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# The expected retail customer: Value co-creator, co-producer or disturbance?



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#### ABSTRACT

The purpose of this paper is to explore expectations among front-line employees regarding their customers and how these expectations can be understood in relation to strategies of customer participation and value co-creation. Two categories of expectations are identified; operative and interactive. In particular, the operative expectations reveal a service practice that is heavily structured by large-scale systems and ideals of rational efficiency. It is argued that co-creation needs to be discussed on both the strategic level, i.e. in terms of what the "customer"/market wants, and on the operative level, where the customer's direct contribution to the value-creating process has its focus.

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#### 1. Introduction

Although most service research seems to agree that service value is created during mutual, "co-creative" processes whereby customers participate in the service process by interacting with organizations, their staff, and other resources (Andreu et al., 2010; Cheung and To, 2011; Edvardsson et al., 2011; Etgar, 2008; Grönroos, 2008; Grönroos, 2012; Gummerus, 2013; McColl-Kennedy et al., 2012; Payne et al., 2008; Prahalad and Ramaswamy, 2004; Vargo and Lusch, 2004a, 2004b; Vargo et al., 2008); when it comes to expectations, the mainstream literature in the field is dominated by customer-centric perspectives where services are looked upon almost exclusively from a customer point of view. Customer expectations include factors that are directly linked to the functional quality of the interactions, e.g. assurance and reliability, but also to more relational factors such as empathy and responsiveness, and to opportunities for exercising choice and exerting an influence on, as well as controlling, the service process (Auh et al., 2007; Grönroos, 2007; Higgs et al., 2005; Parasuraman et al., 1985; Schneider and Bowen, 1995, Sweeney et al., 1997). Research has also shown that customers, in a similar way, have a set of normative expectations regarding their own role in the service process; i.e. to what extent and how to take an active part in it (Bateson, 1985; Bettencourt, 1997; Bitner et al., 1994; Kelley et al., 1990,1992; Solomon et al., 1985).

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However, a truly interactive perspective on the value creation process requires not only an understanding based on what customers expect from the service provider and the front-line employees (FLEs), during the service process (e.g. in terms of attitudes, behavior and performance), or on what customers expect regarding their own role, but also on what is expected from the customers. Due to the nature of the service, the value-creating practices can be inherently more or less flexible, meaning that the scope for accommodating customer-induced variety might be limited. This puts demands not only on customer participation per se, but also on specific behaviors. For example, when ordering a meal at a fast food restaurant, the customer is expected to wait in line to place his/her order using a standardized vocabulary taken from the menu, and to then walk up and collect that order at the counter when the meal is ready. In an upscale establishment, the customer might be allowed to play a less active role from a service production perspective, but is, on the other hand, expected to follow social rules related to fine-dining behavior.

Coordinating the interdependent roles of employees and customers during co-creation has been brought forward as a service research priority (Ostrom et al., 2015), but is still a surprisingly uninvestigated area of research. Successful value co-creation requires the ability to manage the expectations, communications, and promises that occur between *both* parties throughout the service process (Payne et al., 2008). FLEs' expectations regarding their customers are important for this coordination since these not only express how the customer is supposed to fit into the company, on a conceptual level, but are also likely to influence how the

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FLE acts, consequently, during the service encounter (cf. Mascio, 2010).

A deeper understanding of such expectations contributes towards knowledge of how customer participation is supposed to take place and what might happen in concrete service situations. The purpose of this paper is to explore such expectations among FLEs regarding their customers, and how these expectations can be understood in relation to strategies of customer participation and value co-creation, as perceived in contemporary service research.

Based on in-depth interviews with FLEs in three different retail sectors, we identify two broad categories of expectations regarding customers, i.e. regarding what customers should do while instore (operative expectations) and regarding how they should behave during face-to-face service encounters (interactive expectations). Both the categories identified express expectations related to being a customer in retail contexts. In our concluding discussion, we juxtapose these retail-based expectations with the general notions about being a customer which exist in service marketing research. We argue that the discrepancies found can be related to a gap in the service literature on co-creation as regards the customer's role in modern, rationalized service systems.

#### 2. Expectations regarding the customer in service research

In the service marketing literature, the active participation of the customer has for a long time been considered a key, and even defining, aspect of service (e.g. Rathmell, 1974; Shostack, 1977). Quite early, the customer was conceptualized as a "part-time employee", doing actual service work during the service process (Bitner et al., 1997; Kelley et al., 1990; Mills and Morris, 1986; Schneider and Bowen, 1995); later, Prahalad and Ramaswamy (2000) argued that customers should generally be conceived of as "active players" rather than as a "passive audience", or mere receivers of value. The service customer became a "resource integrator" (Etgar, 2008; Grönroos, 2008; Prahalad and Ramaswamy, 2004), who was expected to convey not only customer expectations and needs (as in the neo-classical market model), but also relevant service production resources such as information, knowledge, and competencies (Bettencourt et al., 2002) to enable him/her to play an active role during the value-creating process. In recent service research, this active role has been generalized and elaborated further, as the customer is recognized as a value cocreating partner due to value being defined as fundamentally derived and determined during the customer's use (value-in-use) (Grönroos, 2008; Grönroos and Ravald, 2011; Heinonen et al., 2010; Lusch et al., 2007; Lusch and Vargo, 2006; Vargo et al., 2008). Here, the customer is expected to both decide what value is and play a pivotal role in its creation.

Holbrook (2006) further stresses the interactive nature of value creation, stating that value, although subjectively experienced, resides in collectively-produced actions and interactions. It is through interactions that resources are integrated and value is created, since the information is exchanged, consumed (i.e. existing information is utilized), and produced (i.e. new information is created) and knowledge is generated (Berthon and John, 2006). These interactions need to be managed by the supplier to develop successful co-creation opportunities (Payne et al., 2008). The customer, on the other hand, must learn to use, maintain, repair, and adapt the offering to his/her unique needs, usage situations, and behaviors (Vargo and Lusch, 2004a).

The expectation of the customer as an active, informed, and empowered agent is also reflected in the concepts of co-production and customer participation. Co-production has been defined as a component of (and nested within) value co-creation that captures customer participation in the development of the core offering itself (Lusch and Vargo, 2006), and the related concept of customer participation is the extent to which customers contribute effort, preference, information, knowledge, or other inputs to service creation and delivery processes (Auh et al., 2007; Chan et al., 2010; Dong et al., 2015). The literature shows no clear-cut difference in the use of the two concepts, resulting in a lack of conceptual clarity (Dong et al., 2015; Mustak et al., 2013). In the present article, we see the terms co-production and customer participation as interchangeable. However, we limit our interest to customer participation in the direct provision and realization of the service within an established service offering.

Customer participation is believed to generate positive outcomes such as productivity gains (Bendapudi and Leone, 2003; Lovelock and Young, 1979), improved service quality and customer satisfaction (Cheung and To, 2011; Ennew and Binks, 1999), enhanced loyalty and trust (Auh et al., 2007; Dabholkar and Sheng, 2012), increased customization (Etgar, 2008), and cost reductions for customers (Bitner et al., 1997). The benefits are not only limited to high-involvement services (e.g. financial, legal, medical). As described by Auh et al. (2007), customers in low- and moderate-involvement services may also experience an increased level of perceived control over the service delivery process (see Bateson, 1985) and more opportunities to make choices, possibly leading to higher levels of customization (see Schneider and Bowen, 1995).

However, research has also indicated some negative effects of customer participation. Chan et al. (2010) argue that customer participation may be a double-edged sword in that, in addition to positive outcomes, it could also create employee job stress and decrease job satisfaction. In relation to role theory (e.g., Heide and Wathne, 2006), and research highlighting the boundary-spanning nature of front-line service work (e.g., Singh, 1998), Chan et al. (2010) propose that customer participation can create employee job stress in three ways: i.e. increased input uncertainty, loss of power and control, and incompatible role expectations and demands. Participating customers who act spontaneously, or according to incongruent scripts during the service process, increase task difficulty and add an element of uncertainty to the service workplace (cf. Larsson and Bowen, 1989). This may in turn threaten the functional efficiency of operations as well as the employees' sense of power and control over their work situation. The customers' requests and expectations may also be incompatible with the employees' predefined role scripts. Such incompatible role expectations may in themselves lead to an increase in workrelated stress among employees (Hsieh et al., 2004; Johlke and Iyer, 2013).

Bateson (2002) stresses the importance of customer scripts being aligned with supplier systems and processes, for reasons of both productivity and quality. Meuter et al. (2005) argue for 'role clarity' on the basis of the consumers' knowledge and understanding of what is required of them during service production, while Payne et al. (2008) point to the business potential of "teaching" customers the appropriate co-creation behavior. Adding insights from working life science and person-job fit theory, Dong et al. (2015) argue that a good customer-task fit can be expected when customers are ready for participation tasks, i.e. when they have the right ability (perceived ability), when they perceive acceptable rewards (perceived benefit), and when they deem the role to be appropriate (role identification). By creating clear scripts, a supplier can communicate expectations to its customers as regards how they can actively participate. Similar to scripts, and the need for alignment, Chase (1978,2010) discusses the notion of customer "fit" with service operations; in particular, the potential conflict between high-contact services (i.e. services with high levels of customer participation during operative service processes) and efficiency.

The conflict between high-contact services and efficiency has

Table 1 Companies and respondents.

Companies Respondents

This company is one of the Nordic region's main players in grocery retail. The main channels are the stores which focus on providing strong, local, and customized offerings that make life easier for customers. The company emphasizes the importance of listening to its customers and always bases its decisions on their needs. The stores have long opening hours and plenty of staff who are expected to both be available to the customers and be able to take care of all their different needs. Our interviews were conducted at two stores in two of Sweden's largest cities

Five women and one man, aged 25-55, working for 2-29 years. Four of the women rotate between different duties, e.g. checkouts, fruit and veg. charcuterie. and working on "the floor" (e.g. stacking shelves, pricing, answering customer queries). One of the women and the man are also store managers

#### Consumer electronics

This company is one of the leading consumer electronics retailers in Sweden, with a Four women and 13 men, aged 21 – 40, working for 1 – 10 years. Four of the cut-price strategy whereby products are sold via an e-shop and a number of stores. In order to keep prices low, there are few employees at each store, few products on information desk, service desk, and working on "the floor". Two of the men are display, and customers mainly serve themselves using the company website. Our interviews were conducted at four Swedish stores; i.e. in two major cities, in a midsized city, and in a small town

women and eleven of the men rotate between different duties, e.g. checkouts. also store managers

#### Women's fashion

This company is one of Europe's leading fashion chains and seeks to offer its customers exciting and affordable fashion, as well as an outstanding shopping experience. The staff are expected to keep the store in order, to be available for customer queries, to provide advice, and to offer fast service at the checkouts. Our interviews were conducted at three Swedish stores; i.e. in two major cities and in a midsized city

12 women, aged 24-60, working for 1-25 years. Seven of the women rotate between the checkouts and working on "the floor". Two of them work as window-dressers and three also work as store managers

also been emphasized conceptually and empirically by Korczynski et al. (2000), who argue that contemporary ideals of customer orientation often conflict with ideals of rational efficiency intrinsically linked to the very notion of the modern corporation. This conflict drives the development of "customer oriented bureaucracies", where rhetoric and symbolic "enchantment" are used to convey an image of customer autonomy and supremacy while operations, including customer interactions, are actually managed in accordance with ideals of rational efficiency (Korczynski and

From a somewhat different angle, evidence from research into customer misbehavior shows that customers who deviate from what is expected of them, by not following societal or servicespecific behavioral norms, cause severe problems in the service work environment (Grandey et al., 2004; Yagil, 2008), and could be detrimental to the long-term motivation and wellbeing of employees (Ben-Zur and Yagil, 2005; Dormann and Zapf, 2004; Harris and Reynolds, 2003; Reynolds and Harris, 2006; van Dierendonck and Mevissen, 2002), as well as causing service quality failures (e.g., Bailey and McCollough, 2000; Fellesson et al., 2013; Fullerton and Punj, 2004; Harris and Reynolds, 2003; McColl-Kennedy et al., 2011; Reynolds and Harris, 2006). This research has highlighted several areas related to the social aspects of customer interactions with companies, e.g. rudeness, incivility, threats, harassments etc., as well as forms of misbehavior associated with the direct performance of the customer as a participant in the service process (e.g. mistakes, erroneous actions, slowness, and indecision). What is clear from this literature is that what customers do during the service process matters, both from a managerial perspective and an employee perspective. It is also clear that there are indeed expectations regarding the customer on the

Taken together, although seldom explicated, there are several expectations concerning customers which can be derived from service research and related fields of inquiry. The service customer is expected to possess both the right motivation and the necessary skills to participate, including, for example, the technical proficiency to use self-service technologies and a practical knowledge of the processes he/she is expected to participate in. The customer is also expected to be an active and empowered agent who guides and manages the service process by means of his/her decisions. In addition to such operational capacities, there are also expectations that follow from the social nature of service interactions; as in any social exchange, the customer is expected to adhere to general norms of social behavior.

There is, thus, a fairly wide field of expectations concerning customers which can be derived from the literature. However, these expectations are mostly formulated in abstract terms within conceptual arguments for customer orientation and arrangements for customer value co-creation. Empirical inquiries into what is actually expected of customers, during concrete service situations, are still lacking.

#### 3. Methodology

The paper draws on in-depth interviews with 35 FLEs in three Swedish retail sectors: i.e. supermarkets, consumer electronics, and women's fashion. Retail is highly relevant to the purposes of this paper since it is a sector where customers frequently interact with employees (cf. Chase, 2010) and efforts are made to train and motivate staff to serve their customers in the best way possible. Three different retail sectors were chosen in order to cover different service concepts. One multi-outlet retailer was selected in each sector, with stores in most parts of Sweden. In order to obtain a variety of responses, FLEs of different ages, genders, and work experience working at stores of different sizes in different cities were chosen for each retailer. The respondents in the three sectors had similar duties, e.g. working as cashiers or serving customers. At the consumer electronics stores, some of the respondents also worked at the returns desk. Seven of the FLEs had managerial responsibilities at their respective stores. These respondents also provided information about how the stores organized and planned their operations; the business idea and service concept, the distribution of duties, and the training of employees, etc. See Table 1 for an overview of the companies and stores selected, and of the respondents interviewed.

The interviews were conducted between April and June 2013 in a part of each store that was convenient for the respondents. Each interview lasted between 30 and 75 minutes and was tape recorded (totaling 27 h of interviews), and later transcribed. The questions were all open-ended and covered various aspects of the respondents' jobs. The respondents were asked to describe their expectations regarding their customers, as well as situations when these expectations had not been met. The latter approach helped the respondents to explicate the often implicit assumptions about customers that guide their day-to-day work. Such a qualitative approach enables deeper insight into the complexity of day-to-day customer service work (cf. Miles and Huberman, 1994). All the interviews were coded, processed, and analyzed using the NVivo computer software, and a grounded theory inspired approach (see, for instance, Glaser and Strauss, 1967; Strauss and Corbin, 1998).

First, the two researchers conducting the interviews independently listened to each interview again, then read through all the transcripts (totaling 558 pages) several times and making an initial coding in NVivo. The codes captured the explicit expectations of the respondents, but also expectations that could be inferred from the situations featuring customers that were described in the interviews. The initial codes where then clustered according to similarity and common features to form categories containing typical expectations. The two independent categorizations were merged and discussed by the researchers. This resulted in further refinement, fewer categories, and the identification of representative quotations illustrating the categories. In the end, two main categories, of four sub-categories each, were established. This form of triangulation, using different investigators, increases the possibility of obtaining credible results (see Lincoln and Guba, 1985). Our analysis, which ended when we experienced theoretical saturation (Glaser and Strauss, 1967; Strauss and Corbin, 1998), was inspired by Layder (2005), and shifted between data and theoretical concepts.

#### 4. Results and discussion

The results show that the expectations of the retail FLEs fall into two broad categories. Firstly, the category *operative expectations* entails that the employees expect their customers to practically perform certain activities during the service process, with an acceptable level of accuracy. Secondly, in the case of *interactive expectations*, the customers are expected to display appropriate kinds of social behavior when interacting both with other customers and with service staff. The two categories express a number of expectations as regards being a customer in a commercial relationship.

### 4.1. Operative expectations

The operative expectations relate to the discussion concerning customer participation in service research (cf. Prahalad and Ramaswamy 2000, McColl-Kennedy et al., 2012); however, our respondents' expectations regarding participation seem rather mundane in comparison to the examples given in the literature, also being limited to rather basic tasks and, by and large, to participation that enables the service process to run smoothly and effectively. The customer is expected to be an active participant in all three retail settings, contributing to the overall service experience via the various activities performed during the service process. The three companies all represent highly-rationalized retail systems, with sophisticated logistics and marketing systems, which lend a next-to-industrial touch to these businesses, even though the extent to which the customers are expected to notice this varies. We identified four sub-categories of operative expectations.

The first one, *in-store efficiency*, relates to FLEs, on the operative level, being responsible (as well as possibly affected by the companies' control systems and/or professional norms) for things running smoothly and effectively in-store. This is manifested in

their expectations regarding their customers not "messing things up" in-store and thus making additional work for them.

"If I could have my own way, it would be them keeping things tidy, so that they don't throw things on the floor in the fitting rooms." (Female, 53, women's fashion)

In order to maintain an efficient service process, the customers are also expected to wait their turn to be served, and to have the means of paying for the products at the counter.

"We have some [customers] who can't wait their turn and want help right away. If I'm assisting a customer at the counter, another one will come up and demand my attention. They interrupt what I'm doing. That's really annoying." (Female, 53, women's fashion)

Furthermore, not having enough cash, or a credit card that does not work, brings the service process to a halt and/or creates additional work for the employee.

"There are some [customers] who have bought a lot and when they're about to pay, they discover they don't have any money in their account. Then you have to go through the whole thing all over again and remove some items. Then you ask: "Is it okay now?" They say yes and you start entering it all over again, then they swipe their card and it still doesn't work and you have to remove even more stuff." (Female, 60, women's fashion)

The second operative expectation, *an awareness of rules*, relates to customers' familiarity with the rules applicable to that store. This means that customers are expected to have a basic knowledge of, for example, the guarantees and refund/return policies applicable when purchasing a specific item.

"Well, it's the occasions when they return an item. Some have even had an item for six months, it stops working and they don't agree to having it sent off to be repaired – to use the guarantee – instead they come here and think they can get a new one. That's not how it works. Our company reserves the right to repair an item three times before it is repurchased." (Male, 32, consumer electronics).

These expectations range from common sense, and more or less explicit policies, e.g. bring the receipt when you want to return a product or that you cannot try on and then return underwear that does not fit, to more elaborate procedures such as allowing the store to try to repair a product before agreeing to replace it with a new one.

The third operative expectation, *basic commercial knowledge*, is customers understanding how the different types of discounts, pricing models, and payment methods work.

"Yesterday, I had a woman who got a refund [on her credit card] and on the receipt she got from me, it said minus 199 SEK. And then she says: "But that's not right. It should be a plus for me"." (Female, 26, women's fashion)

An incomplete understanding of, for example, how a credit card refund works delays the payment process and makes additional work for the employee.

The fourth and final operative expectation, *subscribing to the service concept*, means that customers should be aware of, and accept, the general business model of the firm.

"If you think about the business concept of [company name], they [the customers] should know what they want [after having looked up the item they are interested in on the company's web site before visiting the store]." (Male, 20, consumer electronics).

The customer is not, for example, expected to demand a full level of service from a discount outlet, nor to complain about high prices in up-market stores. In general terms, the customer is thus expected to understand and accept the basic nature of the value offering being provided to him/her.

According to the operative expectations, customers are expected to follow the basic scripts and practices associated with being a customer in general, and with the specific store in question; i.e. planning ahead, being clear about needs, asking for help if needed, getting the products, waiting in line, paying, and leaving

the store. This also means that customers are expected to help out in-store, e.g. by tidying up after themselves and thus keeping the store in good order. Customers are thus expected to act as what previous literature has described as partial employees (Bitner et al., 1997; Kelley et al., 1990; Mills and Morris, 1986; Schneider and Bowen, 1995), and to do the duties traditionally associated with employees. Customers are furthermore expected to be knowledgeable about the different components of the service offering, and capable of participating in the service process in the intended way. Operative expectations thus include expectations regarding behavior, which, in service quality research, where customer expectations (and perceptions) regarding employees are instead sought, has been described as technical quality (Grönroos, 1984), i.e. what is being provided to the service process.

The operative expectations can also be related to how the FLEs are concerned with keeping to their scripts and predefined roles. Customers are expected to be aware of, and to act in a congruent way vis-à-vis, the service concept and the roles it ascribes to both customers and employees. This is necessary for the smooth and predictable running of the service process, but also for maintaining integrity, role clarity, and work quality among the FLEs themselves. Relating to role theory and arguments by Chan et al. (2010), customer participation which is not aligned with the FLEs' operative expectations, and which expresses incompatible role expectations, thus runs the risk of causing job stress and dissatisfaction due to the smooth running of the service process being threatened (see also Bateson, 2002; Hsieh et al., 2004), in addition to driving operative service quality problems (e.g. Lengnick-Hall, 1996).

In relation to customer-task fit and role identification (Dong et al., 2015), the operative expectations expressed by our respondents all assume that the customers are ready for participation and that they understand what is required of them (cf. Meuter et al., 2005). Customers are expected have the right capabilities (e.g. a basic understanding of guarantees, refunds, and return policies), i.e. to see the benefits of the expected behavior (e.g. of picking up dropped clothes to keeping the store tidy) and to accept their ascribed roles as active participants/"part-time employees" in the service process. Notably, the notion of customers as active value co-creating partners, in the sense that they jointly contribute with FLEs to something beyond the basic service processes, is not visible in the FLEs' operative expectations.

#### 4.2. Interactive expectations

Our respondents also expressed four expectations relating to the customers' social behavior when interacting with the company and its staff. The first one, *sociability/courtesy*, concerns customers being expected to behave in a manner generally considered to be polite in society. When encountering employees, customers should make eye contact, respond to greetings, and avoid talking on mobile phones. Otherwise, the customer is considered impolite, something that has a negative impact on the employee's feelings during the encounter.

"And being nice and happy towards me, too, and especially not continuing to talk on a mobile phone like some do when they're paying. There are even some [customers] who don't greet me when they're about to pay. Then you're invisible to them." (Female, 52, women's fashion)

The second expectation, *emotional stability*, relates to deviant customer behavior, e.g. swearing at, insulting, or verbally (or even physically) attacking FLEs.

"[...] that they show you some respect and avoid personally attacking you." (Female, 39, supermarket)

Apart from the emotional strain of being exposed to such behavior, the employees also reported feeling frustrated over having to spend time dealing with such situations, instead of providing the intended service to the misbehaving customer, or to other customers in the store.

The third interactive expectation, *attention/interest*, concerns customers listening to the advice and instructions provided by the FLEs.

"Simply, that they listen to what I say when I'm giving them advice about different items. They can, of course, question what I say, nothing odd about that." (Male, 30, consumer electronics)

If the customers listen to advice, then the FLEs can control the type of information, the amount of it, and when it is given. This can reduce uncertainty among the customers and make the service process more effective.

The fourth interactive expectation, *respecting others' roles*, concerns customers being expected to respect the fact that the FLEs only have a limited amount of time to serve them, and a limited level of responsibility in terms of being able to influence company decisions and procedures.

"[...] that they respect the fact that I also have other things that I need to do." (Male, 20, consumer electronics)

The customers are not usually aware of the processes leading up to products being stocked by the store, decisions about how many staff should be made available to serve the them, and payment systems functioning etc.

"And I don't think the customers see the all of the machinery behind this. Many of them think we can exert some influence. They think that we're in charge and decide what we stock, but that's not correct." (Female, 24, women's fashion)

The customers are allowed to have opinions about these things, opinions which they then put to the employees, but they cannot expect the employees to immediately accommodate unrealistic requests.

The interactive expectations are related to the interactive nature of the service (cf. Grönroos, 2008, 2012; Holbrook, 2006), including the fact that it is difficult for FLEs to deliver a high level of customer-perceived quality if the customer behaves in a negative manner, and not in accordance with what is considered acceptable. Similar to the functional quality dimension in service quality research (Grönroos, 1984), but with an employee perspective instead, interactive expectations concern expectations regarding how the customer should behave during the service process. Situations where customers misbehave have been highlighted in previous research as a severe work environment problem (Grandey et al., 2004; Yagil, 2008), in addition to having a negative impact on the service process (e.g. Bailey and McCollough, 2000; Fellesson et al., 2013; Fullerton and Punj, 2004; Harris and Reynolds, 2003; McColl-Kennedy et al., 2011; Reynolds and Harris, 2006). A functional and pleasant interaction between the FLE and the customer generally enables the service to be more personalized and additional value to be created. In addition, there is also a legitimate interest in having a pleasant work environment where you feel respected and are acknowledged and listened to by your customers during day-to-day interactions. Similar to the operative expectations, the interactive expectations are limited to a basic level; in this case what you could expect from normal, functioning commercial interactions. FLEs expect to be treated with respect and to be acknowledged as competent actors in the service process, while they execute the service script and their role in the

Like the operative expectations, the FLEs' interactive expectations regarding their customers can also be related to customertask fit and role identification (Dong et al., 2015). Customers are expected to have the right interactive capabilities (e.g. social skills and emotional stability) to perceive the benefits of the required interactions (e.g. what they gain from listening to advice), and to accept the interactional aspects of the role ascribed to them (e.g.

respect the limits of what can be required of FLEs in commercial situations). Similar to the operative expectations, the interactive expectations do not demonstrate a view of customers as active value co-creating partners in any wider sense. Interactive expectations are very much limited to basic customer participation, which can primarily be related to having a smooth and functional service process.

#### 4.3. Summary: the expected customer

Taken together, the operative and interactive expectations provide a foundation for the kind of customer whom the FLEs expect to encounter in their day-to-day work. This particular customer is partly in line with general notions of how customers act on free markets and with the more specific customer conceptualizations found in service research. He/she is expected to be able to articulate his/her needs, to make informed decisions, to be able to pay, and to engage in the service process in various concrete ways. He/she is also expected to show a polite and respectful attitude while interacting.

The general status of the customer was clearly acknowledged by our respondents, with many of them providing statements like "the customers, they're the ones paying my wages" etc during the interviews. However, it is also clear that the customers are expected to conform to the logic of the service system. Many expectations concern customers doing the "right" thing, and avoiding doing "wrong". Right and wrong seems to be more a matter of company strategy and service design than of individual customer preference, however. This creates an element of tension between the customer-dominant relationships, assumed and prescribed in service research, and the FLEs' expectations.

#### 5. Conclusions

This study contributes to an understanding of FLEs' expectations regarding their customers, a subject largely overlooked in previous research, and one which influences, as we argue, how the FLEs thus act during the service encounter. The FLEs' interpretations of customer service, how they frame their work, have been found to lead to different work behaviors (Mascio, 2010). This study of the FLEs' customer expectations, what the customers should do (operative expectations) and how they should behave (interactive expectations), adds to our knowledge of how employees frame their work in relation to their customers. From the point of view of the employees, the retail customers emerge as an important aspect, both of their jobs and of service production. Far from being perceived as a mere receiver, the customer is considered to be an active participant in the in-store service process. Thus, the study also contributes to how FLEs' expectations can be understood in relation to strategies of customer participation and value co-creation, as promoted in contemporary service research (cf. Auh et al., 2007; Dabholkar and Sheng, 2012; Etgar, 2008; Prahalad and Ramaswamy, 2000). In this research, as at our studied companies, the customers play a pivotal role in the realization of the service offering. When the customers and their resources (in our case their labor in particular) are integrated into the service system as active partners, they are expected to contribute their knowledge and skills within the value-creating logic at hand (Vargo et al., 2008). However, what is expected is not the strategic value co-creating partner promoted in contemporary service research, but a participant in the service process, acting on a rather mundane and basic level

Further, our study also illustrates, in a concrete way, *how* the customer is expected to participate during the service encounter in the specific context of modern retailing. Our study thus

contributes empirically to the discussion regarding the respective roles of the customer and the company in relation to customer participation (cf. Auh et al., 2007; Chan et al., 2010), enriching the customer-centric perspective dominating service research with a front-line employee view. The identification of operative and interactive expectations is particularly worth mentioning here as the dichotomy clearly echoes findings from earlier research into customer-perceived service quality (see, for example, Grönroos, 1984,2007 on technical and functional service quality and Parasuraman et al., 1985,1988,1991 on their model of service quality dimensions). The FLEs' expectations regarding service customers, and their participation, thus seem to be structured in a similar way to customers' experiences of services generally.

However, the employees' expectations are also markedly focused on certain forms of participation. In particular, issues of efficiency, convenience, and "flow" during service production are frequently referred to by the FLEs, explicitly or implicitly. These are all key aspects of the companies' business models, models which are all built around the supply of attractive goods at affordable prices through modern, sophisticated retail systems that extend all the way into the stores where the customer interactions take place. When it comes to realizing this, co-producing customers have a substantial impact, and it is clear that they are expected to contribute, or at least not to obstruct things by causing problems, delays, or other inconveniences. This subjugation of the customer to company strategies departs markedly from the customer-centric perspective promoted in service research, and in the service dominant logic in particular (cf. Vargo and Lusch 2004a,2004b; Vargo et al., 2008). Instead, it points towards a practice heavily structured by administrative, logistical, and technical systems.

These systems are designed to contribute to customer value, but in a standardized and large-scale way. Previous research suggests that such systems (when acknowledged at all) tend to be concealed from customers, who are provided with a seemingly customer-oriented façade, thus nurturing an "enchanted myth of customer sovereignty" (Korczynski and Ott, 2004). Our study points to the limits of this enchantment: Faced with a day-to-day service practice that is heavily structured by ideals of rational efficiency, the FLEs expect their customers to conform to the logic of the service system, just like the FLEs themselves (cf. the notion of the customer as a part-time employee popularized in previous service research). Cooperation requirements encompass a range of customer participation activities, ranging from physical behavior in-store to how the role of active agent and decision-maker is executed by the customer. Thus, the expected subjugation of the customer is not simply related to the overall notion of how value is to be (co-)created, but also to the very concrete realization of this notion.

One possible interpretation of the situation reported on in this study is that our three companies are just not very customer-oriented. Expecting the customer to conform to systems and company routines lies, in a sense, at the very heart of the goods dominant logic and is an arguably outdated perspective on value creation (cf. Vargo and Lusch, 2004b). However, we think this is too simplistic an explanation. The companies work according to business models where contributing to customer value is key, but where the means of achieving this includes cost-effectiveness and the rational utilization of resources through economies of scale. These models are designed to accommodate and capture the customer's active co-production, thereby increasing the value created. The customer is offered the resources and advantages of a highly-specialised and efficient retail system in return for a certain level of conformity to the very same system.

This raises the following critical question: Is the subjugation of the customer to the service system justifiable from a value cocreation perspective? We believe so, but some discussion of value creation is required which is more nuanced than is the case in contemporary service research. In particular, there is a need to discuss co-creation on different levels. On the one hand, there is the strategic level where the company asks itself what the company can do for (or with, cf. Wind and Rangaswamy, 2001) the customer in order to co-create value, and where services are shaped and adapted to what the "customer"/market wants. Here, service research implies a customer-centric, or even customer-determined, approach whereby the customers themselves and their context provide the foundations for, and impose constraints on, both the service system and what value is to be created.

On the other hand, there is also a day-to-day form of co-creation whereby FLEs and customers jointly try to enact the service offering in practice, and whereby the FLEs are responsible for this being done within certain technical and administrative limits. Depending on the nature of the service offering, these constraints might be narrow, to varying degrees, when it comes to limiting the customer's freedom. The presence of these constraints as such cannot be taken as proof of a prevailing goods dominant logic at the company, however. The provision of value through efficient retail systems, as in our study, might, for example, be very well in line with a customer-oriented mindset, and with customer-driven strategic processes as outlined in the previous paragraph, despite the temporary subjugation of the customer to the conditions of such a system.

This leads us to the managerial implications of our study. In line with previous research, it indicates that the FLEs' expectations regarding their customers should be taken seriously as they are likely to impact upon the customer experience. However, the complex nature of service value co-creation requires managers to make a balanced judgement as to whether the expectations held by the FLEs are consistent with overall company strategy, or if they are something that needs to be dealt with, for example, through education and training. Employees could be trained in realizing the benefits of customer participation and co-creation, what is realistic to expect from the customer, and how to deal with situations where customers fall short of these expectations. Managers also need to consider whether or not the FLEs' expectations reflect what is actually required of participating customers in order for value to be co-created and whether or not the company might instead need to promote the advantages of the value offerings and to work on "educating" its customers. Besides being trained in what to expect, and how to behave in given situations, customers can be assisted in visualizing the economic or relational benefits of participation and co-creation (Chan et al., 2010). More informed, knowledgeable and motivated customers may increase the customer-task fit, so that customers become more prepared for the participation tasks (cf. Dong et al., 2015). Educating the FLEs and/or customers could also be a way of reducing the potential conflicts and negative outcomes of customer participation so as not to become the double-edged sword (Chan et al., 2010) that risks creating employee job stress and decreased job satisfaction. Reducing uncertainty about what customers and FLEs can expect from each other can make their roles more clear, and lead to customer scripts being more aligned with supplier systems and processes, something that previous research (e.g. Bateson, 2002) has stressed as important for reasons of both productivity and quality. An overarching issue for managers, additionally, is to decide if customers should and could be more involved in the service process; if they could become value co-creators. Is the present form of participation optimum from a customer and company perspective, or could new kinds of services be developed and facilitated which increase the co-creation opportunities between the parties?

#### 6. Limitations and future research

Concerning limitations, the results, contributions, and managerial implications are linked to the empirical retail contexts studied, i.e. supermarkets, consumer electronics, and women's fashion. Future research may relate the insights gained to other sectors, both private and public. For example, are the identified main and sub-categories of expectations regarding customers to be found in other service sectors, where customers have also been at the heart of operations for a long time (as in retail), but where the operational logic and the forms and content of customer participation are different, e.g. in the healthcare sector or in legal and financial services? Concerning public services, in settings such as public transportation and healthcare, passengers and patients are increasingly being referred to as customers. This discursive turn, if realized in practical operations, might entail a move towards more customer participation in the service processes. How is this accommodated by public service providers, and are the expectations found in this study similar to or different from the ones held by public FLEs with regard to their "customers"? This could provide a further generalization of our results in terms of FLEs' expectations, and in relation to strategies of customer participation and value co-creation, as developed in contemporary service research.

Another suggestion for future research is to use other methods when studying expectations. The interview approach has its limitations, e.g. the respondents' ability to accurately recall past situations and some respondents' tendency to relate things in a way that puts them in a more favorable light. Observation studies of service work interactions between FLEs and customers could provide valuable insights into how expectations are enacted. In an investigation of financial services. Auh et al. (2007) demonstrate that communication, which they define as the formal and informal sharing of meaningful and timely information between client and advisor in an empathetic manner, has a significantly positive association with co-production. A study of the more subtle dimensions at play during interactions and communication (e.g. conversational turn-taking) could provide additional insights into how expectations materialize in practice, and lead to more clarity regarding the roles of the parties involved.

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