successful he or she would be in resolving the issue that caused this emotion. Figure 5.2 (“Perceive Negative Emotions”), which is an excerpt from the conceptual framework (Figure 5.7: “Final Conceptual Framework”), presents the aforementioned findings.

Figure 5.2: Perceive Negative Emotions

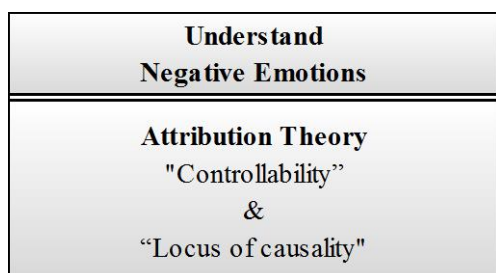
Perceive Negative Emotions	
oneself <ul style="list-style-type: none"> • promptly • accurately 	others (intended) via: <ul style="list-style-type: none"> • tone • posture • facial expression

5.1.2.2 Research Question 2b

RQ2b: What is the role of EI, in terms of the ability to understand negative emotions along with the signals conveyed by these emotions?

The current research showed the importance of the second branch of EI during ICSEs in the banking industry in Cyprus. Research findings indicated that during an ICSE people attribute the failure, either towards other or inward. These findings are in line with the AT, more specifically the “Controllability” and the “Locus of Causality”. According to the collected data, people from different cultures do not think alike and thus FSEs may easily misconceive an emotion, offend or irritate a customer. Some people may attribute the failure towards others, whereas other people direct it inward. For example, similar critical incidents, like those that refer to the lack of effort on behalf of the FSE, created to foreign customer I#16 the emotion of guilt, to foreign customer I#9 the emotion of anger and to FSEs I#14 and I#19 the emotion of boredom. However, research findings suggest that FSEs experience emotions that are directed both inward and toward others, whereas foreign customers experience mostly emotions that are directed towards the FSEs. This important finding suggests that FSEs have created a negative image regarding their effort in serving foreign customers. This finding has important implications to both FSEs and the banking institutions, which will be further analyzed below (section 5.3: Practical Implications). Literature review and research findings suggest that these negative emotions need to be accurately acknowledged and respectively regulated because they can be the basis of the subjective judgements that reflect the intuitive element of affective trust (McAllister, 1995; Dowell et al., 2015). Figure 5.3 (“Understand Negative Emotions”), which is an excerpt from the conceptual framework (Figure 5.7: “Final Conceptual Framework”), presents the importance of the AT in the second pylon of EI.

Figure 5.3: Understand Negative Emotions



5.1.2.3 Research Question 2c

RQ2c: What is the role of EI, in terms of the ability to regulate negative emotions to achieve goals?

The current investigation has innovatively detected an important demarcation between the way FSEs and the foreign customers regulate and manage their negative emotions, which reflects the third branch of EI. More precisely, research findings suggest that foreign customers that engage in ICSEs in the banking industry in Cyprus tend to influence their negative emotions by thinking in a different way. They apply the re-appraisal strategy and thus they often manage to experience a mild version of the negative emotions. On the contrary, FSEs either avoid these encounters or suppress their negative emotions. Research findings illustrated that these techniques can be harmful for the development of affective trust. On the one hand, avoidance is perceived by foreign customers as lack of effort. On the other hand, suppression is very exhausting and, according to the interviewees, not always successful. Based on the research findings, the third branch of EI is very important as FSEs should truly engage in ICSEs and nonetheless, be able to successfully re-appraise negative emotion and learn strategies in order to defuse their intensity. Regarding the negative emotions of others, research findings suggest that FSEs should use the non-verbal channels of communications. Based on the foreign customers' perspectives along with the FSEs' personal experience, addressing a negative emotion straight out would aggravate the situation.

Figure 5.4 (“Regulate Negative Emotions”) provides a figural representation of the aforementioned findings.

Figure 5.4: Regulate Negative Emotions

Regulate & Manage Negative Emotions	
oneself: <ul style="list-style-type: none">•re-appraise•defuse tension	others: <ul style="list-style-type: none">•nonverbal channels of communication

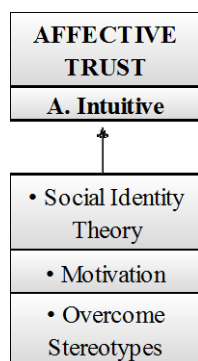
5.1.3 Research Question 3

RQ3: What is the impact of EI's abilities in the development of affective trust?

5.1.3.1 Intuitive

The current investigation focused on ICSEs and on exploring the impact of EI's abilities in the development of affective trust. The findings suggest that abilities, such as the ability to accurately perceive and understand negative emotions, are very crucial in the development of affective trust. The informants highlighted that negative emotions are created due to the fact that foreign customers and FSEs perceive each other as out-group members, an approach that relates to the SIT. They consider each other as possible threat, they do not try to overcome their initial negative emotions and thus they avoid each other. FSEs should accurately perceive negative emotions and understand their true cause. This process could help them overcome boredom, increase motivation in retrieving new information and overcome the stereotypes that create negative emotions. Thus, research findings suggest that EI can reduce negative emotions and help develop affective trust even when FSEs are cognitively busy or are under stress. In addition, motivation could ultimately alter the stereotypes and increase the levels of reciprocity between FSEs and foreign customers, which will ultimately increase affective trust. The motivation to retrieve to new information will ultimately diminish the subjective judgments and lead to more empathetic behaviours. Figure 5.5 ("Affective Trust – A. Intuitive") illustrates the above mentioned findings. Last, this study has innovatively detected another barrier in the development of affective trust. More precisely, banking institutions in Cyprus promote certain stereotypes that affect FSEs' perception about foreign customers. Based on the research findings, the banking institutions present to FSEs some generalizable guidelines to help them detect possible suspects for money laundering activities. These generalizations become harmful to foreign customers' reputation, create more stereotypes and hinder the development of affective trust between FSEs and foreign customers.

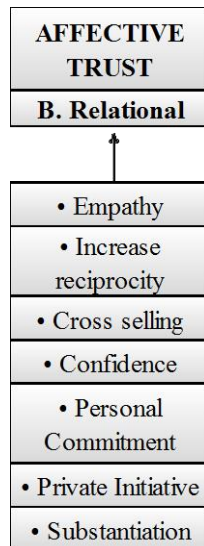
Figure 5.5: Affective Trust – A. Intuitive



5.1.3.2 Relational

The current investigation demonstrated that empathy is very important for the development of affective trust during ICSEs in the banking industry. The CIT revealed that the lack of empathetic approach towards foreign customers' unresolved issues hinder the development of affective trust. This lack of affective trust was affected by the FSEs' lack of effort to recommend additional services to the foreign customers. FSEs' lack of effort and lack of private initiative is interpreted by foreign customers as lack of care and empathy, which does not allow caring emotions to develop. At this point the research findings revealed an important inconsistency between FSEs' and foreign customers' perception on the recommendation of products and services. Some FSEs avoided recommending additional products to foreign customers because they thought that it would be irritating and harmful to them. This finding is illuminative for the FSEs and the banking institutions that share this specific view about foreign customers. In addition, this lack of effort is interpreted by some other FSEs as low self-esteem and low confidence. Research findings suggest that foreign customers appreciate a recommendation of a product that could save them additional fees and make their life easier. The lack of affective trust strikes FSEs' persuasive efforts and impacts foreign customers' intention to really listen to what the employee has to say. In addition, research findings suggest that FSEs should non-verbally communicate the negative emotions that foreign customers deliberately show. On the contrary, communicating unintended negative emotions would be harmful for the development of affective trust. Last, research findings suggest that foreign customers appreciate a FSE who is committed and assumes responsibilities and does not pass the buck on the "Authorities" and the Central Bank of Cyprus. On the contrary, the lack of substantiation weakens foreign customers' relational trust towards the FSEs and raises issues of personal discrimination.

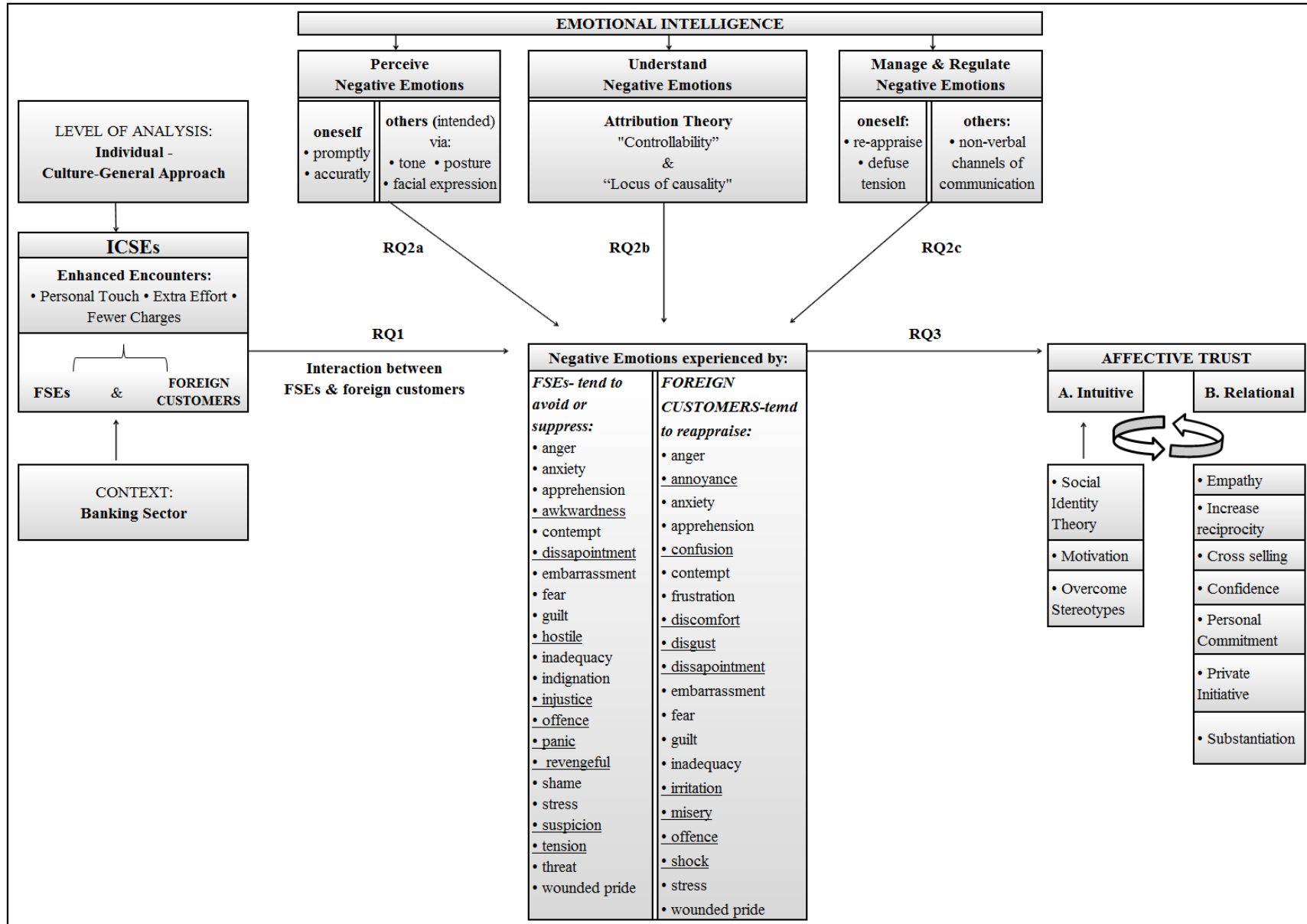
Figure 5.6: Affective Trust – B. Relational



5.1.4 Final Conceptual Framework Development

Based on the aforementioned research findings, the researcher has empirically validated the conceptual framework that illustrates the perceived role of EI for the development of affective trust during ICSEs in the banking industry of Cyprus. This conceptual framework can be used to guide retail banking institutions during the recruitment and training processes of FSEs.

Figure 5.7: Final Conceptual Framework



Based on the empirically validated conceptual framework, when local FSEs interact with foreign customers within the banking industry, emotions of negative valence are provoked that hinder the development of affective trust. Interactants sometimes experience similar and sometimes dissimilar negative emotions. However, FSEs tend to suppress the provoked negative emotions, whereas foreign customers manage to re-appraise them. Based on the research findings, certain EI's abilities can help FSEs successfully manage the emerged negative emotion in order to develop affect-based trust.

First, regarding the EI construct, the conceptual framework starts by delineating the importance of perceiving negative emotions. Different emotions have different signals that should be promptly and accurately detected. The successful perception helps the FSEs to understand the true attribution of the negative emotion. This realization is important for the successful management of the harmful emotions. FSEs are able to re-appraise negative emotions as long as they managed to promptly and accurately detect and understand them. In case a negative emotion is provoked, a FSE should be able to defuse its tension and moderate its intensity. In addition, FSEs should be able to manage foreign customers' negative emotions using the non-verbal channels of communication.

Following, these specific EI's abilities can successfully manage negative emotions and enhance the development of affective trust (outcome). Research findings suggest that the intuitive and the relational elements of affective trust are inextricable. The intuitive element of trust is explained via the SIT. The motivation to collect new information about the "out-group" member helps the FSEs to re-evaluate the initial subjective judgements and overcome certain stereotypes that hinder the development of affective trust. In addition, the relational element of trust is developed via the empathetic behaviour towards the foreign customers's unresolved issues. The newly collected information affects FSEs' motivation to facilitate foreign customers' daily life. This tendency increases the hope of reciprocity among them. In order to meet their needs and resolve their issues, FSEs should have the confidence to show private initiative in recommending additional products (cross-selling). The attempt to save foreign customers' additional fees and facilitate their daily challenges reflects personal commitment. Last, the relational element is affected by the assumption of responsibilities and the substantiation when it comes to certain procedures.

In conclusion, based on the empirically validated conceptual framework, the above mentioned EI's abilities and strategies can enhance the development of affective trust during ICSEs in the banking industry.

5.2 Knowledge Contributions

5.2.1 Conceptual Framework

According to the research findings, this research provides important contributions to the existing theories. In this chapter, the researcher elaborates on how research findings have filled the gaps identified not only in the literature review chapter, but throughout the thesis. Literature review suggests that there is little research in the area of ICSEs and that it mostly focuses on customers' perspective (Sharma et al., 2009, 2012). Thus, this doctoral investigation extends research in ICSEs focusing on the customers' and the FSEs' perspective, in an attempt to enhance affective trust with the service experience.

The researcher innovatively uses a common framework for both FSEs and foreign customers in order to show the commonly agreed way of successfully managing negative emotions and developing affective trust during ICSEs in the banking industry of Cyprus. The researcher, as a symbolic interactionist, addresses ICSEs as interactive encounters, during which FSEs and foreign customers experience similar socio-psychological processes. Thus, the provided framework reflects the expectations and perceptions of FSEs and foreign customers, an approach that secures the effective management of negative emotions and the successful development of affective trust.

5.2.1.1 ICSEs

The researcher is the first to systematically review and map the ICSE domain. The systematic review has critically examined the current state of ICSE literature. To this end, a systematic analysis of 31 journal articles published over the last two decades reveals that ICSE research is a vibrant and rapidly growing stream of the broader international business domain, and that it is topically and methodologically diverse. The systematic review identified significant knowledge gaps related to the adoption of different theoretical orientations by researchers examining ICSE at different levels of analysis, and developed a research agenda to guide future scholars, based on a multilevel perspective that aims to integrate diverse theoretical approaches as well as develop an understanding of underlying mechanisms during an ICSE. Among others, the systematic review revealed that research on ICSE is still in its early stages, due to the various fragmentations and the lack of validity of the empirical findings. Moreover, the review illustrated the evolution of thought in the field of ICSE, traced all relevant theories, and provided a coherent roadmap for future empirical investigation. In summary, this is the first study that critically examines and

identifies various shortcomings in the literature of ICSE, while providing several ways to further develop the field.

5.2.1.2 ICSEs in the Banking Industry of Cyprus

The researcher chose to remain sensitive to a specific context, as suggested by previous researchers, because such an approach was described as “rare” (Van Kleef et al., 2011; Wang & Groth, 2014). In doing so, to the researcher’s knowledge, this is the first study to provide industry specific knowledge development within the banking industry for creating affective trust during ICSEs since context is proving to be very significant in the international business research (Buckley, 2002; Child, 2009; Oesterle & Wolf, 2011), the systematic literature review on ICSEs revealed an overwhelming bias towards the hospitality industry and the USA region. Nevertheless, this study innovatively focuses on the banking industry within the European region. More specifically, this study focuses on the banking industry of Cyprus and provides important implications regarding the nature of ICSEs in this specific context.

The findings of this study strengthen existing knowledge on “pseudo-relationships” and “enhanced” encounters. Banking institutions in Cyprus try to capitalize on the strengths of encounters and try to deliver what the customers want from service encounters, like swiftness and convenience. Nevertheless, they are interested in developing loyalty with their customers and thus FSEs need to be qualified enough to utilize the available technologies and databases.

This research demonstrated that the context of the business environment has wide relevance to the nature of ICSEs. The important contribution of this research finding is that Cyprus, being a small island, may call for tailored strategies when it comes to enhanced encounters. Based on the informants, foreign customers emphasized the role of FSEs for the success of an ICSE in the banking industry of Cyprus. This reflects a more relationship oriented approach, rather than a pure service encounter or an “enhanced” service encounter (Gutek et al., 2002).

5.2.1.3 Trust

Based on the systematic literature review, only a handful of studies incorporated trust as an outcome of the ICSEs (Karande, Ha & Singhapakdi, 2008; Kuroshima, 2010). However, these studies failed to distinguish between the two components of trust, namely affect- and

cognitive- based trust. Thus, this is the first study to distinguish between affective and cognitive trust in the ICSE domain and explore in a holistic manner the development of affective trust as an outcome in an ICSE.

In doing so, the researcher chose to expand Williams' (2001) model on trust, which reflected both affective and cognitive trust. As already mentioned the researcher focused on the "category-based affect" and managed to provide clarity and precision on the development of affective trust. Williams (2001) did not delineate the elements of affective trust. Nevertheless, this study's focalization on affective trust extended Williams' (2001) model by offering an exhaustive inquiry on the two elements of affective trust, the relational and the intuitive. In addition, the researcher extended Williams' (2001) model by creating industry specific knowledge and by specifying the level of analysis, namely, the individual level of analysis within the culture-general frame. This offered new insights into the conditions under which affective trust is developed. Last, the conceptual framework integrated the concept of EI, providing novel perspectives on affective trust.

This study contributes to the field of cultural studies as it provides new insights regarding cultural dissimilarity, trust judgements and customer relationship development, as suggested by the literature review (Altinay et al., 2014). The analysis of the interviews revealed that FSEs were unaware of the importance of confidence, private initiative and personal commitment. Those characteristics have been emphasized by foreign customers as important components for enhancing the relational element of affective trust. The foreign customers were willing to abide by the policies and bear the bureaucracy as long as they felt having sufficient information for their queries. These customers needed to know that the FSEs were aware of the underlying reasons that required a great volume of information. Foreign customers needed to feel that FSEs knew why the procedure was so time consuming and why there were different policies for non-native customers. FSEs instead of dedicating some extra time and energy, they tended to pass the buck on the Central Bank of Cyprus. The findings suggest that the lack of substantiation weakens foreign customers' relational trust towards the FSEs and raises issues of personal discrimination.

Furthermore, this study contributes to the domain of affective selling as it builds on and furthers Rempel's et al.'s (1985) knowledge on enhancing affective selling in financial institutions. The industry specific approach revealed that, foreign customers in Cyprus appreciate recommendations that help them save money and make their lives easier.

Foreign customers admitted experiencing the ultimate inconvenience due to the banking hours in Cyprus. Thus, foreign customers admitted appreciating if someone could notice their inconvenience and recommend a product that could ease their daily life and save them extra charges. This “gesture” enhances the relational element of affective trust.

Moreover, this study fulfils the lack of knowledge on the socio-psychological aspects in an ICSE, as it provides new insights of this aspect from both FSEs’ and foreign customers’ perspective. The researcher empirically investigated how individual perception help predict the development of trust between dissimilar individuals, something that was also detected in the literature review (Williams, 2001). The lack of empirical research on the socio-psychological process during ICSEs had been also detected in the systematic review (Sinkovics & Penz, 2009; Sharma et al., 2009; Tam et al., 2014). Research findings suggest that foreign customers and FSEs are inextricable in the success of an ICSE. Research findings illustrated that stereotypes provoke negative emotions that do not allow empathetic behaviours to occur. This lack of care and concern decreases the motivation of trust during an ICSE, which strikes the intuitive element of affective trust.

In summary, this study identified new factors within the ICSE field that positively affect the development of the relational and intuitive elements of affective trust in the banking industry. On the one hand, the relational element is affected by private initiative, confidence, personal commitment, substantiation and effective cross-selling. On the other hand, the successful management of negative emotions and the motivation to overcome certain stereotypes enhance the development of the intuitive element of trust.

The in-depth investigation of ICSEs in the banking industry has provided some further contributions to the existing literature. First, this study responds to the call from previous literature on further exploring critical incidents in the ICSE domain by extending the understanding of trust in the services and the various critical incidents. More precisely, this study is the first to provide insights on how negative incidents during an ICSE are perceived from a holistic point of view. According to the literature review, there were not sufficient empirical investigation on trust, services and critical incidents (Guttek, 1999; Bush et al., 2001; Dunn & Schweitzer, 2005; Suh et al., 2006; N'Goala, 2007; Guenzi & Georges, 2010). The researcher adopting the CIT explored affective trust during ICSEs in the banking industry of Cyprus. Thus, the researcher investigated trust in service relationship taking into consideration the length of the encounter, as suggested by Chai and Dibb (2014). The research findings and the conceptual framework refer to the ICSEs in the

banking industry, which are unique by nature (Guttek et.al. 2002; Guttek et.al. 1999). Consequently, the findings make important contributions for the development of affective trust in the specific industry and within the specific “relationship”.

From the theoretical knowledge contribution perspective, the present study extended the knowledge on trust development in the banking industry between people coming from dissimilar cultural backgrounds. The literature review suggested that this approach was under-studied (Farh et al., 1998; Williams, 2001; Bush et al., 2001; Suh et al., 2006; Gelfand et al., 2007; Kupka et al., 2009; Schumann et al., 2010; Zur et al., 2012; Chai & Dibb, 2014). The analysis of the interviews revealed some important insights in the way people perceive certain incidents. In particular, research findings suggest that there is a considerable difference between the way FSEs and foreign customers perceive critical incidents and their impact on affective trust. The study provided new insights on this differentiation, which illustrated that collecting information solely from FSEs is far from projecting foreign customers’ perception on negative encounters. On the contrary, the results suggested the necessity of collecting information from customers and employees. Only a holistic approach can help scholars and practitioners appraise the impact of a negative encounter and take remedial measures to enhance trust.

The researcher, adopting the CIT, identified that affective trust is affected by the dissatisfying events and critical incidents that provoke negative emotions. This finding bridges the gap in knowledge indicated by Johnson and Grayson (2005). Also, the findings suggest that most of the foreign customers that had low affective trust could not hope for reciprocity and hesitated to express their dissatisfaction. In this way, the researcher expands knowledge on how negative emotions and dissatisfying events impact the development and maintenance of affective trust.

Last, this study responds to calls from prior literature on exploring the processes involved for the development of affective trust during the emergence of negative emotions in the ICSE domain (Schoorman et al., 2007). The researcher focused on emotions and their impact on trust. Foreign customers admitted creating a negative image about FSEs’ ability after experiencing negative emotions towards the employee. They admitted making unforgiving attributions that forejudged the failure of the ICSE. The research findings suggest that affective trust is very important as it can supplement more cognitive-based elements of trust, like for example FSE’s ability.

5.2.1.4 Negative Emotions

This research made the first attempt to identify the negative emotions that emerge during an ICSE in banking industry of Cyprus, taking into consideration both the local FSEs' and the foreign customers' perspective. The identification of the negative emotions can help researchers and practitioners focus on certain strategies that could establish affective trust.

Moreover, the comprehensive data analysis revealed a number of negative emotions that had not been detected in the systematic review on ICSEs. In other words, this study innovatively identified new negative emotions that were unidentified and completely unexplored in extant literature. Consequently, with this finding, scholars can now further explain the failure of ICSEs and find more ways of further improving them. Furthermore, the research findings confirmed the negative emotions identified in the systematic review (Sparks & Callan, 1992; Mayer, Davis & Schoorman, 1995; Hilton & von Hippel, 1996; Brewer & Brown, 1998; Williams, 2001; Barker & Härtel, 2004; Chairakeo & Speece, 2004; Sizoo et al., 2004; Sizoo et al., 2005; Sizoo, 2006; Sizoo, 2008; Chang, 2009; Sinkovics & Penz, 2009; Wang & Mattila, 2010; Hill & Tombs, 2011; Pikkemaat & Weiermair, 2001; Petzer et al., 2012).

One important finding is that foreign customers often experience milder versions of anger, like irritation, annoyance and frustration. Informants admitted hiding these emotions but nevertheless experiencing their impact on affective trust. The researcher, as a symbolic interactionist, believes that the people who engage in an ICSE act according to the interpretations they make for the other person's actions (Blumer, 1966; Ritchie & Lewis, 2003). The fact that these emotions may not be expressed, illustrates that FSEs may not detect them. The difficulty to detect these emotions is also apparent from the fact that, FSEs reported witnessing only intense emotions.

Furthermore, the created framework reflects the perspectives of various ethnic groups, as suggested by the literature (Altinay et al., 2014; Chai & Dibb, 2014), shedding more light on the limited knowledge on how emotions are valued in different cultures and across ethnicities (Fineman, 2004). The findings of this study revealed a clear demarcation between Cypriot FSEs' and foreign customers' approach towards negative emotions. First, Cypriot FSEs and foreign customers experience similar and dissimilar emotions during an ICSE. Also, foreign customers tend to adopt the re-appraisal strategy, whereas Cypriot FSEs either avoid or inhibit negative emotions. Nevertheless, this differentiation is not

irrelevant to their “roles” during an ICSE in the banking industry. In summary, the adopted culture-general approach echoed a variety of perspectives regarding the value of emotions.

Last, research findings suggest that, during an ICSE in banking industry, FSEs should have the ability to perceive and understand intended negative emotions. However, not all of the participants agreed that the FSE should express the detected negative emotions in a direct manner. Most of them share the perspective that, FSEs should use nonverbal channels of communication to show that they understood the emotional state of the customer. The verbal manner can be impolite and cause further discomfort to the customer.

5.2.1.5 Emotional Intelligence

This study is the first to explore strategies for the successful elimination of negative emotions during an ICSE. Previous research on ICSEs detected some factors that provoke negative emotions and hinder the success of ICSEs. In other words, they focused on identifying the factors and the negative emotions that emerge during an ICSE. This study, for the first time, explores the next stage of overcoming these obstacles. In order to achieve this ambitious plan, the researcher introduced EI for the development of affective trust. The researcher, by integrating and synthesizing EI and affective trust managed to produce a new perspective on these constructs. The developed conceptual framework delineates the influence of cultural differences on the individual affective responses and the perceived role of EI in managing effectively the cultural differences and negative emotional responses in order to enhance affective trust during ICSEs in the banking industry.

In doing so, the researcher adopted an interdisciplinary approach, drawing from the psychology disciplines, bridging them with the international business disciplines. This is highly important, considering that interdisciplinary research is very rare despite scholars calling for it. Introducing EI opens a new path for the ICSE domain on the emotional aspects of ICSE, something that it was absent in previous research (Sharma et al., 2009; Sinkovics & Penz, 2009; Tam et al., 2014). Similarly, exploring how different ethnic groups develop interpersonal trust within the service sector, was also something that was missing from the existing literature (Chai & Dibb, 2014).

From the theoretical knowledge contribution perspective, the current investigation adapted the Joseph’s and Newman’s (2010) model of EI and expanded existing knowledge in the field of EI. More precisely, it produced context-specific results that suggest that EI is critical to individual performance in the banking industry of Cyprus. Drawing upon a

qualitative analysis, the researcher investigated how FSEs and foreign customers that engage in ICESs perceive the role of EI in regulating negative emotions for the enhancement of affective trust in the banking industry. The developed framework presents an industry specific approach on the major branches of EI and their importance on affective trust. The research findings suggest that FSEs' EI is considered important for the development of affective trust during ICSEs in the banking industry.

Previous research on ICSEs focused mostly on the understanding of negative emotions, an observation reflected on the detected theories, like the AT. This study, by incorporating EI, stresses the importance of perceiving negative emotions, which is an important prerequisite for understanding them. This innovative approach to ICSEs revealed that individuals need to accurately and promptly perceive negative emotions both in their selves and in others. In order to achieve this ability, individuals need to pay attention to the verbal and non-verbal channels of communication.

The researcher discovered various negative emotions, but the most popular emotions were directed towards others, like those emotions from the anger family (Weiner, 1985). Thus, research findings focus on recognizing, understanding and regulating the emotions that are directed toward others, an approach that had been suggested by Dunn and Schweitzer (2005).

In addition, research findings suggest that FSEs, after a critical incident, feel offended and are left with wounded pride. As aforementioned, these emotions reflect FSE's low self-esteem as he or she attributes the failure to his or her low ability. This finding suggests that FSEs lack of certain abilities that can easily produce negative emotions during an ICSE. The ability to accurately perceive and understand emotions can become the basis for building specific strategies for regulating effectively the identified negative emotions.

Regarding the last branch of EI, this research confirms and furthers the finding from Shao et al. (2014) and Ashkanasy et al. (2002), who encouraged researchers to explore the cultural differences in emotional regulation. The researcher confirms Gunkel et al. (2014), who suggest that culture influences the expression and regulation of emotions and, thus, there is not a uniform expression of emotions across different cultures.

In addition, following Wang and Groth (2014) and Van Kleef et al. (2011), the researcher interpreted the described emotions and expressions while remaining sensitive to the specific context. In this way, the researcher tried to explore how social influences, both the

specific interaction that consists of cultural dissimilarities, and the specific context which is the banking industry of Cyprus, may affect the emotional expression (Mayer et al., 2008). The research findings illustrated that during ICSEs in the banking industry, local FSEs tend to suppress their negative emotions, whereas foreign customers tend to re-appraise their negative thoughts and emotions. These strategies are context specific because informants referred only at critical incidents during ICSEs in the banking industry of Cyprus. This variation in strategies of regulating emotional cues illustrates the need for tailored training in the competencies that relate to intercultural management.

One important realization is that affective trust influences empathetic behaviour during ICSEs. The unsuccessful regulation of the provoked negative emotions can destroy the foundations of affective trust and thus strike the success of an ICSE. The analysis of the data showed that the lack of motivation has detrimental effects on the selling and cross selling. Both, FSEs and foreign customers make unforgiving attributions that strengthen the negative emotions and hinder the development of affective trust.

Moreover, research findings argue that the ability to perceive and understand negative emotions that were not purposely expressed is not necessarily an important ability for a FSE that works in the banking industry. First of all, the ability of reading negative emotions that were uncontrollable can be harmful to the FSE. Not only FSEs burden themselves, but also they act according to the negativity they perceive. When the hidden anger and irritation become apparent to the FSE, he or she inevitably experiences negative emotions. Thus, the development of affective trust can be challenged. It is also important to note that foreign customers might be reluctant to express something in a verbal manner.

In conclusion, the ability of perceiving and understanding the negative unintended emotions, and what is even more to express them in a direct manner, can cause further discomfort and more negative emotions. Research findings suggest that, in the specific organizational setting, the ability of perceiving negative emotions that were unintended can harm the development of affective trust.

The proposed conceptual framework is considered as a contribution in that EIs' branches and could be used to successfully manage negative emotions that emerge during ICSEs in the banking industry of Cyprus, and enhance the development of affective trust between FSEs and foreign customers.

5.2.1.6 Qualitative Research Approach

This doctoral investigation explored and explained negative emotions and the role of EI in the development of affective trust during ICSEs in the banking industry of Cyprus. In order to achieve this exploration, the researcher adopted a qualitative research methodology. The aim was not to produce quantifiable results. On the contrary, the aim was to fill the identified methodological gap in the service sector, using qualitative research methods that enable an in-depth investigation (Williams, 2001; Zhang et al., 2008; Schumann et al., 2010; Lindebaum & Cassell, 2012; Chai & Dibb, 2014). The researcher reported findings from an exploratory qualitative study consisting of 21 in-depth interviews with FSEs and foreign customers from various cultural backgrounds.

The researcher enhanced the knowledge in the domains of ICSEs, affective trust and EI by investigating them under a new light and from a new perspective. First, this exploratory approach produced novel qualitative data that contributed to the investigation of ICSEs, a field that is not yet exhausted (Sharma et al., 2012, 2015; Sharma & Wu, 2015). Second, the researcher produced concrete and context-dependent knowledge that is appropriate in the investigation of human affairs (Flyvbjerg, 2006). Third, using qualitative methods, this research identified negative emotions that emerge during ICSEs in the banking industry. The adopted method produced deep insights and rich information on the informants' emotional state during ICSEs. Last, this methodological approach enabled the identification of how FSEs and foreign customers talk about negative emotions and how their perspective constructs their understanding and receptiveness to EI. The qualitative methodological approach produced important results in a domain that has strived to quantify and measure EI (Lindebaum & Cassell, 2012).

In other words, this methodological approach contributed to the understanding of EI and individuals' receptiveness to it in the specific sector, as suggested by Lindebaum and Cassell (2012). The results suggest that the banking industry can benefit from EI as a management tool for the development of affective trust. This empirical contribution and other practical implications are further analyzed in the next section.

5.3 Practical Implications

This is the first study that provides to both, Human Resource practitioners and FSES, as well as their institutions, in-depth insights and beliefs of foreign customers regarding the role of EI, on behalf of the FSEs, in perceiving, understanding and regulating negative

emotions, in order for them to start developing trust towards the organization. The holistic approach informs practice about the negative consequences that might occur on the development of trust, both intuitive and relational, during an ICSE if FSEs have low levels of EI. The empirically validated framework is created for the enhancement of affective trust during ICSEs in the banking industry of Cyprus. The overall research findings could also be used as a framework for drawing up a list of guidelines and a set of recommendations for best practice.

5.3.1 Local Retail Banking Institutions

The present study informs banking institutions about the needs and expectations of foreign customers. This information delineates the prerequisites that need to take place for affective trust to emerge and unfolds the problems and the current situation that occurs during ICSEs in the banking industry of Cyprus.

Banking institutions need to be clear as to what type of service mechanism they offer to their customers. According to the informants, foreign customers expect FSE to remember them, discover their needs and problems, and recommend ways to resolve their issues. They also tend to attribute the mistakes to the FSEs and not the organization itself.

But, if the banking institutions offer enhanced encounters and not service relationships, they need to communicate their service mechanism with their customers. Enhanced encounters include loose ties between the FSE and the customer, which illustrates less emotional and personal commitment. The findings of this research suggest that banking institutions in Cyprus end up providing “pseudo-relationships” which are highly problematic due to the unclear strategies and unclear intentions (Guttek et al., 2002).

FSEs are not motivated enough to get involved with foreign customers, whereas foreign customers perceive this lack of effort as unprofessional behaviour that impacts at a later point the image of the organization. Based on the research findings, foreign customers expect a more personalized service. For this reason, organizations need to consider having an employee in every branch that would deal with the issues and problems of their customers.

The researcher realised that FSEs are confused. Even though they were told to offer an enhanced encounter, they still have selling targets. In order to successfully recommend a product, the FSE has to retrieve information from the customers. Thus, FSEs are cornered

between the organization's interests, their job requirements and the customers' demand for the "extra mile". For these reasons, banking institutions need to redefine FSEs' role within the branch and own this strategic choice. Banking institutions that are interested in obtaining and retaining the specific market segment that consists of foreign customers should no longer neglect the frequency of ICSEs and make this choice based on their customers' needs and expectations.

Based on the literature and the research findings, the researcher suggests that, when it comes to foreign customers and ICSEs, a more relationship service approach could be more beneficial for the development of affective trust. As aforementioned, the financial sector and the ICSEs, by nature, easily provoke negative emotions and feelings of risk and uncertainty. Thus, a service relationship approach, which might at least include a familiar face, is more promising of reducing the overall negativity (ibid.) that hinders the development of affective trust.

Nevertheless, if the chosen strategy is the enhanced encounters, banking institutions need to develop well designed service delivery system in order to facilitate FSEs' work and to satisfy their customers' expectations. The databases must secure a high-quality result that could statistically indicate foreign customers' potential needs. Thus, FSEs could more easily and more successfully recommend a service to the customer. FSEs should have all the information they need in order to be confident enough during an ICSE. This information might include financial news and a comparison of their services with that of the competitors. Similarly, customers should be able to obtain certain kinds of information regarding their choices on how to perform a transaction. Also, they should be able to receive prompt, accurate and satisfactory answers to their queries. All these strategies should create emotions of security that would emotionally alleviate ICSEs.

Another important implication for best practice comes from the foreign customers' interview transcripts. Foreign customers admitted re-appraising their negative emotions in a way that they frequently diminished any kind of expressive behaviour. FSEs, being unable to distinguish the behaviour that accompanies a certain emotion, remain oblivious to the situation and make no effort to correct it. Consequently, banking institutions need to realise that the majority of the foreign customers' emotions might remain hidden but not vanished. Based on the foreign customers' narrations, these emotions affect their willingness to visit their branch and their loyalty to the organization. In other words, these emotions have long-term negative results and, thus, banking institutions need to find

strategies to reveal them. For example, institutions could motivate FSEs to perceive, understand and manage foreign customers' negative emotions. They need to find ways, like reward strategies and incentives, that would help FSEs being more empathetic and alert when it comes to the emotional aspects of ICSEs.

Also, the CIT appeared to be a useful tool in revealing foreign customers' and FSEs' perspectives on negative emotions and affective trust. Thus, banking institutions could employ this kind of approach, on-line or face-to-face, in order to collect information with detail and depth, avoiding relying solely on the FSEs' perspective. FSEs should inform foreign customers about the opportunity they have to report a critical incident. This should be done from the beginning of their collaboration with the bank. Of course this information should also be on the official electronic web-site of the bank. There should be an option that does not include a preliminary contact with the manager of the branch. On the one hand, the foreign customers will feel free to express their own perspective. On the other hand, the institution could be able to cross check this information with all due deference to the FSEs' opinion. Thus, the institution could resolve the issues and prevent similar critical incidents to occur in the future. This knowledge on the service concept can indicate the kind of encounter that is more preferable and suitable during ICSEs. Also, it could indicate possible drawbacks of the current service delivery process.

In addition and according to the research findings, foreign customers usually cooperate with one local banking institution and have only one product. This means that a problem with their visa card or their account can cause a great deal of upset. Informants admitted that the situation aggravates due to the inconvenient working hours and the unavailability of twenty four hours a day, seven days a week call centre. Unfortunately, call centres are only available for reporting the loss of a card. They feel insecure and frustrated because they are in a foreign country and they are not able to contact a family member or a close friend for support in case something went wrong. Consequently, banking institutions should provide a call centre twenty four hours a day, seven days a week so that people can call and resolve any problem, like the blocking of their account or visa card.

In summary, local retail banking institutions need to focus on their existing foreign customers in a more systematic way. As aforementioned, foreign customers tend to purchase only one product, not because they do not wish to buy more, but because FSEs never pore over their problems in order to suggest another service. This lack of attention

and identification of these customers' needs reduces affective trust and hinders the profitability of the bank.

5.3.2 Branch Managers and Supervisors

Research findings suggest that FSEs and foreign customers are not solely responsible for the development of affective trust. Rather it is a combination of the various elements that create the whole service delivery process.

Supervisors and branch managers should ensure that FSEs and other employees of the organization have good relationships with each other. This might ameliorate the conditions of the service delivery process. They need to make sure that the problems likely to arise are dealt with an appropriate way. They should not leave a presumable problem on the FSEs' discretion. On the contrary, preventing negative emotions from being evoked should be at least partly controlled by them.

The data analysis revealed that supervisors and branch managers are also greatly responsible for the lack of affective trust. FSEs, during the descriptions of the critical incidents, repeatedly referred to their supervisors and branch managers, both in a positive and in a negative way. This repetition illustrates that, their attitude towards the foreign customers is somewhat reflected on the FSEs' behaviour. The detected influence suggests that supervisors and branch managers should also be trained on a more customer oriented culture regarding the foreign customers. The stereotypes and the fear of the unknown, both become obstacles to the motivation of developing affective trust. In addition, since they are the authorization level that approves and disapproves FSEs' transactions, they should be familiar with the documents and procedures that apply for foreign customers. This attempt could reduce hesitation and avoidance. In other words, there must be a collective effort in finding the motivation for enhancing affective trust with foreign customers.

As aforementioned, the local retail banking institutions do not seem to offer simple encounters. Thus, branch managers and supervisors should support FSEs' initiatives. They should empower them in finding ways to resolve issues and promptly respond to the foreign customers' requests. According to the customers, their requests were at the end satisfied, but unfortunately after the occurrence of a critical incident. Since, their requests were doable, critical incidents could have been avoided. For this reason, FSEs should be encouraged to positively approach their customers' problems and try to find possible solutions before a critical incident occurs. The solutions should still obey the instructions

of the bank and have the written approval of the supervisor and branch manager. Even if they cannot satisfy one request, the sincere effort is found to be highly appreciated. In other words, FSEs should be given the authority to negotiate and proceed to simple but valuable gestures. Successful ICSEs should be associated with FSEs' personality, ability and effort because the association of successful events with internal causes raises individuals' self-esteem (Weiner, 1984).

5.3.3 Human Resource (HR) Practitioners

The research findings provide useful insights for the banking institutions and especially the HR practitioners. More precisely, the findings have implications for the design of a recruitment and training agenda.

5.3.3.1 Recruitment

As aforementioned, implications exist for the recruitment of FSEs that engage in ICSEs with regard to the identified skills and competencies. First, when it comes to the actual communication, research findings revealed a rather presumed result, which is the ability to speak English. FSEs and foreign customers shared a considerable number of critical incidents in the language category. Considering the nature of these organizations and the difficulty of developing trustful emotions, HR practitioners should recruit people that are fluent in English in order to project confidence during ICSEs. Research findings indicated that misunderstandings and miscommunication hinder the development of intercultural affective trust from the early stages of the collaboration. In case they are not confident enough to communicate in English, any additional training for communicating effectively during ICSEs will be most probably unavailing.

Second, HR practitioners should prefer recruiting people with previous experience in ICSEs, even if this previous experience is not industry related. These people, like all the other candidates, desire a position that involves direct contact with the customers. But the semantic differential is that these people desire this in full consciousness of how demanding and frustrating this kind of positions can get. However, their previous experience didn't disappoint or scared them. Applying for a position of FSE could actually indicate that they enjoy contacting with customers. Of course, the HR practitioner can formulate certain questions that would easily reveal their true intentions, like for example their approach towards a foreign customer that insulted them, providing examples from

their previous job. In this way, an HR practitioner could easily unfold their character to check if they are polite and calm, characteristics that are essential for this position.

5.3.3.2 Training Agenda

Based on the research findings and the literature (Lindebaum & Cassell, 2010; Smollan & Parry, 2011), EI's abilities and the emotional expression needs to be culturally accepted. Thus, organizations need to integrate training on EI with the on-the-job training during the provoked incidents within the specific organizational setting. FSEs should be trained in perceiving, understanding and managing appropriately foreign customers' negative emotions. However, FSEs should be taught on the certain abilities that correspond to the working practices and the contextual factors of their organizational setting. Research findings illustrated that when it comes to communicating negative emotions and empathetic approaches during ICSEs in the banking industry, there is a need for circumspection. Nevertheless, they should at least be able to detect negative emotions in order to report them to their supervisors. Also, FSEs should be trained in problem solving skills in order to successfully handle foreign customers and avoid critical incidents' acceleration.

Moreover, this study informs practice about new negative emotions that could possibly emerge from an ICSE thus, making HR professionals more prepared on how to develop training agendas that will lead to the perception, understanding and regulation of such emotions. The developed conceptual framework delineates a number of implications that may enhance trainees' performance in successfully developing affective trust during ICSEs. First of all, the developed framework includes the identified negative emotions experienced by FSEs and foreign customers. These emotions can be used in training courses in order to inform FSEs as well as supervisors and branch managers about these presumable emotional conditions. The trainers can teach participants various ways of perceiving, understanding and managing effectively these specific emotions, based on the identified preferable strategies.

Based on the research findings, FSEs should be trained in the re-appraisal strategy in order to decrease negative emotions and successfully handle their own personal emotions in challenging situations. Another important implication is the one that refers to the wording of the emotions. More precisely, the interviews revealed a mixed response in speaking out the detected emotions. For this reason, FSEs should not risk wording the foreign customers' emotions because there is a possibility of offending and irritating them. However, they

should learn how to show their understanding towards the detected emotion that would foster the empathetic behaviour. This is highly appreciated because these people do not expect this kind of empathetic approach towards them. This will exceed their expectations and enhance their affective trust towards the employee and consequently the institution. FSEs should also learn how to recover from a negative critical incident in order to avoid emotions like disappointment and wounded pride.

All the aforementioned newly learned skills can be applied in various delivery methods, such as case studies and role play. Critical incidents that were documented in the current thesis can inspire trainers to create their own scenarios for these delivery methods.

Moreover, research findings suggest that banking institutions need to increase FSE's sensitivity to other cultural groups and train them become culturally conscious when serving foreign customers. Stereotypes mislead their judgment and create negative emotions towards the out-group members. Banking institutions need to help them avoid this process by raising their level of respect towards foreign customers. Similarly, trainers need to motivate FSEs in being empathetic and devoting energy in order to deal with critical incidents effectively. This study revealed that the lack of devotion weakens or even breaks affective trust.

Furthermore, banking institutions need to provide more detailed and specific guidelines to FSEs regarding the money laundering suspects. Research findings have innovatively revealed that banking institutions in Cyprus promote certain stereotypes that affect FSEs' perception about foreign customers. They provide generalizable guidelines that are detrimental to foreign customers' reputation. Banking institutions need to present specific scientific guidelines in order to reduce stereotypes and enhance the development of affective trust between FSEs and foreign customers.

In addition, institutions should educate FSEs in a range of areas. Foreign customers and FSEs admitted that this sense of lack of knowledge provoked negative emotions to both of them. Thus, institutions need to develop a relatively broad repertoire of responses, both in Greek and in English that would enhance FSEs' confidence when dealing with foreign customers. Institutions need to educate their FSEs on the various procedure, policies and products. Insufficient information reflects lack of confidence-inspiring (Edvardsson, 1992) which is detrimental to the enhancement of affective trust. Clear, meaningful, precise and truthful information emerges as an important source of customer perceived trust. This approach could prevent incidents or even protect trust in case a critical incident occurs.

Moreover, informants repeatedly highlighted that local banking institutions have different procedures when it comes to foreign customers, including those coming from countries within the European Union. Even though this is totally understandable, the FSEs should know why the procedures differ in order to be able to provide detailed explanations to the customers. Having in mind all the issues that raise distrust, they need to try hard in order to avoid creating additional obstacles in the formulation of trustful ICSEs. FSEs, not knowing the underlying reasons of the procedures, feel very uncomfortable and cannot justify their answers with a satisfactory manner. This lack of confidence is what inevitably decreases affective trust. Consequently, banking institutions need to be thorough about these procedures and show no tolerance when it comes to shallow knowledge. They have to test their knowledge and their ability to impart this knowledge, both in Greek and in English.

Besides the extensive training of the FSEs in general, banking institutions could focus on educating even more certain FSEs that would be eventually responsible for opening the accounts of the foreign customers. This is suggested because a lot of critical incidents took place while opening the accounts and the results on affective trust was detrimental. One technical obstacle is the existence of differentiated filling forms that require specific supporting documents and thus specific knowledge. Making certain FSEs experts in opening these accounts, the organization ensures that there is at least one FSE in every branch that has the technical knowledge and confidence to answer all the questions and explain the technical terms. In this way the customer would more easily trust the employee and consequently the organization. These FSEs should be responsible for informing foreign customers with all the provided services and procedures at hand. Lastly, as suggested by the interviewees, in order to raise the level of professionalism, FSEs should not omit giving their business card to the customers encouraging them to contact them whenever is needed. In this way, the first contact will be hopefully successful, the critical incidents will be avoided and the development of affective trust could be a possibility.

Furthermore, informants admitted not having the confidence to approach foreign customers in order to sell a service. They somewhat feel that they push them and thus they tend to avoid even recommending a service. Since nowadays branches are becoming the selling point of the organization (Stephenson & Kiely, 1991), they should enhance FSEs' selling skills. They need to help them overcome the fear of rejection and suggest with confidence the products of their bank.

Last, foreign customers suggested that FSEs should not try to create a sense of relationship with them, when none really exists. This approach might be harmful for the development of affective trust and the overall success of the ICSE. This approach might easily create a feeling of “pseudo-relationship”, which as aforementioned, is problematic and confusing. Trainers should communicate the type of service mechanism FSE should offer to the foreign customers. They should have a customer orientation approach and try to understand foreign customers’ needs. Trainers need to find ways to teach FSEs techniques on how to relate to foreign customers when critical incidents take place. Personal commitment and initiative can strengthen affective trust even when a critical incident occurs.

Taken together, this is the first study that provides HR practitioners with a guiding model for developing training agendas towards their human workforce, with the goal of enhancing affective trust during ICSEs. Institutions need to expend their resources in order to train FSEs to handle their own negative emotions as well as those of the foreign customers. Research findings suggest that banking institutions need to train FSEs in accurately perceiving and understanding negative emotions, as well as provide them with a repertoire of strategies in regulating these emotions. Appendix G (“Training Agenda”) presents the content of two potential training seminars. The first one refers to EI during ICSEs and the second one to money laundering. Similar training seminars should be developed because FSEs should be trained on how to establish a professional image for themselves and their organization.

5.4 Limitations – Avenues for further research

Beyond the useful insights into the field ICSEs, this doctoral investigation has several limitations. This section clarifies the limitations of the study and uses them in recommending future studies that could further the current research.

Despite making important contributions in the field of ICSEs, the review has several limitations that need to be noted. First, the systematic review included articles from four electronic databases. Consequently, these databases might have omitted some relevant literature. However, the researcher believes that the rigorous methodology of the present systematic review has minimized the probability that the omitted research would have contained information that would critically alter the findings and conclusions. Nevertheless, the narrative review that followed, offered up-to-date knowledge. Second, the systematic review included only peer-reviewed journals thus, living aside grey literature. This would

include non-refereed journals, conference proceedings, books, as well as non-English publications. Future scholars could replicate the extant systematic review by incorporating grey literature and other electronic databases.

As already discussed, the researcher, as a symbolic interactionist, adopted a qualitative methodology. However this choice may cause dispute. First, the qualitative approach engages a small number of informants that can sometimes provoke criticism. However, the small sample size was compensated by the rich contextual data that were retrieved by the in-depth interviews. Second, a qualitative researcher may be criticized for bias when it comes to the interpretation of meanings. The researcher tried to create meaning from the FSEs' and the foreign customers' experience, rather than solely depending on one perspective. The researcher believes that no major limitation appear regarding the research methodology approach, considering the overall aim of the present doctoral investigation, which involved negative emotions and human affairs (Flyvbjerg, 2006). In summary, this limitations mainly impact the level of generalizability, which has not been the primary aim of this doctoral investigation.

In addition, this research explored how people coming from various cultural backgrounds perceive the role of EI's abilities during ICSEs in the banking industry. In other words, the researcher did not focus on their nationality origin. The research findings illustrated that local FSEs tend to suppress their negative emotions, whereas foreign customers tend to re-appraise their negative thoughts and emotions. The findings uncover evidence of variation in the strategies of regulating the emotional cues which indicates the need for training FSEs in the competencies that relate to intercultural management. Future research is encouraged to investigate the cultural differences in EI using the culture-specific approach, to discover the differences between specific nationality origins.

Another limitation is the fact that this research was limited on only one context, which was the banking industry of Cyprus. Due to the fact that context differ, future research should investigate how individuals in other industries think about the merit of EI. Based on the literature review (Joseph & Newman, 2010; Lindebaum & Cassell, 2012) and the research findings, the researcher predicts a sizeable difference across industries.

An additional limitation is that this investigation focused only on face-to-face interactions in the banking industry. Future research may explore the development of affective trust during other intercultural contacts that involve the use of technology. For example, future research can investigate how more standardized service delivery processes, like on-line

banking, e-mail and telephone contact, improves or hinders the development of affective trust in the banking industry.

In the same vein, the researcher focused only on how the interpersonal contact affects the development of affective trust during ICSEs. Future research should include the nonhuman elements that might negatively impact the success of an ICSE. This inclusion should offer a comprehensive review on the causes that trigger negative emotions during ICSEs.

In summary, the aforementioned limitations provided an initial platform that enabled the researcher to consider and recommend areas for further research. The researcher recommends the implementation of these suggestions that could help overcome research's limitations. Next section provides some additional suggestions for future research.

Further suggestions for future research

This section presents six areas for further research into ICSEs.

First, the conducted systematic review on ICSEs illustrated that research on ICSE is still in its early stages. The researcher presented a number of adopted theories around ICSEs and provided a roadmap for future theoretical and empirical investigation. Beyond the findings and recommendations derived from the systematic and narrative review, the researcher suggests that future research topics should emerge from dialogue between research and practice to provide a theoretically grounded and practically relevant enhancement of the ICSE literature.

Second, the researcher has investigated affective trust in ICSEs using the CIT and focusing on the dissatisfying events. Future research could replicate this research by exploring cognitive trust in ICSEs. This could offer a fruitful comparison of how dissatisfying events impact the two dimensions of trust.

Third, a potentially fruitful avenue of research is the comparison of the supervisor's, customer's and FSE's point of view of critical incidents in ICSEs in the banking industry. This could provide a comparison of the various expectations and perceptions regarding the critical incidents and their impact on the development and maintenance of trust, both affective and cognitive. This comparison may reveal commonalities and disagreements on the antecedents and consequences of critical incidents.

Fourth, the researcher suggests that the developed framework could be the basis of future research. For example, future scholars could explore the usefulness of the developed framework in other service-based industries and other countries with different cultural environments. Others could explore the developed framework taking into consideration gender differences.

Fifth, the developed conceptual framework reflects the perspectives of FSEs and foreign customers that have migrated in Cyprus for less than 10 years. Future research can explore the developed conceptual framework with other categories of foreign customers, like tourists and sojourners. The different degrees of acculturation might provide further insights in the development of affective trust during ICSEs in the banking industry.

Last, this doctoral investigation identified the negative emotions that arise more frequently during ICSEs. A potentially fruitful avenue for research is to develop models and tailored strategies on how to manage and regulate each emotion. This could provide an additional training agenda on how to deal with each emotion based on the context and the organizational environment.

In summary, even though limitations may exist, the researcher has offered important insights for the scholars and the practitioners, who might be interested in developing affective trust during ICSEs in the banking industry.

5.5 Reflection

5.5.1 Personal Development

Moon contends that reflection involves thinking and understanding:

Reflection is a form of mental processing – like a form of thinking – that we may use to fulfil a purpose or to achieve some anticipated outcome or we may simply ‘be reflective’ and then an outcome can be unexpected. Reflection is applied to relatively complicated, ill-structured ideas for which there is not an obvious solution and is largely based on the further processing of knowledge and understanding that we already possess. (1999, p. 37)

The researcher, as a DBA candidate, kept a learning journal from the early stages of the doctoral journey. As suggested by Moon (1998), reflective writing enhances personal and professional development. This activity helped the researcher reflect on how she reached

to certain decisions, truths and solutions. Furthermore, the learning journal helped the researcher develop critical thinking. The process of writing and reflecting on her choices helped her develop a general questioning and problem solving strategies.

The researcher used the learning journal as a platform of self-empowerment and internal motivation. During the DBA program, the reflective writing allowed the observation of change, including the ups and downs of the journey. Re-reading the small successes and accomplishments helped the researcher continue the doctoral journey with even greater tenacity. The learning journal became like an inner voice that helped the researcher inspire and not give up.

In addition, during the last five years, the researcher had the opportunity to meet ambitious and passionate people. Their thirst for knowledge and personal development was very inspiring to the researcher. The sharing of ideas, thoughts and concerns helped the researcher appreciate the value of support and empathy.

Last, the DBA sessions and the meetings with the supervisors helped the researcher appreciate the value of guidance and constructive criticism. Similarly, conferences and developed articles, which also resulted in criticism and disagreements, helped the researcher become stronger in order to continue unabashed the demanding journey.

5.5.2 Research Skills

Kolb suggests that “Learning is the process whereby knowledge is created through the transformation of experience” (1984, p. 38). For the researcher, learning is a continued process. Research limitations and avenues for further research reflect the researcher’s approach to learning. Knowledge is something vivid that transforms according to the learning experience. This is the reason why the reflective process and the documentation of the knowledge and experience captured the interpretation and understanding of the researcher. The researcher strongly believes that experience is very important in the perception and understanding of the literature. The learning journal illustrated that the researcher’s experience became crucial in the development of knowledge.

This doctoral journey helped the researcher develop critical thinking. For example, the researcher started querying and challenging commonly accepted truths. Also, the researcher now sees new scopes and looks for new ways of thinking and acting. In addition, this journey helped the researcher realise the power of culture on the idea of the world.

This is why questioning ideas that come from scholars with other cultural influences can be fruitful.

Last, the various activities helped the researcher develop and improve skills important for a researcher. For example, face-to-face interviews helped the researcher improve the communication skills and become more confident while interacting with strangers. Also, during the data analysis process the researcher became familiar with NVivo, which is an important qualification for a qualitative researcher and a human resource practitioner. In addition, the process of writing the thesis helped the researcher improve the writing skills.

5.5.3 Developing Knowledge in ICSEs

The researcher, as a former FSE, could see the applicability of the various theories and the conceptual frameworks in practice. The choice of ICSEs motivated the researcher to conduct an in-depth investigation in this field.

First, the systematic literature allowed the researcher to consolidate a large body of knowledge on ICSEs into a theoretically grounded conceptual framework. The proposed framework built on existing knowledge on trust, proposing a novel exploration that corresponded to the calls of prior research. The conceptual framework provided the basis for empirical investigation on the perceived role of EI on affective trust during ICSEs, taking into consideration FSEs' and foreign customers' perspective.

The researcher has chosen the CIT, because a number of scholars have already emphasized on its usefulness in detecting the defects in service industry (Edvardsson, 1992). This study has proven that the CIT is a useful tool in gaining important insights about the enhancement of affective trust during ICSEs. The focus was on the negative incidents because, according to Strauss and Hentschel (1991, as cited in Edvardsson, 1992), these incidents affect customer's behaviour, willingness to continue cooperation, negative word of mouth and dissatisfaction (Friman, 2004). This study has detected, that negative incidents weaken or even break affective trust during ICSEs in the banking industry.

In summary, the approach has been to examine how individuals respond to and evaluate ICSEs. This kind of approach has contributed to the development of knowledge on emotional appraisal on ICSEs, as studies on emotional and affective appraisals are not as common as on cognitive ones (Friman, 2004).

5.5.4 Professional Development

The nature of the DBA program is indeed very enlightening to the practitioners. The researcher, before the DBA journey, believed that a successful FSE is the one that manages to close a sale. The lack of academic knowledge did not allow an in-depth exploration and understanding of the elements that impact the end result. Churchill's, Ford's, Hartley's Walker's (1985) article made the researcher realise from the very beginning, that each predictor has on average only 4% association with the sales performance. This realization helped the researcher value more the depth than the breadth of a situation.

The theoretical investigation and the research findings helped the researcher become a better and more promising practitioner. As mentioned before, the doctoral thesis provided a number of practical implications for the banking institutions and the HR practitioners. The research findings contributed to an improved overall understanding of the development of affective trust in ICSEs and offered important insights for banking institutions on how to manage negative emotions. Findings suggest that foreign customers do put emphasis on affective trust, which illustrates the importance of affective trust in the financial sector. In summary, the data analysis indicated that negative emotions and poor management of negative affective reactions impact the development of affective trust between a FSE and a foreign customer during an ICSE.

Working as a HR practitioner at a local bank in Cyprus, the researcher is ready to transfer all the acquired knowledge in the field. The training agenda and the overall implications will be implemented in the banking industry of Cyprus. The practical along with the academic experience and maturity will help the researcher advance her professional career.

5.6 Conclusion

In conclusion, this doctoral study presented a comprehensive framework that can guide practitioners and scholars into the research of socio-psychological processes that take place during ICSEs. In particular, the framework provides an in-depth exploration of the negative emotions that emerge during ICSEs, and enables a holistic understanding of the role of EIs'branches in the development of affective trust during an ICSE in the banking industry of Cyprus. This is particularly important since one fifth of people residing in Cyprus are foreigners (Statistical Service, 06/11/2013), thereby collaborating with banks established in the country.

The researcher hopes that this doctoral investigation provides an impetus for more research on ICSEs, and especially on the emotional aspects of these encounters. The contributions of this doctoral investigation are significant for practitioners too. The researcher wishes that this thesis will motivate banking institutions to invest in recruiting, training and motivating FSEs to develop affective trust during ICSEs.

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APPENDICES

Appx A: Demographical Characteristics – Foreign Customers

Foreign Customer	Gender		Nationality	Age	Marital Status	Job	Years in Cyprus	Educational Background
	Male	Female						
I#1	✓		Jordan	29	Married	Theologist	6	Theologist, Psychology, Music
I#2		✓	Russian	29	Divorced	Private Sector	7	MBA
I#3		✓	Bulgarian	29	Single	Private Sector	9	Marketing & Finance
#4		✓	Russian	27	Single	Private Sector	3	Audit & Accounting
I#5		✓	Romanian	26	Single	Hotel industry	4	Geography & Tourism
I#6		✓	Bulgarian	29	Single	Private Sector	4	MA- Financial Economics
I#7		✓	Armenian	28	Single	Private Sector	9	BA - Banking
I#8		✓	Greek	26	Single	Private Sector	8	Philologist
I#9		✓	Serbian	34	Married	Private Sector	8,5	MA- Industry Engineering, Management
I#10	✓		Russian	29	Single	Private Sector	1	BA & Master in Financial, Marketing
I#11		✓	Polish	30	Married	Private Sector	9	Hotel Management

Appx B: Demographical Characteristics –FSEs

FSE	Gender		Nationality	Age	Marital Status	Job	Years of experience	Educational Background
	Male	Female						
I#12		✓	Cypriot	34	Married	FSE	7,5	MBA
I#13		✓	Cypriot	28	Single	FSE	5	BA- Economics
I#14	✓		Cypriot	33	Single	FSE	8	IT
I#15		✓	Cypriot	33	Married	FSE	7	Psychology
I#16	✓		Cypriot	31	Married	FSE	5	BA- Economics
I#17	✓		Cypriot	33	Divorced	FSE	6,5	BA- Business Administration
I#18		✓	Cypriot	37	Married	FSE	15	IT
I#19		✓	Cypriot	32	Single	FSE	8,5	BA - Business Administration
I#20	✓		Cypriot	34	Married	FSE	6	Music BA - Finance
I#21		✓	Cypriot	30	Married	FSE	7	Philologist

Appx C: Letter of Consent



5 February 2015

To Whom It May Concern,

PARTICIPATION IN A DBA RESEARCH STUDY

This is to introduce an individual researcher from the University of Gloucestershire, who wishes to conduct research in trust development during intercultural service encounters. The research will be conducted through the use of semi-structured interviews. The interviews shall last one hour. Interviewees will be both natives and foreigners, who either work or cooperate with local banking institutions, respectively.

One of the main motives for investigating trust development during intercultural service encounters in the banking industry is to provide updated research on this area. In addition, there has never been conducted a research in this domain in the context of Cyprus. With your cooperation, the researcher will be able to successfully provide recommendations about improvements in both theory and practice.

Importantly, I am obliged to inform you that the whole research project abides by the rules and guidelines outlined in the University of Gloucestershire's (2008) Ethics Handbook. I have enclosed a copy of the Ethics Handbook for your information. For this reason, the results of my research will be reported with full anonymity, and all the documents will be destroyed after the analysis of the data, in order to preserve confidentiality. In addition, during the interview process, in order to ensure that I have understood what you have said properly when I come to look at my notes later, and to save us time while I take notes, I shall use an electronic recorder. Nevertheless, you will be free to switch the tape-recorder off whenever you feel that you want to provide information off the record. Once I will have finished the analysis of the data, the recorded data will be destroyed. However, if you wish, the interview not be recorded, I will not use an audio recorder.

On behalf of me and my supervisors, Dr. R Kaufman and Dr. D. Vrontis, I wish to express you our gratitude for your assistance. Should you wish receiving the final results of my DBA thesis, please let me know.

Again, thank you very much.

Sincerely,

Erasmia Leonidou DBA Candidate

School of Business and Management

University of Gloucestershire

Appx D: Interview Guide for FSEs

INTERVIEW QUESTIONS TO FSEs		
No	ENGLISH	GREEK
1	Please try to remember an encounter you had in a bank as a FSE with a foreign customer, during which negative emotions aroused, that influenced customer's trust towards you.	Προσπάθησε να θυμηθείς ένα περιστατικό όπου εξυπηρετώντας έναν ξένο πελάτη σαν υπάλληλος της πρώτης γραμμής, δημιουργήθηκαν αρνητικά συναισθήματα, τα οποία επηρέασαν την εμπιστοσύνη του πελάτη προς εσένα.
2	Can you describe what happened, what has been said, what you saw, what you experienced and what were the reactions?	Μπορείς να περιγράψεις τι έγινε ακριβώς, τι ειπώθηκε, τι είδες, τι βίωσες και ποιες ήταν οι αντιδράσεις;
3	a) What were your emotions?	Ποια ήταν τα συναισθήματα σου;
	b) What was the emotional state of the customer?	Ποια ήταν η συναισθηματική κατάσταση του πελάτη;
4	Did any thoughts alleviate your (emotion) and impact your behaviour?	Μήπως σκέφτηκες κάτι που επηρέασε το πώς ένιωσες και είχε αντίκτυπο στην συμπεριφορά σου;
5	How did you express/behave when (emotion) was generated?	Πώς εξέφρασες το συναίσθημα σου;
6	How did the customer react? How do you believe he or she understood your (emotion) except via your facial expression? Did your body posture or the tone of your voice made it obvious?	Πώς αντέδρασε ο πελάτης; Πώς νομίζεις κατάλαβε το συναίσθημα σου εκτός από την έκφραση του προσώπου σου; Μήπως η στάση του σώματος σου ή ο τόνος της φωνής σου το έκανε ξεκάθαρο;
7	a) The fact that the customer could understand your (emotion), was it detrimental?	Το γεγονός ότι ο πελάτης μπορούσε να καταλάβει το συναίσθημα σου πιστεύεις ήταν επιβλαβές?
	b) Were you able to understand the customer's emotions? If yes, do you believe that this was beneficial or irritating to the customer?	Εσύ μπορούσες να καταλάβεις πώς ένιωθε ο πελάτης; Αν ναι, πιστεύεις ήταν καλό ή εκνευριστικό προς τον πελάτη;

8	a) What reactions could have minimized your (emotion)?	Ποιες συμπεριφορές πιστεύεις ότι θα μπορούσαν μειώσουν το συναίσθημά σου;
	b) What reactions could have minimized customer's (emotion) and respectively enhance his or her trust towards you?	Ποιες συμπεριφορές πιστεύεις θα μπορούσαν μειώσουν το συναίσθημα του πελάτη που θα μπορούσε έτσι να αυξηθεί το επίπεδο εμπιστοσύνης του πελάτη προς εσένα;
9	What did you feel when you first saw the customer? What did you expect?	Τι ένιωσες στην αρχή, μόλις είδες τον πελάτη; Τι περίμενες ακριβώς;
10	What kind of attitudes do you believe should you have done in order for the customer to perceive it as warm and caring?	Τι συμπεριφορές πιστεύεις αν έκανες, θα τις εκλάμβανε ο πελάτης ως θερμές και που θα υποδήλωναν το ενδιαφέρον σου προς αυτόν;
11	What do you believe the customer expected from you in order to talk freely about his or her problems?	Τι πιστεύεις ότι ο πελάτης περίμενε από εσένα ώστε να ανοιχτεί; Να πει για το τι ακριβώς τον απασχολούσε;
12	What attitudes can create the impression to foreign customers that you are only interested in selling products?	Ποιες συμπεριφορές πιστεύεις ότι οι ξένοι εκλαμβάνουν ως ψυχρή πώληση προϊόντων;

Appx E: Interview Guide for foreign customers

INTERVIEW QUESTIONS TO FOREIGN CUSTOMERS		
No	ENGLISH	GREEK
1	Please remember an encounter you had in a bank with a native FSE, since you moved in Cyprus, during which negative emotions aroused and influenced your trust towards the employee.	Προσπάθησε να θυμηθείς ένα περιστατικό που είχες στην τράπεζα με ένα ντόπιο υπάλληλο της πρώτης γραμμής, από τότε που μετακόμισες στην Κύπρο, όπου δημιουργήθηκαν αρνητικά συναισθήματα, τα οποία επηρέασαν την εμπιστοσύνη σου προς τον υπάλληλο.
2	Can you describe what happened, what has been said, what you saw, what you experienced and what were the reactions?	Μπορείς να περιγράψεις τι έγινε ακριβώς, τι ειπώθηκε, τι είδες, τι βίωσες και ποιες ήταν οι αντιδράσεις;
3	What sort of emotions emerged from that situation?	Τι είδους συναισθήματα δημιουργήθηκαν από εκείνη την κατάσταση;
4	Did any thoughts alleviate your (emotion) and impact your behaviour?	Μήπως σκέφτηκες κάτι που επηρέασε το πώς ένιωσες και είχε αντίκτυπο στην συμπεριφορά σου;
5	How did you express/ behave when (emotion) was generated?	Πώς εξέφρασες το συναίσθημα σου;
6	Did the employee understand your (emotion)? If yes, how did he or she react? How do you believe he or she understood your (emotion) except via your facial expression? Did your body posture or the tone of your voice made it obvious?	Μήπως ο υπάλληλος κατάλαβε το συναίσθημα σου; Αν ναι, πώς αντέδρασε; Πώς νομίζεις κατάλαβε το συναίσθημα σου εκτός από την έκφραση του προσώπου σου; Μήπως η στάση του σώματος σου ή ο τόνος της φωνής σου το έκανε ξεκάθαρο;
7	The fact that the employee could/ or could not understand your (emotion), was it irritating or beneficial? Did you prefer that she or he would / would not be able to understand your (emotion)?	Το γεγονός ότι ο υπάλληλος μπορούσε να καταλάβει το συναίσθημά σου πιστεύεις ήταν επιβλαβές ή ήταν ωφέλιμο? Προτιμούσες να μην μπορούσε να το αντιληφθεί;

8	What kind of attitudes, right after you experienced (emotion), would you have perceived as warm and caring?	Ποιες συμπεριφορές πιστεύεις, ακριβώς μετά που βίωσες αυτό το συναίσθημα, θα μπορούσε να εκλάβαν ως θερμές και που θα υποδήλωναν το ενδιαφέρον του υπαλλήλου προς εσένα;
9	Did you feel that the FSE was only interested in selling you products? If yes, what made you to reach to this conclusion?	Πιστεύεις ότι ο υπάλληλος ενδιαφερόταν μόνο για να σου πωλήσει προϊόντα; Αν ναι, τι σε έκανε να το συμπεράνεις αυτό;
10	What was the barrier that stopped you from talking freely about your problems?	Τι σε εμπόδιζε στο να μιλήσεις ανοιχτά για αυτά που σε προβλημάτιζαν;

Appx F: Example of the conducted translation of the interview transcripts

ENGLISH	GREEK
<p>“A foreign customer, who I distinctly remember was from Germany, was sitting in front of a colleague asking for some information. My colleague, not having the knowledge and the expertise to provide the answers, was pretending to be typing something on the computer. The customer stood up and started yelling at him, telling him that he shouldn’t be treated like donkey! He never spoke to the colleague again, even though my colleague apologized for this unprofessional behaviour...Now, when he comes to the branch, both of them avoid any possible contact...” (I#21)</p>	<p>“Ήταν ένα ξένος πελάτης, και θυμάμαι συγκεκριμένα ότι ήταν από τη Γερμανία, και καθόταν μπροστά από ένα συνάδελφο μου και ζητούσε κάποιες πληροφορίες. Ο συνάδελφος μου, επειδή δεν είχε τις γνώσεις και την εξειδίκευση να του δώσει τις απαντήσεις, έκανε ότι πληκτρολογούσε κάτι στον υπολογιστή. Ο πελάτης σηκώθηκε και άρχισε να του φωνάζει, λέγοντας του ότι δεν έπρεπε να του συμπεριφέρεται λες και είναι γαϊδούρι! Δεν του ξαναμίλησε από τότε, παρόλο που ο συνάδελφος μου απολογήθηκε για την αντιεπαγγελματική συμπεριφορά. .. Τώρα, όταν έρχεται στο κατάστημα, και οι δύο αποφεύγουν κάθε πιθανή επαφή...”(I#21)</p>
<p>“I really wanted to stand up and walk away. But you have to keep it together and that makes me work with even more tension until all the anger vanishes...I really do believe in walking away at least to go for some water. But if there is a queue unfortunately you cannot. What is more unfortunate is the fact the next customer may ask you what had happened...people can be very curious...and then it is not easy to forget the emotion and let it go...All the customers that were present will definitely ask you about the critical incident...” (I#19)</p>	<p>“Αλήθεια ήθελα να σηκωθώ και να φύγω. Αλλά πρέπει να συγκρατηθείς και αυτό με κάνει να δουλεύω με ακόμη μεγαλύτερη ένταση μέχρι να φύγει όλος ο θυμός... Αλήθεια πιστεύω ότι στο να φεύγει κάποιος έστω για να πάει για λίγο νερό. Αλλά αν έχει ουρά δυστυχώς δεν μπορείς. Και είναι πιο θλιβερό το γεγονός ότι ο επόμενος πελάτης μπορεί να σε ρωτά τι έγινε... οι άνθρωποι μπορεί να είναι πολύ περίεργοι... και τότε δεν είναι εύκολο να ξεχάσεις το συναίσθημα και να το αφήσεις πίσω σου... Όλοι οι πελάτες που ήταν εκεί θα σε ρωτήσουν σίγουρα για το περιστατικό...”(I#19)</p>

Appx G: Training Agenda

TITLE	Emotional Intelligence during ICSEs	Money Laundering & Common Misconceptions
NEED	To re-gain trust between FSEs and foreign customers during ICSEs	To offer specialized guidelines to FSEs regarding the money laundering possible suspects.
OBJECTIVES	To teach certain abilities to FSEs that would help them detect negative emotions and resolve customers' issues.	To present scientific guidelines in order to fight shallow knowledge and common misconceptions.
METHODS	A. Seminar & Workshops (role playing, exercises, theory & practice) B. Trainers continue to monitor FSEs: on-the-job training	A. Seminar & Workshops (case studies, exercises, theory & practice)
PARTICIPANTS	FSEs	FSEs, Supervisors, Br. Managers
TRAINERS	Collaboration: -EQ expert -FSE and/or supervisor with extended experience in ICSEs	Collaboration: -AML expert -Supervisor and/or branch manager with extended experience in ICSEs -Compliance Officer
TIME FRAME	Seminar & Workshop: 2 days	Seminar: 2 days
CURRICULUM	<p>A. How to accurately and promptly perceive negative emotions (oneself & others) -Body Language</p> <p>B. How to understand negative emotions -Understand emotional meaning - Detect the true cause</p> <p>C. How to manage negative emotions -Re-appraise a challenging situation -Relaxation Techniques -Send the appropriate signals to foreign customers</p> <p>D. Motivation to overcome stereotypes</p> <p>E. Empathetic approach towards foreign customers' unresolved issues - Cross-selling</p> <p>F. Re-introducing the organizations' culture towards foreign customers</p>	<p>A. Present common misconceptions -misleading stereotypes</p> <p>B. Present red flags -documents of questionable authenticity -equivocal transactions -questionable activities</p> <p>C. Day-to-day responsibilities</p> <p>D. European Legislation and Legal Framework</p> <p>E. Anti-money laundering policies and procedures</p>
EVALUATION SESSION	A. Questionnaire B. Round table discussions C. Follow-up	A. Questionnaire B. Round table discussions C. Follow-up