Interactive Service Quality in Service Encounters (A case of Ethiopian Revenues and Customs Authority)

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Abstract:- One of the basic parts of service quality is the experiences among clients and representative. This is particularly valid for services described by a high level of up close and personal collaboration likewise where there is absence of an exchange of tangible goods. Such connections are might be a satisfying encounter or a difficult occasion for contact work force explicitly when the objective of client and service supplier deviate. The goal of the current study is to survey the various elements of interactive service quality at service experiences and their assessment from the points of view of the client and contact staff in a vis-à-vis service communication condition of Ethiopian Revenues and Customs Authority. The analysis of the findings shows that effectiveness of the encounter in terms of the outcome expected by the customers 'is very stumpy. As per the opinion of the service interaction by ERCA's customers; it is contended that the contact employees lack the appropriate skill and expertise both in the interactivity and rituality dimensions and sub dimensions. In the access and materiality dimension, ERCA's office equipments and physical facilities are fairly recent and properly arranged with convenient office opening hours helping in the smooth functioning of the service interaction. While on one hand, the contact employees of the authority are seemed to get professional satisfaction from the interaction at service encounter whereas customers leave the encounter with unsatisfied demand.

Keywords:- Service Quality; Service Encounters; Interactive Service Quality; Ethiopian Revenues And Customs Authority (ERCA); Ethiopia.

I. INTRODUCTION

These days most organizations are turning out to be to receive client focused philosophies where one of the significant difficulties which these organizations face is the way they oversee service quality that will lead them to hold an extraordinary significance to fulfill their clients (Lovelock, 1983). [1]

Execution of service is significant at a operative level during service experiences, yet services are likewise a crucial issue in key, strategic, and operative management of

business tasks by contributing data or making suggestions on the most proficient method to improve the service in numerous associations (Grönroos, 2011). Mudie and Pirrie, (2006) characterized services as *"service is elusive and heterogeneous; its creation, circulation, and utilization are synchronous procedures. A service is an action or procedure; it is a guiding principle made in purchaser merchant cooperation's; clients take an interest in its creation however it can't be kept in stock and there is no exchange of possession".*

Effective service organizations see well the significance of cautiously checking and overseeing service quality and consequently consumer loyalty. Parasuraman, et.al. (1988) characterizes service quality as the customer's judgment of an organization's general exellence or predominance for example the degree of fulfillment of customers experience with the organization's workers in addition to the quality of the service obtained on the physical environmental factors of the service during the experience .

According to Victor, (2007) lack of overall emerging consensus, difficulties in both defining and measuring the service quality concept resulted the concept to arouse considerable interest and debate in the research literature. In simple manner, customers prior expectation influences customer evaluation of the service quality that they receive implying that the difference between customer expectation of service and their experience can be described as service quality.

For the strength of any service organization service quality and consumer loyalty are basic especially, the service experience (up close and personal or technology interceded) can assume a conspicuous job in deciding client 's fulfillment with the organization since it is at the service experience where the client and service supplier communicate with each other that proof of service quality happened (Hill,2007). Hence, during experience whether a client leaves fulfilled or disappointed and whether the client returns or not at long last will be dictated by significant episodes that happen during the experience (Gilmore ,2003).

Hill (2007), expressed that so as to continue development in the present fierce business condition, organizations need to see how to fulfill clients, since it has been for quite some time realized that consumer loyalty is imperative for setting up long haul customer connections.

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The fundamental goal of service giving organization is to address client issues while staying supportable financial upper hand. Indeed, even extreme, innovation interceded procedure can have an effect on the service condition despite everything, services are work concentrated since there is no innovation that can totally substitute an excellent vis-à-vis collaboration between service representatives and clients. The service experience assumes a critical job in client assessment of service quality (Fogli, 2005). The idea of experience is coming in to contact with a person or thing and it is at experience that clients come into contact, with the service organization in any form (Mudie and Pirrie, 2006).

Thus, since the idea of services are delivered, disseminated, and expended simultaneously during the collaboration between the service supplier and client which at last demonstrated that there is a noteworthy interactive service quality characteristics during experiences (Mudie and Pirrie, 2006). As indicated by Mohr and Bitner, (1995) it is during service experience, the time period during which customers legitimately associate with service suppliers that service execution happens suggesting that all components of an experience, for example the physical office, holding up times, and service faculty are included.

While assessing the quality of the service given the mentalities and practices of contact representatives are unequivocally impact client recognitions since the contact workers are normally a client's first purpose of association inside the organization, having the obligation to render the company's services, give the guarantees offered by the organization, and manufacture great picture. A few researchers like Gronroos (1988) claims that there are two components that establish service: the practical viewpoint and the manner by which the service is conveyed. He contended that practical service quality is prevailing in making fulfillment of clients than the conveyance quality fulfillment of clients despite the fact that, level of satisfaction during the interaction despite everything influence clients view of generally speaking service quality but no amount of experience fulfillment can adjust for a poor service yield.

Several marketing literature discussions recommended a huge change has been seen in the past with respect to the connection between service representatives and clients. it has getting progressively hard for service suppliers to make an upper hand from the scope of services they offered because of globalization, expanded rivalry and incompletely mechanical headways thus coming about contact workers to turn into the wellspring of separation and be competitive as opposed to the services themselves (Prahalad and Ramaswamy, 2004).

The present study assessed the dyadic interactive service quality at service encounters and their evaluation from the perspectives of the customer and the contact personnel in Ethiopian Revenues and Customs Authority The major outcomes will help for the relevance of employees and customers in dyadic service encounter and assist in enhancing the interactive service quality delivery of public organizations.

Public Service organizations are organizations that provide service(s) to the public at large and/or whose activities influence public interest. Ethiopian Revenues and Customs Authority **(ERCA)** as one of the public service organizations, was originally established in 1889 to administer and enforce tariff and other tax laws, thus provide revenue for the government. The Authority has mainly responsible to collect import taxes of different types such as customs duty, excise tax, VAT and Withholding tax from the public.

II. LITERATURE REVIEW

➤ *The nature of Services*

Lovelock,(1983) indicated that the distinctive behavior of a service sector is that it holds both intangible (i.e. the physical of the products offered) and intangible outputs of the product (i.e. the role that the service deliverer plays when providing the service to the customer). Furthermore, researchers like Mudie & Pirrie (2006) indicated that all service sector have the following characteristics such as:-

- Intangibility
- Inseparability(concurrent production and consumption)
- Variability (heterogeneity)
- Perish ability

Furthermore, Mudie & Pirrie (2006) also indicated due to the unique characteristics of the nature of services delivering a service that satisfies customers 'remains a challenge for organizations however, some successful organizations have able to managed and build a strong reputations of recognition in the eye of their customers by perfecting and improving through time the role that their frontline employees play in meeting customer expectations during rendering service. Now a days the human element which is one of the intangible element of the service, is considered to be part of the product in a face to face interaction in providing service is a key feature in the delivery of quality service especially in service firms that are more labor intensive in a nature where employees are experiencing a direct and frequent contact with the customers during the process. Thus, in this circumstances the interaction becomes the most critical part of the overall service product and becomes the essential component to customers 'perception of service quality (Lovelock, 1983).

Many researchers including Mudie & Pirrie (2006) argue that marketing activity is normally structured around the 4 P 's these are product, price, promotion and place. However, later additional distinctive characteristics of services of three more P‖s were included called namely: people, physical evidence, and process on top of the previous 4P's. According to Gronoos (2000), service quality can be described in terms of seven criteria 's. These are: -
1. Skills and Professionalism
2. Behavior and Attitudes
3. Flexibility and Accessibility
4. Trustworthiness and Reliability

5. Service recovery
6. Service cope
7. Reputation credibility

The nature of service delivery is highly variable, to maintain the consistency of provision of service quality company managers are forced to be dependent on employees, since the personal attributes of service providers are a key aspect in the delivery of quality service, (Parasuraman, *et.al.*1985).

The substantive area of service management, it has been widely recognized that the interface between the firm and the customer is important for creating and maintaining good relationships with customers (Czepiel, 1990; Gummesson, 1995). A customer is said to be satisfied during encpunter when the preconceived perception of the customer matched or exceeds expectations the customer according to the first law of service. This can be mathematically expressed as follows

Satisfaction = *Perception – Expectation (1)*

➤ *Service Encounter*
Supernant & Solomon (1987) have defined service encounter as a dyadic interaction between the customer and service provider with the main aim of performing a task. But the marketing literature indicates that service encounters are traditionally described as the interaction that occurs between customer-contact employees and customers and this is the focal point where customer satisfaction is maintained and thus organizations overall success is measured (Bitner, et al., 1990; Carlzon, 1989; Czepiel & Shostack, 1985; Lewis & Entwistle, 1990).

Lewis and Entwistle (1990) proposed that notwithstanding the cooperation between outer clients and client contact workers there are likewise numerous other service encounter experiences are additionally happen in the organization which are similarly significant in deciding the nature of quality of service given to the last client. Lewis and Entwistle (1990) contend the that (external) client may wind up disappointed, or may express complaint, and may and may take the flaw as the client contact representative, when these inner experiences are seen as unsuitable.

➤ *Service Quality and Service Encounter Concepts*
The intuitive procedure between the specialist organization (vender) and the service recipient (purchaser) is perceived as dyadic service quality encounter. In like manner, several specialists exhibited that service encounter experience is normally treated as a bi-directional procedure (Echeverri, 1999; Gummesson, 1995; Brown, et al., 1994; Mossberg, 1994; Normann, 1992; Czepiel, 1990; Heskett, et al., 1990). This spontaneous procedure is frequently portrayed as a theatre, a show, or a demonstration of execution. McDonald and Payne (2006) referenced that service encounter is critical to the client 's impression of administration quality. Moreover, Mudie and Pirrie (2006) showed that the service encounter experience has been portrayed as a wonderful involvement with which the

specialist organization endeavours to meet clients 'needs and desires and they, thusly withdraw to a great extent fulfilled.

The marketing literature called attention to that the idea of service quality, in high contact up close and personal communication despite everything comes up short on a thorough turn of events and inflexible base regarding its bi-directionality in dyadic assistance experiences in spite of the significance of the commonality idea of face to face service encounter experience. Most past marketing research performed in service field investigates and expressed service quality as a one-dimensional wonder where the estimation and the assessment of the administration quality in a particular encounter experience are frequently unidirectional. Research has delivered various characterizations of services all of which exclusively stress the service recipient's point of view or impression of the service offer in a receivers experience implying just the service recipient's viewpoint is mulled over at any one time (Converse, 1930; Judd, 2003; Rathmell, 1974; Shostack, 1987; Hill, 1977; Sasser, et al., 1978; Thomas, 1978; Chase, 1978; Gronroos, 2000; Kotler, 1997; Lovelock, 1983; Schmenner, 1986; Vandermerwe and Chadwick, 1989; Edvardsson, 1996).

Thus, the significance of the bi-directionality interaction between participant characters in an service encounter experience have been of late accentuated by researchers (Echeverri, 1999; Parasuraman, et al., 1985). Be that as it may, service quality is still viewed as a unidirectional wonder in an encounter experience setting, in spite of the way that it is notable among researchers that the bi-directional factors positively or most presumably, are significant, and will impact the result of the service quality in a particular service interaction experience (czepiel 1990)

➤ *Service Quality, Customer Satisfaction and Service Encounter Quality*
Service quality is a worldwide attribute of the firm. Parasuraman, et al. (1988) characterizes service quality as the buyer's judgment of a firm's general greatness or predominance in carrying out services. The nature of experience with the organization workers which brings consumer loyalty in addition to the nature of the service acquired from the physical environmental factors of the service decides the overall service quality of a firm. Thusly, customers satisfaction can be viewed as a segment of service quality and as an impact which exists in the disconfirmation of desires worldview. Oliver, et al. (1997) proposes that, customers may not really required to have past understanding of the service yet for the customer, service quality means a comparison to excellence while then again, customer satisfaction infers the utilization of the service and is identified with understanding.

As indicated by Solomon, et.al. (1987) as any service experience is expected to contain learned and predictable standards of conduct and every member ought to authorize certain practices all together for the exchange to continue easily. Both Mohr and Britner (1995) additionally found that in service settings, social interaction (relational connection)

is especially significant in deciding consumer loyalty consumer satisfaction.

➢ *Interaction with the Service Organizations*

Service organizations that require "high-contact" encounters in nature with customers differ sharply from organizations that are "low-contact" interactions in nature however, in delivering the required service most service organizations may provide far higher levels of contact than is essential. Mudie & Pirrie (2006) demonstrated that people who deliver the service are of key importance to both the customers they serve and the employer they represent. Their ability and willingness to satisfy, their manner and appearance, all play a part in determining how satisfied customers is with the service encounter.

Gardner (1985) described that customers positive, negative, or neutral mood when entering the service environment affects their subsequent evaluations of the service and customers' mood may stay the same throughout the encounter, or it may change as the result of their interaction with the firm's physical environment or with the service employees specifically, in a situations where customers differ usually and service personnel interact with those customers on a one-on-one basis (Joseph & Gilmore, 1998).Furthermore, the likelihood that each customer's experience will be somewhat greatly different from that of other customers and from previous experiences by the same customer depends on the customers high level of activity and the duration of interaction in the in the process of service delivery (Joseph & Gilmore, 1998).

➢ *Customer Service Personnel/ Front- Line Employees*

When customer service interaction involves technology-mediated, the technology element in is the participation with a human can have a dramatic influence on customer satisfaction (Heskett, et al., 1994; Parasuraman & Colby, 2001). On the other hand different scholars

(Gatewood & Field, 2001; Napoleon & Gaimon, 2004) believed that customer service personnel are different from one another on a variety of dimensions and attributes such as knowledge, skills, and abilities (KSAs), which can also include personality and other individual traits which correspondingly influences employee 's customer support effectiveness based on the organizational behavior/human resources literature.

In a similar manner Hurley (1998) found that extroversion and agreeableness characters are higher on superior service providers while Williams & Sanchez (1998) found that certain personality characteristics, including agreeableness and extroversion, predicted extra-role and role-prescribed service behaviour are observed in superior service providers. Lin, *et.al.* (2001) also empirically demonstrated supporting the previous scholars finding that "*employees with different personality traits perform differently on customers 'perceptions of service quality (p. 57)*"".

➢ *The perceptual bi-directionality Method*

The estimation and assessment utilized, (for example, SERVQUAL and the Gap-model: before and after design) in the idea of service quality is so far primarily regarded as unidirectional construct despite the fact that it was accentuated that service quality is the result of the interactive procedure of client with a firm in a particular service encounter however the view of the service provider in the interaction has been all the more regularly dismissed in the literature while considering the a dyadic service experience as opposed to considering the two points of view when the estimation and the assessment of a particular service experience happens (Czepiel, 1990). Thus, it is the commonality or the bi-directionality nature of the collaboration that prompts a unique methodology in the interactive procedure between the participants in a service experience.
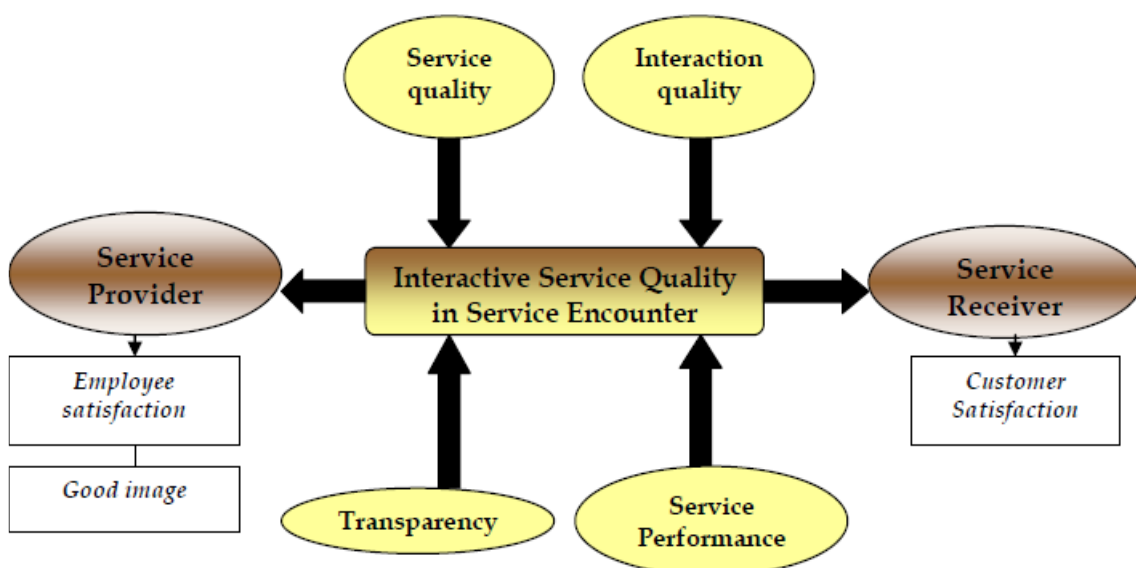

Fig 1:- Conceptual framework

III. RESEARCH METHODOLOGY

➢ *Measurements*

The primary data for this study is collected through survey questionnaires. Focusing only on the interaction period, the researcher is seeking to assess the opinions of customers and the opinions of contact personnel, so that the researcher developed two types of survey questionnaires to be filled by each party involved in the service encounter.

Along these lines, a dimensional methodology has been picked in the study since while surveying interaction quality, we accept that generally the two customers and work force utilize stable standards. As needs be, Parasuraman, et.al. (1988) despite the fact that they are essentially intrigued by worldwide service quality they were among the first to advocate a dimensional investigation. Then again, Chandon, et.al. (1997) feel that sociological methodologies are increasingly fitting to catch the interactive processes of service experience. Goffman (1974, 1983) calls attention to the significance of ceremonials and ceremonies that shape the experience's dynamic. He likewise demands the brief ties made during the interaction process. Subsequently, Louis, et.al. (1997) chose to incorporate the components of interactivity and rituality. To maintain a strategic distance from worldwide assessment, they broke them into a few sub measurements propelled by crafted of Gumperz (1989), Surprenant and Solomon (1987).

➢ *Interactivity*

Incorporates the service relations at work during the experience and it incorporates six auxiliary measurements:

- **Responsiveness:** incorporates listening, ability to explain, understanding, personalization and, psychological proximity
- **Rituality;** It incorporates all the stately and relevant perspectives which shape the atmosphere of experience: kindness of every person; certainty ;security; mentalities of receptionists ;holding up time and ;saw capability of the contact staff.

Different measurements utilized which are taken from the field of service quality are increasingly customary. From Parasuraman, et al. (1985), we took *effectiveness, materiality* and *accessibility*, which are drawn from reliability, tangibles and access while Schneider (2004) stated on the significance of representatives' impression of services as needs be, we additionally added a 6th measurement to gauge worker 's fulfillment:

a) **Effectiveness** - This idea was linked to reliability which is more fitted to worldwide service than to interaction. Effectiveness concerns the point and the consequence of encounter experience assessed in a dyadic way.
b) **Materiality** - comes legitimately from SERVQUAL. It incorporates the sub-measurements of service worker appearance, hardware and physical offices of the organization.
c) **Accessibility** - alludes to the ease of entry and contact.
d) **Employees' Satisfaction** - measures the worker's expert fulfillment with the experience.

➢ *Data collection and characteristics of sample*

The target population for this study is Ethiopian Revenues and Customs Authority customers and front-line employees who are working in the two main operation branches of the Authority i.e. Addis Ababa Airport customs and Lagar Customs. The number of sample participants addressed is 200 from customers and 50 contact employees from two main branch offices using simple random sample technique that allows each element of the population an equal and known chance of being selected as part of the sample.

The demographic profile of the respondent customers were found to be diverse with over half (56.7%) reported as young age group between 25-31 years, followed by little over one-fifth (18.9%) those claimed to be between 32-38 years, and another one-fifth (19.4%) as middle age group (39-45 years). Majority (67.8%) of the customers reported as male and the remaining (32.2%) as female. With respect to occupation, about half (52.8%) were stated themselves as private organization employees with another one-third (33.3%) who claimed to be from private sector. On the part of education, overwhelming majority claimed to be with first degree (41.7%) and some certificate/diploma (45.0%).

The demographic profile of the respondent contact employees were found to be diverse with (36.0%) reported as young age group between 25-31 years, followed by little close to half (44.0%) those claimed to be between 32-38 years. Majority (66.0%) of the customers reported as male and the remaining (34.0%) as female. the majority i.e. one-fifth (20.0%) who claimed to be Senior Officers, Tariff and Valuation Assessors (24.0%),, Dispatch officers Officers and Examiners (20.0%).

IV. RESULTS

➢ *Reliability and Validity*

Reliability analysis were performed to make sure that the measurement questionnaires used measure in a useful way the interactive service quality at service encounters. Furthermore, the study used Cronbach coefficient (alpha) to assess the internal consistency of modified (effectiveness, added as a new dimension to the adaptive construct dimensions: materiality, access, rituality, and interactivity) instrument. The reliability, as assessed by alpha coefficient for the instruments, was found to be 0.962 and 0.906 with almost each scale item scoring higher than 0.72 (Table 1), indicating acceptability of the scale for further analyses by surpassing the lower limit of acceptability (Hair, et.al. 1998).

Originally, the research model contains nine factors (containing 60 items) of which five factors were used in the customer survey questionnaire (containing 45 items) and the rest four factors were used in the contact employees' survey questionnaire (containing 15 items). Therefore, we have to assess each of them separately and check if their items are really reliable .During the reliability analysis process a total of eight items were taken out, these five new sub dimensions are not the same as the a priori ones, and they are weakly

linked together. We dropped item of personalization and the sub-dimension of Rituality called waiting condition (**α= -.627**). Because the items are not very consistent and no item deletion could produce a good fit in the research model. In the same way, the sub-dimension of rituality perceived competence two items were removed since deleting the items will bring about a high consistency of the sub-dimension i.e. from (**α= .070**) to (**α= .741**).

In the same manner from the sub-dimension used under contact employees questionnaire a total of three items which is one item from client's courtesy dimension and two items from customer follow up dimension were removed since items bring inconsistency (α= .074) and this last dimension is found to be irrelevant for the majority of contact employees respondents.

Key dimensions and items Corrected Item	Total Correlation Reliability estimates	Key dimensions and items Corrected Item
F1- *Effectiveness*		***0.756***
1. At the end of encounter, you get exactly what you wanted	0.684	
2. Regarding your problem, the encounter was very positive	0.635	
3. What was said during the encounter was very important for you	0.649	
F2- *Materiality*		***0.773***
2.1 Service employee		
1. The contact personnel was well-dressed	0.754	0.606
2. The contact personnel had a careless appearance	0.573	
3. The office equipment was fairly updated	0.330	
2.2 Physical facilities		0.655
1. The office was untidy	0.624	
2. The office setting was pleasant	0.600	
3. The office was too raucous	0 .620	
F3- *Access*		***0.772***
1. Opening hours are practical	0.704	
2. It was difficult to get appointment	0.657	
F4-*Interactivity*		***0.921***
4.1 Responsiveness		0.666
1. He/she tried to solve your problem willingly	0.536	
2. He/she gave you enough time for the encounter	0.600	
3. He/she was overworked	0.725	
4.2 Listening		0.788
1. He/she listened to you carefully	0.651	
2. He/she understood properly what you wanted	0.669	
3. He/she was very attentive to your case	0.719	
4. The encounter lasted too long	0.693	
4.3 Ability to explain		0.842
1. He/she explained to you how he understood your problem	0.782	
2. He/she asked questions irrelevant to your problem	0.745	
3. He/she checked you understood what he said	0.737	
4.4 Understanding		-0.627
1. He/she took effort to satisfy your demand	0.737	
2. Your demand could not be accepted because of company's policy	-0.295	
4.5 Personalization		0 .772
1. He/she seemed interested in your case	0.633	
2. He/she was focused on issues other than your case	0.636	
3. He/she had studied your file before the encounter.	0.600	
4.6 Psychological proximity		0.819
1. He/she welcomed you warmly	0.620	
2. It is always intimidating to be received by someone in his/her office	0.704	
3. The employee could be one of your friends	0.657	

F5-Rituality		***0 .881***
5. 1 Courtesy	0.666	
1. He/she was polite.	0.536	
2. He/she didn't stare at you very often	0.600	
3. You were received at the scheduled time	0.725	
5. 2 Confidence		0.717
1. You trust the advice given by him/her	0.651	
2. He/she seemed happy to do his/her work	0.669	
3. You dealt with an honest person	0.719	
5.3 Security		0.856
1. One is always worried about such encounters	0.693	
2. This type of encounter creates anxiety	0.782	
3. At any moment, what you ask for can be refused for purely Administrative reasons	0.745	
4. In case of mistakes, it is easy to update your file and to modify it	0.723	
5.4 Perceived competence		0.741
1. He/she gives good solution for your case	-0.238	
Combined scale Reliability		***0 .963***

Table 1:- Item Interco-relations and Reliability Analysis for the items used in the customer questionnaire

➤ *Correlation Analysis*

The strategy utilized for the purpose is subject to two tailed tests of statistical significance at two different levels since the direction of association is not known in advance represented by highly significant ($p < 0.01$) and significant ($p < 0.05$). A high level of correlation is inferred by a correlation coefficient that is greater than 0.5, a mid level of correlation is suggested if the absolute value of the coefficient is greater than 0.2 yet under 0.5, and low level of correlation is inferred if the absolute value of the coefficient is under 0.2.Bivariate relationship coefficients were computed (disregarding the impact of every single other variable), and the values are introduced in Table 2 &3.

Variables	Mean	SD	Effectiveness	Materiality	Access	Interactivity	Rituality
Effectiveness	**3.19**	**0.988**	**1**				
Materiality	**2.98**	**0 .819**	**0 .761****	**1**			
Access	**2.70**	**1.034**	**0.627****	**0 .695****	**1**		
Interactivity	**2.95**	**0 .705**	**0 .771****	**0.835****	**0 .766****	**1**	
Rituality	**3.02**	**0 .703**	**0 .753****	**0 .784****	**0 .661****	**0.983****	**1**

Table 2: Means, Standard deviations, and Correlations (dimensions used for customers)
Note: *Correlation is significant at the 0.01 level (2-tailed). N=180*

Variables		SD	Mean	CC	ES	CB	CF
CC		**3.19**	**0.988**	**1**			
ES		**2.98**	**0.819**	**0.799****	**1**		
CB		**2.70**	**1.034**	**0.602****	**0.433****	**1**	
CF		**2.95**	**0.705**	**0.602****	**0.482****	**0 .710****	**1**

Table 3: Means, Standard deviations, and Correlations (dimensions used for contact employees)
Note: *Correlation is significant at the 0.01 level (2-tailed). N=50*

CC= Client courtesy ES =Employee satisfaction CB =Customer behavior CF=Customer Follow up

In both cases i.e. the variables used in customer and contact employees questionnaires, it is observed that all the variables under study shows a high level of correlation with high significant ($p < 0.01$) which is implied by a correlation coefficient that is greater than 0.5 except in a few cases and the two asterisks indicate that the estimate of the magnitude of relation among all variables is statistically significant at the 0.01 level - a 99% degree of confidence. Moreover, the detailed bivariate analysis revealed that all the variables have a tendency to change together or in the same directions.

V. DATA FINDINGS AND ANALYSIS ON THE CUSTOMER'S POINT OF VIEW AT THE ENCOUNTER

A. Effectiveness

Out of 180 respondents 60.5% of the respondents disagree that they get what they wanted after the service interaction respectively this gives an idea that ERC customers leave service encounters with unsatisfied demands or needs. Similarly, out of the total respondents 48.3% disagree regarding the positivity of the encounter. In contrast, 37.7% agree that the encounter was positive implying that the end result of the encounter unable to solve the clients request as it was their expectation. In the same manner Respondents in the third item of effectiveness dimension 46.1% indicated that what was said during the encounter was important for them.

B. Materiality

In the first point 48.9% agree that the service employee appeared in a well dressed manner, in contrast, 40.5% disagree with this opinion, implying that most customers are satisfied by the manner of the contact employee appearances.

> **Equipment;** More than half of the respondents, 60% disagree that the office equipments was fairly updated while 29.5%. Agree with the statement.
> **Physical facilities;** In the first item 41.6% of the total respondents disagree that the office was untidy, on the other hand, 59.4% of the total respondents believed that the office setting was pleasant.

C. Access

This refers to the opening hours and how easy it is to get appointment in order to get the service. Out of the total participants 47.3% agree that the opening hours are practical even tough the greatest number of respondents i.e. 55% of the respondents confirmed that it is difficult to get appointment.

D. Interactivity

Interactivity encompasses the service relations at work during the encounter the item was measured using the following six items

> **Responsiveness;** In the first item 49.4% of the total respondents disagree that the customer contact employee was tried to solve the problem willingly on the other hand tough 50% of them agree that the customer contact employee gave them enough time during the encounter but the customer contact employee was overworked at the time of service delivery (52.3%).
> **Listening ;** 47.8% of the respondents agree that ERCA's contact employee were not listening carefully while more than half of the respondents replied in agreeing that the customer contact employee understood properly what they wanted and also out of the total participants 59.4% agree that the contact employee was very attentive to their case in hand.

> **Ability to explain;** 50% indicated that ERCA's contact employees explained how he/she understood the client's problem but 50% also confirmed that the questions they were asked by ERCA's contact employees were irrelevant to their problem
> **Understanding;** 47.2% of out of the participants disagree that the contact employees took any extra effort to satisfy their requests, similarly, 78.9% disagree that because of the Authority's policy their demands were not accepted.
> **Personalization;** Out of the total participants 47.2% demonstrated that the contact employees were interested in their case , but 56.6% indicated that the contact employee was focusing more on issues other than the problem
> **Psychological proximity;** out of the total of respondents 39.5% shows that that they were welcomed to the service encounter by the contact employees cordially, even though 47.3% replied that it is always threatening or ominous to be received by someone in the contact employee's office while majority (55%) respondents indicated that they would take the contact employee as one of their friend.

E. Rituality

> **Courtesy ;** Out of the total participants 49.4% implied that the contact employee was not polite at service encounter, in the contrary, 50% of the respondents said that the contact employee didn't stare at them very often at the time of service interaction.
> **Confidence ;** 47.8% of the total respondents for the first item mentioned that they don't trust the advice given them by the contact employee, even though 52.2% indicated that the contact employees seems happy to do their work, in the same way 59.4% respondents also replied that they have found the contact employees honest.
> **Security;** 50% of the respondents confirmed that the encounter creates anxiety. It indicates that most of Authority customers don't feel comfortable during service encounters with the contact employees.

F. Perceived Competence

73.9% of the total respondents confirmed that the contact employees didn't gave them solution for their case.

❖ *Data Findings and Analysis on the Employee's point of view at the Encounter*

A. Client's Courtesy

Five items were taken into consideration under the client's courtesy. For the first item 62% of contact employees pointed that the exchange was particularly interesting for them in the similar manner 54% of them agreed that the customer was polite and act in a gracious way during the service delivery at the service encounter. Among the total of 50 respondents 78% mentioned that the interaction that they had with the customers at the encounter was normal encounter.

B. Employee Satisfaction

42% of the total participant contact employees pointed out that they have professional satisfaction during encounters, correspondingly 66% of the participant contact employees believe that their customer got what he wanted from the service encounter.

C. Customer Behaviour

Out of the total participant contact employees 56% mentioned that their customers thanked or otherwise expressed their appreciation for them in the same way, 56% of the participant employees confirm that the customer greeted them in the right way. Lastly, among the total respondents 60% of the contact employees indicate that their customer used language that was very clear.

D. Customer Follow up

Out of the total participant contact employees 82% specified that they conversed with their customers throughout the encounter, trying to understand the customers' demands.

VI. CONCLUSIONS AND IMPLICATIONS

The findings shows that Ethiopian Revenues and Customs Authority customers leave service encounters with unsatisfied demands or needs implicating that the end result of the encounter unable to solve the clients request as it was their expectation. In another finding most customers were found satisfied by the manner of the contact employee appearances and also pleased by the contact employees expression and demonstration at the time of service interaction even though the customers were found to be unable to interact with the contact employee with an enabling office environment besides to the difficulty to get appointment.

Furthermore, the findings also implicate that contact employees are engaged in some other activity at the same time of interaction even though the customers were given much time, the contact employees give proper attention, understand the actual problem and checked by the employees to the service request presented by the custom during the encounter .moreover customers interact by taking the employees as their friends whereas the employees don't feel the same way.

Another finding in the study was that the contact employees were not well mannered and lack courtesy in dealing with customers and most customers found that they do not believe in the guidance or assistance of the Authority contact employees at the service encounter signifying that the output of the encounter is unable to produce good result to satisfy customers.

Overall, when we put the results found from the survey to the model described previously in this research, we clearly observe that customers leave service encounters with unsatisfied demands or needs and ultimately the encounter is unable to solve the clients request as their expectation. And the offices are too raucous for customers at the time of service delivery also customers confirmed that it is difficult to get appointment. Customers' impressions of first direct encounter is anxiety, which reflects that how fast the question is answered, the courtesy and professionalism of the employee's voice, and the speed with which desired transactions can be completed. The above results are all indicators of low service quality and interaction quality at the ERCA's with its customers

VII. LIMITATIONS AND FUTURE RESEARCH

The dimensions identified under the study are not really verified in public sector organization, but it would be helpful to replicate this study with a larger sample size (higher than in this study used), in other similar service sectors including public utilities, healthcare, and banking service providers. The outcome of the future studies will determine the extent of generalization to be made based on the various issues which are not yet been addressed.

Moreover, an important future research direction may be to examine the roles of Interactive service Encounter by applying additional constructs and other models. The future research would be able to unveil those factors that discriminate in the interactive encounter, the findings as presented in the study are confined to the customers of ERCA residing in Addis Ababa, by including more samples covering countryside offices of ERCA and more importantly by adding the private customs agents in the future researches may lead to different outcomes by bringing the whole picture. All these can be measured on the job by researchers who are interested in this subject area.

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