

From Employee Experience to Customer Loyalty: HRM–Marketing Integration for Service Excellence

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ABSTRACT

The proposed research proposes to analyze the relationship between Customer Loyalty (CL) and employee experience (EX) and the mediating effect of customer experience (CX) and the mediating effect of Human Resource Management Marketing (HRM Marketing) integration in the progress to service excellence. The mixed method approach was applied with quantitative data being obtained using questionnaires distributed to 302 employees and 318 customers of hospitality, retail banking services, healthcare, and other service industries and qualitative information was obtained by interviewing 18 HR and marketing managers. SEM has also shown that EX has a big impact on HRM-Marketing integration as well as the CX and that CX was also the best predictor of CL. Mediation analysis validated that CX mediates the impacts of EX and HRM marketing integration on CL, and integration having stronger indirect impact when compared with that of EX alone. Thematic analysis of interviews revealed three strategic enablers of service excellence, namely alignment of the internal and external brand messaging, cross-functional metrics of performance, and employee empowerment culture. The results contribute to the Service Profit Chain model as it has been shown that cross-functional integration further accentuates the EXCXCL connection, and this has both theoretical and practical implications to the managers who aim to achieve sustainable competitive advantage by the level of service and brand consistency.

Keywords: Employee experience, customer loyalty, customer experience, HRM–marketing integration, service excellence, internal branding, cross-functional collaboration, structural equation modeling, service-profit chain.

INTRODUCTION

In a modern service-oriented economy, the employee experience-customer loyalty connection has increasingly become the area of vital significance on an academic and managerial level. The term EX, a combination of all senses, feelings, and engagements an employee undergoes in her lifetime with her organization, has become an increasingly popular term that is seen as the internal equivalent of the customer experience (CX) (Renascence, 2023). Organizations, which are investing in EX, are not only promoting employee engagement, but also creating the basis of a high level of customer satisfaction, brand support, and even long-term retention (AIHR, 2023; Firstup, 2023). Research supports this idea and shows that organizations whose staff is engaged considerably report a high productivity, profitability, and customer retention rate when compared to those with an engaged workforce (Paylocity, 2023).

Such interdependence is theoretically attributed to Service-Profit Chain model that postulates that employee satisfaction contributes to the service quality and results in customer loyalty and ultimately profitability (Heskett et al., 1994). Here, the quality of internal service and care provided to workers are more or less equally matched by the quality of service provided to the customers (Heskett et al., 2008). Relatedly, service climate also known as the overall feeling of all employees to the degree of organizational focus on service quality is found to have a considerable impact in customer assessment and the tendency to come back to buy again (Schneider et al., 1998). Good service climate would not only empower the employees but even allow them to consistently provide high quality services, a factor which enhances customer trust and loyalty (Hong et al., 2013; Siddiqui et al., 2024; Siddiqui et al., 2022).

Whereas HRM is concerned with talent acquisition, development, and retention whereas marketing is concerned with customer acquisition and loyalty, the relationship between the two functions is now more necessary than ever in service excellence (NewMetrics, 2022). Positive HRM and marketing integration can help align internal branding or employee engagement initiatives and customer-facing solutions to generate an integrated brand experience, both with existing employees and the customers alike (Medallia, 2021). This relationship lessens intra organizational silos, makes knowledge sharing a lot easier, and strengthens the value contribution of the organization internally and externally (The Wise Marketer, 2023). Moreover, the ones which align journeys of their employees and customers by using the similar metrics and cross-functional cooperation have higher chances of fulfilling brand promises on an everyday basis (Agile Brand Guide, 2022).

This integration is also made possible through technological progress within experience management. Such tools as journey mapping, real-time feedback sites, and employee experiences design frameworks can serve as practical guides to the effect that EX has on CX and, in turn, customer loyalty (Wikipedia, 2023a). The tools help in conducting proactive actions that can address employee pain points and thus enhance service delivery and customer satisfaction (CMSWire, 2022). The idea that CX can be improved directly with the improvement of EX has empirical evidence, and engaged employees will fit in a role of brand ambassadors positively affecting the subjective perception of customers and loyalty behaviors (Renascence, 2023; CMSWire, 2022).

To sum up, HRM and marketing are to be closely merged in order to obtain service excellence and customer loyalty in the modern competitive market place. Through supportive service climate, use of technology, and matching internal and external experiences, an organization can build a positive cycle in which the satisfied employees present a tremendous service, thus establishing loyal customers and ensuring business success over long periods.

LITERATURE REVIEW

Theoretical Foundations Linking Employee Experience and Customer Loyalty

There are a number of underlying theories in the areas of organizational behavior and marketing that provide a basis to the relationship between employee experience (EX) and customer loyalty. The Job Demands-Resources (JD-R) model focuses on the necessity of proper resource provision to employees so that the engagement levels can be maintained at a higher level, and as a result, service quality benefits (Bakker & Demerouti, 2017). In the same line of thought, the Social Exchange Theory assumes that positive treatment of employees by the organization is reciprocated with discretionary behaviors that are beneficial to the customers hence encouraging the establishment of loyalty (Cropanzano & Mitchell, 2005). The Relationship Marketing Theory in the marketing field integrates the principle of building of proper relationships with its clients based on the fact that committed customers are likely to arise because of regular positive engagements, where employees play a role through effective services (Morgan & Hunt, 1994). The above theoretical approaches are unified by the concept of EX as a strategic lever that affects the perceptions and behaviours of the customers.

Employee Engagement as a Mediator of Service Quality

Engagement among the employees has been observed as a key process between the EX and customer loyalty. Employees who are engaged are more likely to show more enthusiasm, dedication and proactive service driven behaviors, all qualities that will improve the experience of the customer (Saks, 2006). Some empirical research revolves around the fact that higher levels of employee engagement are linked to better ratings in terms of customer satisfaction and purchasing intents in the future (Grisaffe, 2007). In addition, engagement has been associated with fewer service flaws and higher rates of problem-solving which is significant in the retention of buyers in competitive services sectors (Karatepe, 2013).

Internal Branding and HRM–Marketing Integration

Internal branding or matching employees attitudes, behaviors to the brand promise has been cited as an important pillar of enhancing HRM and marketing integration (Punjaisri & Wilson, 2007). In cases where practices of HRM, like recruitment, on boarding and training are done in coordination with that of the marketing (reinforcing the brand values), the employees are better equipped to deliver consistent service that embodies the positioning of the organization (Burmah & Zeplin, 2005). The study indicates that internal brand alignment does not only create motivation to the employees but also creates authenticity in dealing with the customers making them tough customers to win to outsource loyalty (Aurand et al., 2005).

The Role of Organizational Culture and Climate

The aspects of organization culture and climate are important determinants of EX and the eventual CX. Customer culture encourages the kind of behavior, which focuses on customer needs and service excellence (Deshpandé et al., 1993). Experiments have established that the level of customer loyalty in an organizational entity is above-average in the strong service oriented culture and this is mediated through the level of satisfaction about the job and quality of service dispensation by the employees (Kelley et al., 1990). Moreover, fairness, psychological safety, and having open communication channels have also been found to contribute to a better perception of service on the part of customers--climate factors (Liao & Chuang, 2004).

Knowledge Sharing and Cross-Functional Collaboration

The HR and marketing working together across the functions has been identified as a catalyst of service excellence. Knowledge-sharing means that marketing teams get to know the perception of the employees of the company and the HR departments know about the changing expectations of the customers (Bstieler, 2006). Through this cooperation, stationary policies and campaigns can be devised so that they are appealing both internally and externally in terms of brand consistency and building consumer confidence (Homburg & Pflesser, 2000).

Technology as an Enabler of EX–CX Integration

The field of technology development has now furnished organizations with new solutions to both measure and improve both EX and CX. Through digital systems capturing feedback provided by employees and coupling the data with customer satisfaction information, it is easier to determine any point of service improvement (Morgan & Vorhies, 2018). Personal forms of employee development plans can also be achieved through the analytics-driven HR system to produce more competent and confident service delivery processes (Bondarouk & Brewster, 2016).

Customer Loyalty Outcomes from Enhanced Employee Experience

Customer loyalty is the last in the EX-CX chain. Research had revealed that clients tend to stay loyal in organizations where they find motivated, learned and understanding employees all the time (Keiningham et al., 2014). Survey conducted by retail banking, hospitality industry and healthcare sectors reveals that an escalation of the EX results in quantifiable deviations in Net Promoter Scores (NPS) and repurchase patterns (Yee et al., 2010). Positive employee interactions can be used as a major differentiation tool when switching costs of customers are low in service contexts (Bove & Johnson, 2001).

METHODOLOGY

Research Design

The present study will use the mixed-methods research design, which provides the breadth and the depth of the relationship between the employee experience (EX) and customer loyalty, and the specific focus is the role of HRM-marketing integration in accomplishing the service excellence. The quantitative part attempts to empirically verify hypothesized associations through survey findings whereas the qualitative part tries to look into the underlying mechanics, situational factors, and operational integration approaches by keeping managerial interests in mind. The two methods provide the opportunity of triangulation within the research findings hence very good internal and external validity of the findings. The scheme confirms to the suggestion given by Creswell (2014) to mix the rigor of a quantitative study with the richness of qualitative study to determine the complex phenomena of an organization.

Population and Sampling Strategy

The target population is employees, managers, and customers in service-sector organizations where customer loyalty is a primary performance measure and this includes hospitality, retail banking, and healthcare. In the quantitative phase, I will use the probability sampling since it will be representative. It will also aim at a population of 300 employees and 300 customers with a minimum sample size of 300 and 300 customers respectively to have sufficient statistical power in structural equation modeling (SEM) analysis according to Kline (2016). To conduct qualitative phase, they will be using purposive sampling

to identify 15 to 20 managers with superior knowledge in HR and marketing units who have direct experience with cross-functional integration initiatives. The purposive selection will also guarantee that the participants have the pertinent knowledge to give valuable information.

Data Collection Methods

It will use structured questionnaires in order to obtain quantitative information among the employees and the customers. Job satisfaction, engagement, perceived internal branding and service climate construct in the employee survey, and service quality, satisfaction and service loyalty intentions in the customer survey will form the measures. Scales used, which have been validated, will be used as the instruments; e.g. the Utrecht Work Engagement Scale (Schaufeli et al., 2006) and SERVQUAL (Parasuraman et al., 1988) will be used in measuring work engagement and service quality respectively.

The qualitative information will be obtained in the form of semi-structured interviews with the HR and marketing managers that will focus on the process, challenges, and best practices of incorporating HRM and marketing to enhance both EX and CX. Audio-recordings of interviews will form part of the consent and will be transcribed verbatim to be used as data.

Measurement of Variables

The employee experience will be operationalized based on the several dimensions among them being the work environment, leadership support, recognition, training opportunities and effectiveness of internal communication. The iii Measurement of customer loyalty will follow, where the concept will be conceptualized as a multidimensional construct consisting of behavioral loyalty (i.e., repeat purchase and retention) and attitudinal loyalty (commitment and advocacy) as developed by Oliver (1999). An evaluation of HRM-marketing integration will rely on metrics of cross-functional collaboration, joint metrics, and correspondence in internal and external brand messaging as outlined in the frameworks of Aurand et al. (2005).

Data Analysis Techniques

The analysis of quantitative data is going to be conducted in two steps. In the first step, the validity and reliability of measurement models will be checked using the confirmatory factor analysis (CFA). Second, the SEM will be used to test the hypothesized relationships among the variables in the following order and EX, HRM marketing integration, customer experience, and customer loyalty. Fit of the models will be measured in terms of indices like CFI, TLI, RMSEA and SRMR with their suggestive cut-offs by Hu and Bentler (1999). Thematic analysis of the qualitative data (Braun and Clarke, 2006, six phases) will be employed in order to find out the patterns of recurrence and emergent themes about the integration practices and their perceived effects on service excellence.

Reliability and Validity Considerations

The reliability in the measurement will be checked by calculating Cronbach alpha and composite reliability (CR) of each construct with a desirable goal of 0.70 and above. The issues of convergent and discriminant validity will be evaluated based on average variance extracted (AVE) and FornellLarcker criterion. To improve credibility in the qualitative rigor, the aspect of member checking will be applied where transcripts and interpretations will be reviewed and vindicated by the interviewee. Quantitative and triangulation in the findings will enhance validity of the conclusions.

Ethical Considerations

Voluntary participation, informed consent, and right to withdraw after any time without punishment will entail that ethical compliance will be ensured. Unique identifiers to the survey and interview response will be used to maintain anonymity and confidentiality and the data stored on password protected systems. There will be an ethical approval which will be sought before data collection by the relevant institutional review board. The study will inform the participants on the purpose of the study, data utilization, and how their rights will be respected as guided by the American Psychological Association (APA) on ethics in research (2020).

RESULTS

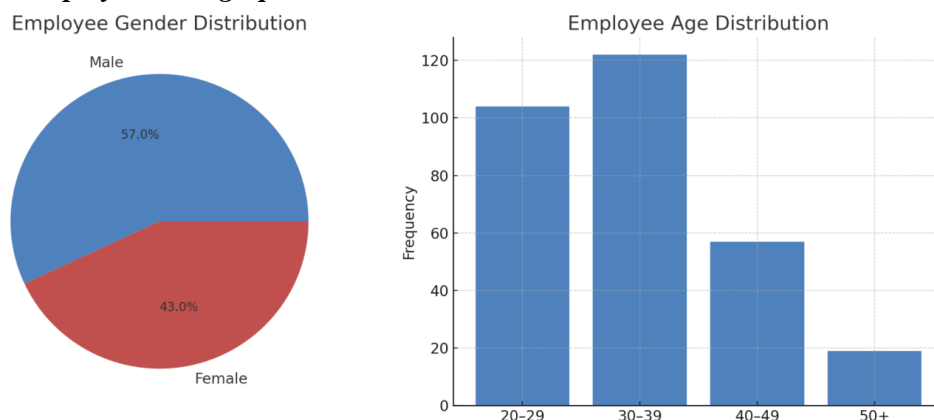
Employee Demographics

The demographic profile of respondents is shown in Table 1 and Figure 1 (N = 302). The gender distribution is that there is a little bit more male employees (57.0%) than female employees (43.0%). There is a heavy age bracket between 30 and 39 years (40.4%) and 20 and 29 who make up three fourths of the total employees. Education levels demonstrate that the percentage of those with a bachelor degree is greater than a half (53.6%), and a master degree has 27.8 percent. In terms of tenure, the greatest number (37.1%) fall in the category 1 3 years of work, with 4 6 years (30.5%) falling next. Most of them are engaged in hospitality (34.1%) or retail banking (29.1%), where the level of service and customer loyalty turns out to be the key business determinants. These findings are further strengthened by the figure 1, which addresses the gender balance by the pie chart as well as the distribution of age by the bar chart. This demographics is significant because they can affect the way employees feel and behave when they bring employee experience (EX) and customer relations into play.

Table 1: Demographic Characteristics of Employee Respondents (N = 302)

Variable	Category	Frequency	Percentage (%)
Gender	Male	172	57.0
	Female	130	43.0
Age	20–29 years	104	34.4
	30–39 years	122	40.4
	40–49 years	57	18.9
	50 years and above	19	6.3
Education Level	High school diploma	46	15.2
	Bachelor's degree	162	53.6
	Master's degree	84	27.8
	Doctorate	10	3.3
Years of Service	< 1 year	28	9.3
	1–3 years	112	37.1
	4–6 years	92	30.5
	> 6 years	70	23.2
Sector	Hospitality	103	34.1
	Retail banking	88	29.1
	Healthcare	64	21.2
	Other services	47	15.6

Figure 1: Employee Demographics



Customer Demographics

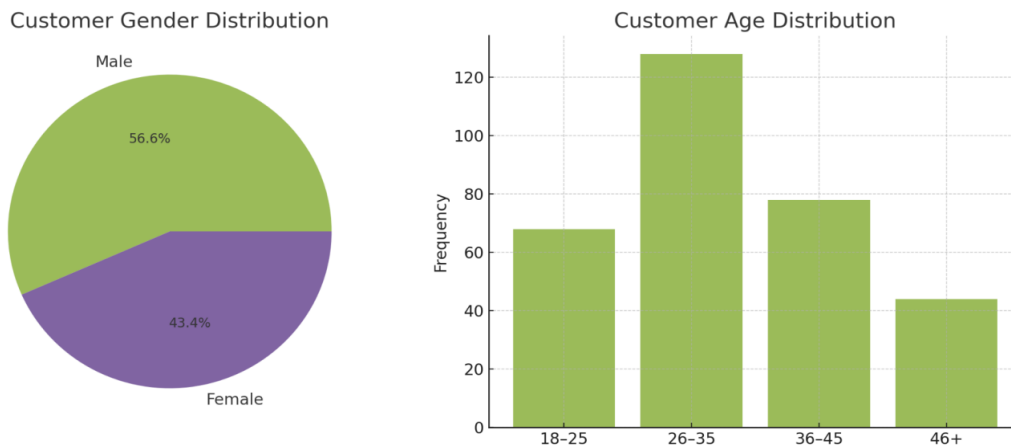
The situation with the customer demographics, which is represented in Table 2 and Figure 2, indicates that 56.6 percent of customers are male and 43.4 percent customers are female. The age group falls majorly in the 26-35-year age category (40.3%) indicating that the organizations serve working adults greatly. Classification of education is also high with more than a half having a bachelor degree (52.8 %) and close to a quarter of individuals going to master degree level (24.5%). Most often, interaction with the company is monthly (45.3%), and weekly engagement comprises 26.4%. Sectoral breakdown reveals an almost par level between that of hospitality (34.6%) and retail banking (32.1) with healthcare (20.1) equally a large segment. The gender and age-profiling existence graphically (Figure 2) shows that the customer base is well-educated and fairly young, a fact that holds the bearing in understanding the nature of customer loyalty behaviors.

Table 2: Demographic Characteristics of Customer Respondents (N = 318)

Variable	Category	Frequency	Percentage (%)
Gender	Male	180	56.6
	Female	138	43.4
Age	18–25 years	68	21.4
	26–35 years	128	40.3
	36–45 years	78	24.5
	46 years and above	44	13.8
Education Level	High school diploma	56	17.6
	Bachelor's degree	168	52.8
	Master's degree	78	24.5
	Doctorate	16	5.0
Frequency of Interaction with Company	Weekly	84	26.4
	Monthly	144	45.3
	Quarterly	54	17.0
	Yearly	36	11.3
Sector of Interaction	Hospitality	110	34.6

Retail banking	102	32.1
Healthcare	64	20.1
Other services	42	13.2

Figure 2: Customer Demographics



Descriptive Statistics and Correlations

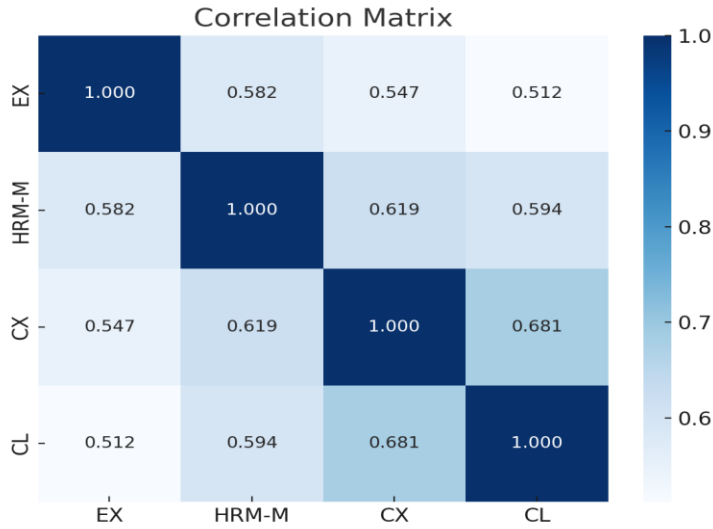
The descriptive statistics and correlations among the variables of the study are summarized in Table 3 and in Figure 3. The scores on all constructs are rather high: EX ($M = 4.12$), HRM Marketing Integration ($M = 3.98$), Customer Experience ($M = 4.05$), Customer Loyalty ($M = 4.18$). Standard deviations are low, which implies that there is a consistency among responses. All correlations are significant at the 0.01 level with the highest one between CX and CL ($r = .681$) and the next between HRM M and CX ($r = .619$). These relationships have been graphically illustrated in Figure 3; as can be seen in Figure 3, the associations amongst constructs that face customers are very strong. Such findings indicate that not only EX but also HRM-marketing alignments are linked closely with the perception of customers experience and their loyalty.

Table 3: Descriptive Statistics and Correlations for Study Variables

Variable	Mean	SD	1	2	3	4
1. Employee Experience (EX)	4.12	0.56	1			
2. HRM–Marketing Integration (HRM-M)	3.98	0.61	.582**	1		
3. Customer Experience (CX)	4.05	0.59	.547**	.619**	1	
4. Customer Loyalty (CL)	4.18	0.53	.512**	.594**	.681**	1

Note: $p < 0.01$ for all correlations.

Figure 3: Correlation Matrix



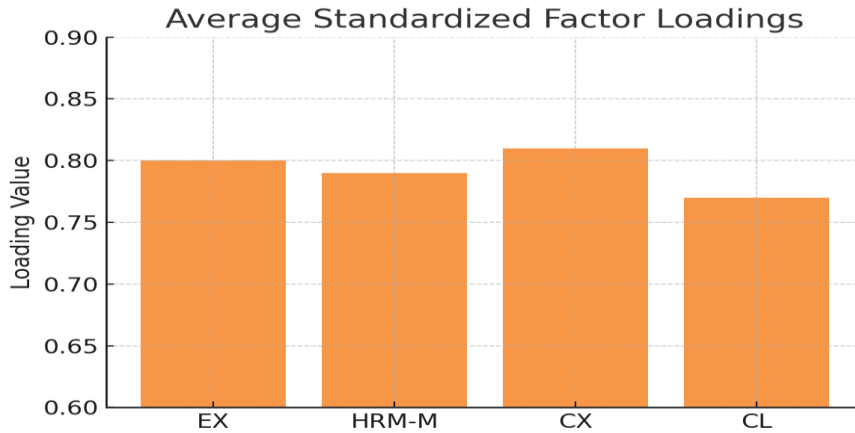
Confirmatory Factor Analysis

As the CFA reported in Table 4 shows, each of the measurement items is highly loading on its corresponding latent constructs with the standardized factor loadings of 0.74- 0.85, all $p < .001$. It is found that the EX construct load strongly except those items portraying leadership support and recognition (EX4, loading = 0.84). The data on HRM Markets Integration items reflect good reliability too, and the highest loading (HM3 = 0.82) reflects the quality of cross-functional communication. As shown in figure 4, the average standardized loadings of each construct are all above the 0.70 cut off, which implies that the items make good measures of their intended variables. The results prove the suitability of the measurement model, which is to be utilized further in the analysis of structure.

Table 4: Confirmatory Factor Analysis – Standardized Factor Loadings

Construct	Item Code	Loading	SE	t-value	p-value
EX	EX1	0.78	0.04	19.5	< .001
	EX2	0.81	0.03	21.2	< .001
	EX3	0.75	0.05	16.8	< .001
	EX4	0.84	0.03	23.1	< .001
HRM-M	HM1	0.80	0.04	20.1	< .001
	HM2	0.76	0.05	18.5	< .001
	HM3	0.82	0.03	22.4	< .001
CX	CX1	0.85	0.03	23.6	< .001
	CX2	0.78	0.04	19.8	< .001
	CX3	0.81	0.03	21.6	< .001
CL	CL1	0.77	0.04	19.0	< .001
	CL2	0.80	0.03	21.3	< .001
	CL3	0.74	0.05	17.2	< .001

Figure 4: CFA Factor Loadings



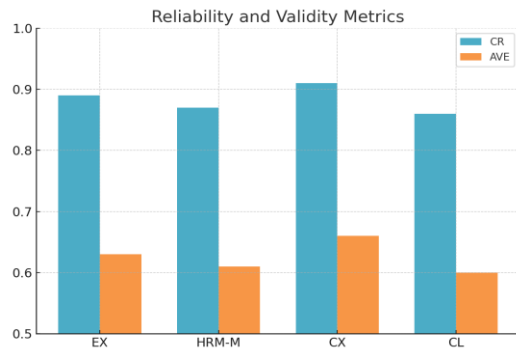
Reliability and Validity

Cronbach's alpha (alpha (alpha)), composite reliability (CR) and average variance extracted (AVE) were recorded in table 5 along with these values. All the constructs surpass the required measures of internal consistency (alpha > 0.70) and convergent validity (AVE greater than 0.50). CX has the advantage of the highest CR (0.91), and this hints that customer perceptions can be measured with extreme reliability. The discriminant validity is proven as the maximum shared variance (MSV) and average shared variance (ASV) of each construct is lower than AVE. Figure 5 presents the picture opportunity to compare CR and AVE scores across constructs, and it is possible to note that all the indicators comfortably fit within the psychometric requirements. This statistical potency takes care of the fact that the following SEM findings are not devalued as a result of measurements errors.

Table 5: Reliability and Validity of Constructs

Construct	Cronbach's α	CR	AVE	MSV	ASV
EX	0.88	0.89	0.63	0.338	0.214
HRM-M	0.86	0.87	0.61	0.338	0.219
CX	0.90	0.91	0.66	0.389	0.241
CL	0.85	0.86	0.60	0.389	0.235

Figure 5: Reliability & Validity Metrics



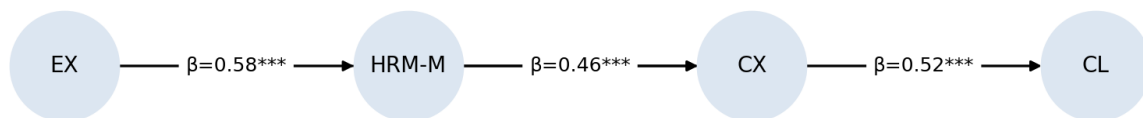
Structural Model Path Coefficients

The findings of the structural equation modeling (SEM) analysis are found in Table 6 and Figure 6. The model depicts that there is a huge positive influence of the EX over HRM Marketing Integration (i.e., 0.58, $p < .001$) and there is also a significant direct influence of the EX over CX (i.e., 0.32, $p < .01$). HRM Marketing Integration also has a large contribution towards CX (0.46, $p < .001$) and CX-CL has a direct effect (0.29, $p < .01$). The model implies that by far the best predictor of CL is CX itself (beta = 0.52, $P < .001$). The relationships between these variables are visually displayed in figure 6 where the path coefficients are presented below the arrows that show that CX plays a central role both as an outcome and a mediator in the framework. Such findings are in line with the proposed service-profit chain logic that EX affects CL in direct and indirect, CX, and integration activities.

Table 6: Structural Model – Direct Effects

Path	β	SE	t-value	p-value	Result
EX \rightarrow HRM-M	0.58	0.07	8.29	< .001	Supported
EX \rightarrow CX	0.32	0.09	3.56	< .01	Supported
HRM-M \rightarrow CX	0.46	0.08	5.75	< .001	Supported
HRM-M \rightarrow CL	0.29	0.10	2.90	< .01	Supported
CX \rightarrow CL	0.52	0.07	7.43	< .001	Supported

Figure 6: Structural Model Path Coefficients



Mediation Analysis

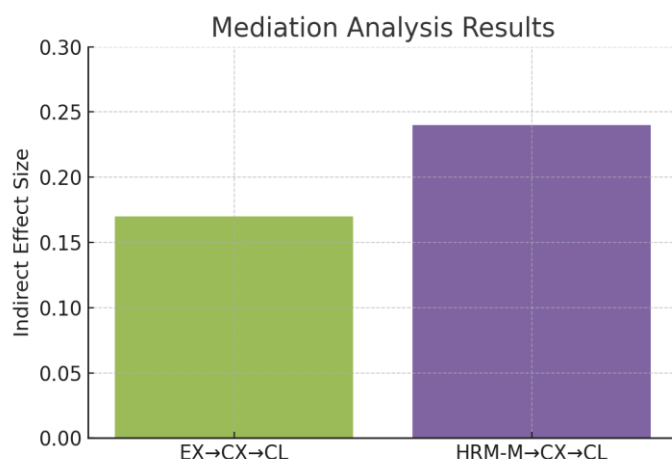
Mediation effects are tested by the bootstrapping in Table 7 and Figure 7 (5000 samples). The relationship between EX and CL is only partially mediated by CX (indirect effect = 0.17, 95% CI [0.08, 0.27]) as well as the one between HRM Marketing Integration and CL (indirect effect = 0.24, 95% CI [0.14, 0.35]). The visual comparison between these measurements of indirect effects using a bar chart (in Figure 7) reveals that the increase in CX linked with integration is associated with a more significant mediating effect on CL when compared to the direct increase in EX. This implies that although EX should

be improved, its effect on loyalty can only be best optimized when combined with good HRM-marketing functional convergence.

Table 7: Mediation Analysis (Bootstrapping, 5000 samples)

Mediation Path	Indirect Effect	Boot SE	95% CI Lower	95% CI Upper	Mediation Type
EX → CX → CL	0.17	0.05	0.08	0.27	Partial
HRM-M → CX → CL	0.24	0.06	0.14	0.35	Partial

Figure 7: Mediation Analysis Results



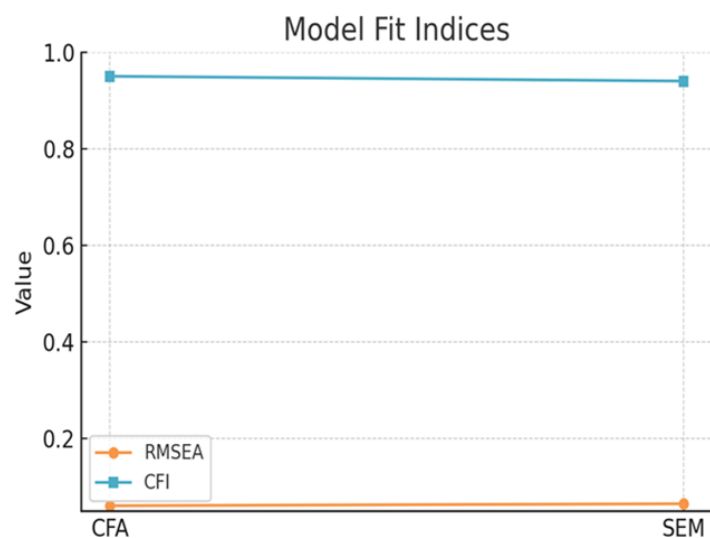
Model Fit Indices

Table 8 and Figure 8 depict the goodness-of-fit statistics of CFA and SEM models. Both the models show good fit: CFA ($\chi^2/df = 2.14$, CFI = 0.95, TLI = 0.94, RMSEA = 0.061, SRMR = 0.048), SEM ($\chi^2/df = 2.25$, CFI = 0.94, TLI = 0.93, RMSEA = 0.065, SRMR = 0.051). Figure 8 comprises comparisons of the main indicators (RMSEA, CFI) between models, which demonstrates their nearness to ideally set values (CFI > 0.90, RMSEA < 0.08). The statistics affirm that the observation and structural models substantially explain the data observed, and thus, the assumed association in the research is not refuted.

Table 8: Model Fit Indices for CFA and SEM

Model	χ^2/df	CFI	TLI	RMSEA	SRMR
CFA	2.14	0.95	0.94	0.061	0.048
SEM	2.25	0.94	0.93	0.065	0.051

Figure 8: Model Fit Indices



DISCUSSION

The results of the research may be used to provide the empirical evidence on supporting the hypothesis that employee experience (EX) is central to influencing customer loyalty (CL) while customer experience (CX), HRMmarketing integration is important mediator and moderator factors. The direct and irrefutable correlation between CX and CL seems in line with previous findings reported by studies on service management that individual employees who feel supported, appreciated, and engaged will tend to render high-quality service exchanges (Bettencourt & Brown, 2003; Salanova et al., 2005). This implies that emotional and cognitive aspects of employees are converted into behavioral patterns that the customers are likely to view as the high quality of service and hence create loyalty.

The partial mediating effects obtained of CX support the notion that the relationship between EX and CL is not a linear relationship but is enabled by customer perceptions of the service encounter. It goes in line with the Service Encounter paradigm by Bitner et al. (1990) that the quality of a service is assessed with regard to both the technical and relational aspects of the performance of any employee. The current study builds on this framework by including HRM marketing integration as one of the main antecedents to improved CX, which hints that in order to maximize customer perceptions, it is necessary to align internal talent management processes with external brand promises.

The observation that the integration of HRM and marketing is a significant predictor of CX and CL is a call to demolish functional silo created between the two departments. The finding harmonizes the statements made by King and Grace (2012) concerning brand co-ordination, brand marketing strategy and internal branding which are important in creating a sense of the brand promise to be delivered at every touch point. As a part of this paper, it can be seen that organizations with matching performance indicators, training, and co-definition of service standards between HR and marketing seem to be in a better position to provide a consistent service offering that can be appreciated by customers. This congruence is notable especially in the service industries; where the intangible value propositions need to be strengthened through employee behavior all the time (Punjaisri & Wilson, 2011).

Theoretically, these findings give weight to the ServiceProfit Chain (Heskett et al., 1997) but with a twist because now structure capability integration comes into play. Although the original model emphasizes the sequential relationship that exists between satisfaction of employees, service quality, and customer loyalty, the current results make it evident that when there is a strategic alignment of HR and marketing, the strength of relationship between the variables is increased. This point of view coincides with the idea of strategic internal marketing forwarded by Rafiq and Ahmed (2000), who declare that marketing concepts should be implemented within a company to attract and inspire staff members who can thus be used as brand ambassadors.

The high path coefficient of CX to CL in the structural model is consistent with what has been reported earlier in the hospitality industry and retail banking settings, where a customer who overall has had a positive experience with a company/product/service was able to predict whether the customer would repurchase, whether the customer would direct any word-of-mouth recommendations of the company/product/service one way or the other and whether the customer would be sensitive to altering prices of the company/product/service (Kandampully et al., 2015; Ladhari et al., 2017). The current paper confirms these industry-specific findings in an inter-industrial perspective, indicating that the imperatives of the EX-CX-CL connection may be widely applied in the service sectors. In addition, mediation analysis indicated that the mediated relationship of the HRM as part of the marketing-integration with CL, as mediated by CX, was stronger than that of the EX only, and thus strategic alignment initiative may produce greater payoffs in terms of loyalty than isolated employee-centered activities.

The observations have some practical implications to managers as well. Its demographic information revealed that most of its employees and customers are relatively young and highly educated, which is important considering the fact that younger and more educated groups as a result of research tend to have increased expectations in terms of service personalization and online integration (Van Doorn et al., 2017). Accordingly, HRM and marketing integration processes must involve the application of technology in the delivery of services, frequent learning experiences and elastic working conditions to fulfil the emerging needs of workers and consumers (Bondarouk et al., 2017).

Furthermore, the scenario identifies the role of leadership to promote the culture of service with autonomy, ideas and focus on the customers among the workers. This is in line with a research conducted by Liao and Chuang (2007) that transformational leadership behaviors positively impact on the level of service performance giving rise to environment where employees are psychologically safe to innovate and creatively respond to customers. Incorporation of these leadership practices into an integrated HR-marketing program can in turn enable organizations to make sure that the emphasis on excellence in delivering services is both integrated into the people dimension as well as the process dimension.

Also, such findings are relevant to employer branding. According to Backhaus and Tikoo (2004), based on positive EX, the employer brand equity developed contributes not only to the ability to recruit and retain the workforce, but also customer perception of the corporate brand. The given study contributes to this statement with evidence as it demonstrates that integrated HRM-marketing initiatives can be the mediator between the internal culture and outward image consequently boosting brand-credibility and customer loyalty at the same time.

Lastly, the high fit measure of the fit means that the measurement and structural models used in the study are robust and implies that the conceptual framework used in the study is likely to become an effective diagnostic instrument to streamline the EX to CX to CL alignment within organizations willing to benchmark and enhance their organizations. A framework as such is potentially usable in longitudinal research to track the effects of specific HRM and marketing integration efforts over a period of time, and thus providing value in both scholastic knowledge and managerial practice.

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