

Effects of situational and structural factors on co-creation in retail stores*

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Abstract

This paper focuses on the dialogical components of a service relationship and their effects on co-creation. We attempt to investigate the effects of one situational variable (partner's perceptions of the other partner's resources) and one non-situational variable (store brand perceptions) on co-creative behavior. To test the proposed model, dyadic survey data of 364 pairs was collected in retail stores where one customer and one salesperson interacted in a sales exchange. Data were analyzed using the structural equation modeling technique. Results support that store brand perceptions, directly and indirectly, increase co-creation through the perceptions of the partners' resources.

Key words: Employee-customer interaction, consumer perception, co-creation, service relationship; brand store image, AMOS.

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1. Introduction

Co-creation literature posits that partners are not foes for limited resources, but rather partners in an exchange relationship. The notion that producers are only facilitators of the value which is defined by customers (Grönroos and Voima, 2013) and co-created by several actors (Vargo and Lusch, 2016, 2020) has become the dominant view of conceptualizing exchange relationships in the market (Vargo and Lusch, 2004). This relationship can affect the service outcomes, having diverse effects on both partners (and other possible partakers). A larger view of the co-creation perspective points out the longer-term effects on larger systems, brands, and cultures, too (Vargo and Lusch, 2004, 2020; Grönroos, 2020). As such, an effectual relationship between a professor and a student may result in bigger outcomes over time, specifying how this relationship can and should be perceived, evaluated, and experienced. Similarly, an unbalanced relationship between a doctor and a patient may evolve into a credence-based, asymmetrical service exchange between partners (Tari Kasnakoglu et al., 2022).

This study likewise assumes that single occurrences in most service encounters are a reflection of both the specifics of the service situation (such as partners' positive or negative opinions of each other) and more enduring perceptions of the brand, the store, the location, the physical atmosphere, possibly including brand equity perceptions and a cultural orientation towards certain professions. The extant literature falls short of explaining the differential effects of situational versus the more resilient attributes of the co-creative service relationship. We hope to contribute to this literature by recognizing brand-related perceptions of the customer and the service provider, while also considering partners' perceptions of each other as a situational variable. Co-creation is defined here as a process of resources exchanged by service partners (Vargo and Lusch, 2004) through direct interactions (Grönroos, 2012; Grönroos, 2020). We focus on this phenomenon's interactive and dialogical aspect and try to understand whether and how actors' perceptions of each other's operant resources (defined as the skills and knowledge utilized throughout the service relationship) can affect their co-creation behavior. With this objective, we concentrate on apparel retail stores as they represent one of the most widespread interactive service encounters. This view of interactive marketing is characterized by a "two-way communication with mutual influences in social and business ecosystems" (Wang, 2021: 1). Co-creation literature presents a few examples where scholars have tried to incorporate elements that are not specifically related to the service situation, such as personality characteristics (Ranjan and Read, 2019) or the general social structure (Edvardsson et al., 2011). The idea behind these studies is the belief that the interaction between partners is not necessarily the result of a single communication instance in the store but a combined dependent outcome of both the

situational, interactive characteristics and more persistent structural and institutional factors.

In this study, we measure one situational variable (perceptions of the partner's operant resources) and a non-situational variable (perceptions about the retail store brand) to be tested in the same model. We expect that both customers and sellers may have some perceptions, before even coming to the store and meeting each other, and this brand-related perception may override the interactive, dialogical experience. On the contrary, previous negative perceptions may prevent the partners from engaging in useful communication. Therefore, we intend to differentiate between the effects of the brand and the actual service interaction on co-creation. To do this, we collected data from service providers in offline apparel retail stores and customers who visited those stores and made an actual purchase, resulting in a potential co-creation situation.

The current paper contributes to our understanding of the co-creation process (1) by empirically measuring the level of operant resources as perceived by the counterpart actors, (2) by incorporating actors' perceptions of the retail store brands to see the differential effects of the brand versus the particular service partner, and (3) by collecting dyadic data from pairs of customers and providers who engage in a real service interaction resulting in actual exchange. In such modeling, the unit of analysis becomes the service interaction itself which allows us to entangle the effects of the brand, the level of resources, and the level of co-creation. The next section summarizes the relevant discussion on these concepts.

2. Literature review and hypotheses development

2.1. *Store brand perceptions*

The store in our paper is conceptualized as the retailer selling a variety of one or more brands' products in a physical shopping environment. The store brand image is thus conceptualized as the general image the partner holds towards the store. The retailer/store brands have been investigated from different perspectives, such as the atmosphere or the merchandise on display (Mohd-Ramly and Omar, 2017) or the capabilities of the service personnel (Sharma and Chadha, 2020). Other studies have concentrated on whether store brand affects store choice (e.g., Baltas, 1997), the effects of the store brand-price image (Diallo, 2012), the association between a store's brands and the store image (e.g., Collins-Dodd and Lindley, 2003), the effects of demographics (Cambra-Fierro et al., 2017), and the effects of the retail store environment (Akhter et al., 1994).

Although not extensively studied from the employee's point of view, the store brand image may also be related to the working conditions and a supportive culture

for the personnel working for that brand (Suhartanto and Brien, 2018; Sarker and Ashrafi, 2018). The idea is that this general store image is perceptual, so it may differ between customers and sellers, as well as among different customers. We thus hypothesize that a seller's perception of the store would affect his/her expectations in terms of the types of customers who visit the store. For instance, a service employee who likes and trusts the brand would likewise positively perceive the customers. Similarly, the customer's perception of the store would affect his/her perceptions about whether the seller has sufficient resources to engage in a constructive relationship (Alves and Mainardes, 2017).

Some studies found that employee job perceptions would affect customer evaluations (e.g., Maxham et al., 2008), but to our best knowledge, the effects of employees' evaluations of customer capabilities (such as in terms of customer resources) have not been investigated. In line with the general philosophy of *co-creation*, we hypothesize that both partners can generate perceptions of each other's resources based on their assessments of the store. Therefore, the first two hypotheses are formed as follows:

***H1a:** The seller's perception of the store brand increases his/her perceptions about the customer's operant resources.*

***H1b:** The customer's perception of the store brand increases his/her perceptions about the seller's operant resources.*

The first two hypotheses assert that the customers or the employees of a specific brand would reflect the characteristics of the retailer. We already know that the characteristics of the brand personality may well be reflected by its users (Keller, 1993; Aaker, 1997). We also claim that this transfer of meanings is valid for employees, too (Troiville et al., 2019). Employees are found to be positively associated with retailer brand equity (Swoboda et al., 2007; Troiville et al., 2019). From the customer's view, in-store communication and subsequent store image can be affected by the availability of product alternatives or the competence of the serving personnel (Churchill Jr et al., 1987; Mohd-Ramly and Omar, 2017; Sharma and Chadha, 2020). As regards to the interactive communication in stores, results can be considered mixed, including the positive effects of sociability on customers' dialogue with employees (Lee, 2017) and the negative effects of social anxiety on C2C value creation (Becker and Pizzutti, 2017).

Based on the discussion so far, it is also expected that a positive perception of the store would enhance the partner's co-creative behavior. Therefore:

H2a: *The seller's positive perceptions of the store brand increase his/her co-creation behavior.*

H2b: *The customer's positive perceptions of the store brand increase his/her co-creation behavior.*

The above hypotheses are based on the long-held view in the co-creation literature that the service partners' positive orientations are quite important in building the antecedent environment for co-creation (e.g., Grönroos, 2020). The "personal" interaction component of many scales reflects the "interpersonal" component of the phenomenon (e.g., Yi and Gong, 2013).

2.2. Operant resources

The service-dominant logic maintains that each partner has resources to be activated and used during a service occasion (Vargo and Lusch, 2016; Grönroos and Voima, 2013). Resources refer to the combination of knowledge and skills applied in a service relationship (Vargo and Lusch, 2004). The literature differentiates between operand and operant resources, where the former refers to tangible and material objects such as money or gifts exchanged in a sales transaction. Operant resources, on the other hand, constitute intangible, and in most cases, more helpful assets (Vargo and Lusch, 2004). These resources may include accumulated knowledge and skills which have direct applications in the service context. For instance, knowledge about human anatomy may help a patient co-create a more helpful diagnosis process with the physician (Tari Kasnakoglu, 2016).

In this paper, we focus on these operant resources as they represent the invisible and dynamic capabilities service partners utilize. We use the term 'resources' in the rest of this paper to refer to operant resources. We claim that both customers and salespeople have their pools of resources, and the interpretation of these resources may not be objectively made. Instead, we argue that each service partner perceives the other partner as having a certain level of resources, and these resources can be helpful or constraining on different occasions towards co-creation. Scholars have stressed this contextual nature of resources in previous studies (e.g., Vargo and Lusch, 2004, 2016; Arnould et al. 2014, Grönroos and Voima, 2013). We further claim that instead of attempting to measure an objective 'level' of resources, we should focus on the contextual and the subjective nature of resources. The following hypotheses reflect this thinking:

H3a: *The seller's positive perceptions about the customer's operant resources increase his/her co-creation behavior.*

H3b: *The customer's positive perceptions about the seller's operant resources increase his/her co-creation behavior.*

The co-creation literature seems to have accepted the view that the value is not attached to a product but realized and exchanged in the service occasion through collaboration (Vargo and Lusch, 2004; Grönroos, 2012; Kleinaltenkamp et al., 2012). The service itself is the utilization of the partner's resources (Vargo and Lusch, 2004). For instance, a customer in a fashion retail store would benefit from the experiences of the store employee's felicitous suggestions, while the employee may benefit from the customer's positive attitude and his/her purchase decision. We argue that the subjective and positive evaluation of resources (Shamim et al., 2016) would enhance co-creation (Grönroos, 2012; Vargo and Lusch, 2004; Jaakkola et al., 2015).

2.3. Co-creation

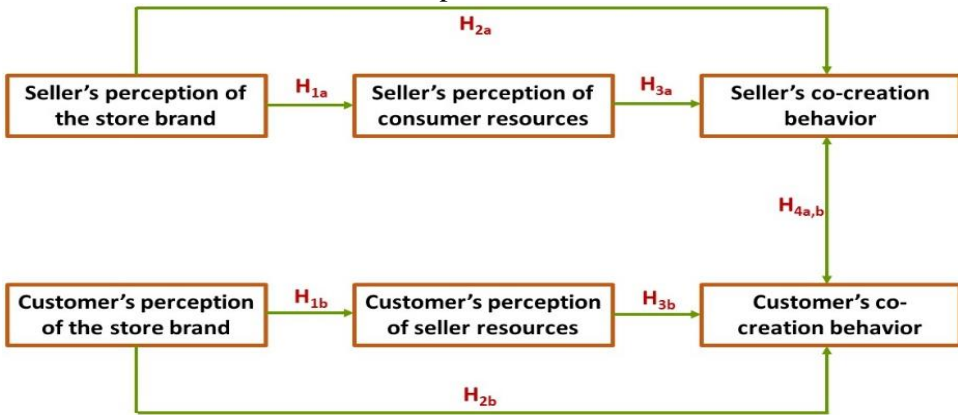
As discussed before, value is not created by one partner but rather co-created by both partners (Vargo and Lusch, 2004, 2006). In this process, actors interact with each other on a relational basis (Tsoukas, 2009). The process of co-creation entails an interactive use and exchange of resources, making each service encounter unique (Grönroos, 2012; Jaakkola et al., 2015). In one service situation, actors may have the necessary resources and also perceive that the other partner has some resources, but not engage in co-creative activities since they may perceive an imbalance of resources. When there is a perceived imbalance, partners likely find themselves in a co-destructive relationship instead of a co-creative one (Echeverri and Skålén, 2011; Nangpiire et al., 2021). The service requires an interactive dialogue between partners, making co-creation highly relational and contextual (Jaakkola et al., 2015; Grönroos and Voima, 2013). Reflecting on this view of co-creation as a *situational* and *interactive* process, we form the following hypotheses:

H4a: *The seller's co-creation behavior increases the customer's co-creation behavior.*

H4b: *The customer's co-creation behavior increases the seller's co-creation behavior.*

The two hypotheses above manifest the basic tenets of co-creation, where the actors reflect upon each other's resources and engage in positive partnerships. To enable the research objectives and test the hypotheses, the model presented in Figure 1 will be used.

Figure 1
Proposed Model



3. Methodology

To test the proposed model presented in Figure 1, we performed the Structural Equation Modeling (SEM) technique. This section will describe the data collection process, the measurement process, and the sample characteristics.

3.1. Data collection

As mentioned before, we collected dyadic survey data in real retail settings. We chose apparel stores because they are commonly used, and also because sellers and customers are often expected to interact and talk (Choi and Choo, 2016). Our unit of analysis was a sales transaction where one salesperson and one customer were involved. We informed store managers about our research purposes and explained the data collection methodology. They signed the consent forms with no gifts in return, after which we stayed in the store for several days waiting for sales to occur. There were 364 sales transactions in total, where we were able to collect data on both partners' perceptions and co-creation behavior. Since data was collected from both partners for the same transaction, there were a total of 728 usable questionnaires filled out by participants.

When a sale was actually made, one member of our data collection team approached the customer, explained our research, and asked the customer if s/he would like to participate in this study. If they agreed, they read and signed the consent forms and filled out the questionnaire. The other member of our data collection team approached the salesperson and asked him/her to fill out the

employee version of our questionnaire, for the same sales transaction which just occurred. This way, we were able to capture the dialogical perceptions of individuals involved in a true sales exchange. Sample characteristics are shown in Table 1 below.

Table 1
Sample Characteristics

	Salespeople	Customers
Age, mean	28,06	31,05
Income, mean	217 USD	157 USD
Gender, female %	46,4	57,1
Education, mode	University	University
N	364	364

3.2. *Measurements*

There were two versions of the questionnaire: One was designed for the seller (employee, salesperson), and the other one was designed for the customer. Both questionnaires started with a short explanation of our research purposes, followed by questions asking about their perceptions of the store brand. With no standard scales to measure an apparel store brand's image, the questions were designed based on extant literature and a two-week field observation where authors visited several different stores observing customers' and sellers' behavior, in addition to years of personal experience in clothing stores as customers. One of the team members also worked as a salesperson in the past, which was used as additional knowledge to construct the questionnaire. In sum, the items were developed in line with the particular purposes of this study. These questions were designed as Likert scales with five data points, with the "No Idea" option provided for cases where the seller/customer does not have sufficient knowledge to answer the question. Some items were removed since they weakened the fit indices in the tentative measurement model. The remaining questions and related statistics are provided in Table 2 below.

Table 2
Descriptive Statistics

	SB	CB	SC	CS	SCOC	CCOC
Seller's Perception of the Store Brand [SB]	1					
Customer's Perception of the Store Brand [CB]	0.328**	1				
Seller's Perception of the Customer's Resources [SC]	0.376**	0.127*	1			
Customer's Perception of the Seller's Resources [CS]	0.215**	0.317**	0.305**	1		
Seller's Co-Creation Behavior [SCOC]	0.388**	0.151**	0.514**	0.306**	1	
Customer's Co-Creation Behavior [CCOC]	0.311**	0.334**	0.324**	0.583**	0.410**	1
Number of Items	5	4	3	3	5	5
Cronbach's Alpha	0.839	0.804	0.752	0.768	0.853	0.856
Mean	3.576	4.008	3.732	3.886	3.805	3.739
Standard deviation	0.895	0.723	0.815	0.713	0.838	0.795

3.3. Item development

In the seller's version, questions about the store brand investigated the perceptions regarding whether there is sufficient organizational support for the salespeople, salaries are good, the organizational culture cares about human values, there are opportunities for informal communication and socialization, and there is healthy communication between employees and managers. In the customer's version of the questionnaire, these items were related to whether there are enough price/payment alternatives, there is an adequate range of product alternatives, there is a customer-centric approach, and there is a sufficient number of employees in the store. These questions were then used to construct a latent variable called "Seller Perceptions of the Store Brand" [SB] and "Customer Perceptions of the Store Brand" [CB].

The next section included questions asking about one partner's perceptions of the other partner's resources in the service relationship. Again, these questions were different for the seller and the customer since their perceptions can be based on different criteria. The seller's perceptions of whether the customer has sufficient operant resources were measured through questions about the customer's friendliness, active involvement in the sales transaction, and ability to control herself/himself emotionally. The customer's perceptions of the seller's resources were measured with questions about the seller's emotional stability, the seller's ability to professionally approach the sales situation, and the salesperson's

perceived self-confidence. These questions formed the related variables called “Seller Perceptions of the Customer’s Resources” [SC] and “Customer Perceptions of the Seller’s Resources” [CS].

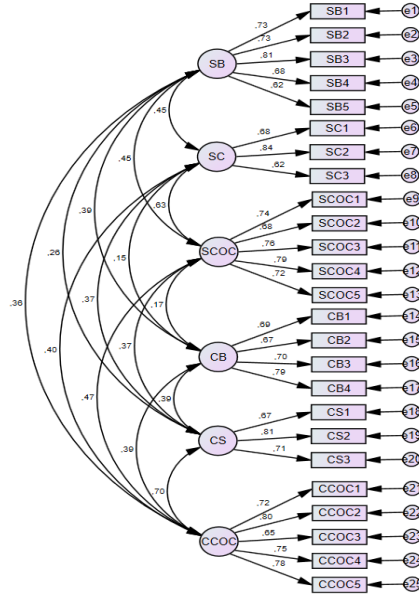
The last section of the questionnaire measured whether and to what extent the sales transaction was illustrative of a co-creation situation, exemplified by several behavior types gathered from the extant literature. For the seller, these questions included items asking about their potential contribution to the service relationship, partners’ ability to foresee and solve problems, an ongoing dialogue with each other, bringing creative solutions to emergent issues, and a general warmth and satisfaction they feel from the interaction. For the customer, the questions asked about an intense dialogue, interpersonal confidence and trust, honest answers by partners, a mutual understanding, and a general feeling of warmth and friendliness. These questions were then used to measure “Seller’s Co-Creation Behavior” [SCOC] and “Customer’s Co-Creation Behavior” [CCOC].

4. Findings

4.1. The measurement model

We tested the measurement model via confirmatory factor analysis. The measurement model can be seen in Figure 2.

Figure 2
Measurement Model



As shown in Table 3 below, fit indices were acceptable ($\chi^2/df = 1.63, p < .01, GFI = .913, CFI = .957, TLI = .951, RMSEA = .042$). Following the measurement model verification, we checked whether the scales were valid.

Table 3
Internal Reliability and Convergent Validity

Construct	Items	Factor Loading
<i>Seller's Perception of the Store Brand [SB]</i> ($\alpha=0.839$; $CR=0.84$; $AVE=0.52$)	Enough organizational support	0.734
	Sufficient salaries	0.733
	Organizational culture caring for human values	0.808
	Opportunities for informal communication	0.680
	Healthy communication	0.624
<i>Customer's Perception of the Store Brand [CB]</i> ($\alpha=0.804$; $CR=0.81$; $AVE=0.51$)	Price/payment alternatives	0.689
	Product alternatives	0.671
	Customer-centric approach	0.704
	Sufficient personnel	0.792
<i>Seller's Perception of Customer Resources [SC]</i> ($\alpha=0.752$; $CR=0.76$; $AVE=0.52$)	Friendliness	0.684
	Active involvement	0.837
	Ability to control oneself	0.618
<i>Customer's Perception of Seller Resources [CS]</i> ($\alpha=0.768$; $CR=0.78$; $AVE=0.54$)	Emotional stability	0.672
	Professional approach	0.812
	Self-confidence	0.712
<i>Seller's Co-Creation Behavior [SCOC]</i> ($\alpha=0.853$; $CR=0.86$; $AVE=0.55$)	Contribution to service relationship	0.739
	Ability to see and solve problems	0.680
	Ongoing dialogue	0.758
	Creative solutions	0.789
	General warmth and satisfaction	0.719
<i>Customer's Co-Creation Behavior [CCOC]</i> ($\alpha=0.856$; $CR=0.86$; $AVE=0.55$)	Intense dialogue	0.715
	Confidence and trust	0.804
	Honest answers	0.653
	Mutual understanding	0.751
	General warmth and satisfaction	0.777

CR = Composite Reliability; AVE=Average Variance Extracted

Because factor loadings and composite reliability coefficients were above .50, we concluded that constructs have convergent validity (see Table 2). Furthermore, the AVE coefficients of constructs were found to be above .50 (Hair et al., 2019). We also checked the discriminant validity of constructs by running a model in which all the covariance paths among constructs are fixed to 1. This model does not demonstrate acceptable fit indices ($\chi^2/df = 5.64, p > .01, GFI = .721, CFI = .710, TLI = .701, RMSEA, .138$). Therefore, we concluded that the constructs demonstrated satisfactory discriminant validity. We did not run further alternative models since the proposed model fit indices were acceptable.

4.2. The structural model

To test the structural model, we run a path analysis in AMOS (see Figure 1). Path analysis revealed a fit between our model and the data ($\chi^2/df = 1.72, p < .01, GFI = .906, CFI = .949, TLI = .943, RMSEA = .045$). Then, we tested our hypotheses based on path coefficients (see Figure 3).

Figure 3
Structural Equation Model with Significant Coefficients

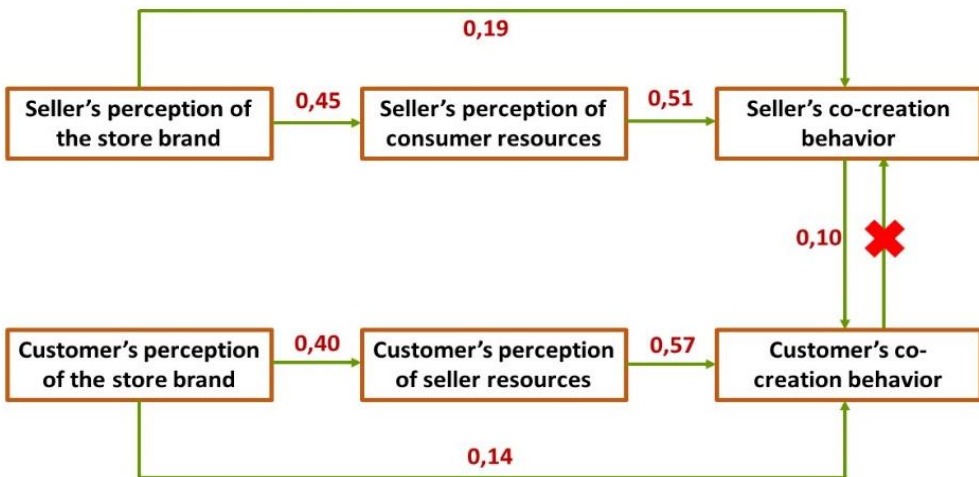


Figure 3 shows that all hypotheses were supported, except for H4b. Findings showed that the seller’s positive perceptions of the store would lead to a positive evaluation of the customer’s resources. The same perception of the store would directly increase the employee’s co-creation behavior. Therefore, even without

meeting the customer, when the seller has a positive attachment to the store, it would be reflected in his/her evaluation of the arriving customers and his/her co-creation behavior.

The same process applies to the customer, too. When the customer has positive perceptions about the store, s/he would evaluate the seller's co-creative resources more positively. The positive store perception would also directly affect the customer's co-creation behavior. In addition, positive perceptions of the other partner's resources would also increase co-creation behavior for both customers and sellers. Lastly, co-creative behavior by the seller would increase the customer's co-creation behavior. Therefore, the seller's co-creation behavior has a direct influence on the customer's co-creation, while the reverse is not true. The customer's co-creation behavior does not have a significant effect on the seller's co-creation behavior.

We also checked whether perceptions about each other's resources would serve as mediators in the relationship or not. For the seller, his/her perceptions about the customer's resources do work as a mediator between his/her perceptions about the store brand and his/her co-creation behavior. The indirect effect lower bound is 0,147, while the upper bound is 0,297, as identified through the bias-corrected percentile method. Since the bounds do not contain the value of zero, the mediation effect is assumed to be significant. The relevant coefficient for this mediation is 0,251. For the customer, the lower bound is 0,112 and the upper bound is 0,314; again, reflecting a significant mediation effect for the customer's co-creation behavior. The coefficient is identified as 0,201 in the standardized indirect effects table.

5. Discussion

The contribution of the current paper is threefold. First, this paper empirically shows that co-creation behavior is highly interactional in a retail context. In fact, the mediation effect is significant, indicating that the perceptions of the store brand may not directly affect co-creation. Store perceptions affect co-creation, but less than perceptions of the service partner's resources. It is possible to say that pre-existing perceptions of the store *and* the instant perceptions of partner resources affect co-creation in a combined way. The dialogical nature of co-creation has been emphasized in earlier studies (e.g., Vargo and Lusch, 2004, 2017; Grönroos, 2012, 2020; Tsoukas, 2009). This study contributes to our understanding by reaffirming co-creation as an interactive process through resource integration, and also by incorporating a non-situational variable called 'store brand perceptions.' It was found that both variables act together, potentially resulting in co-creation.

Several studies emphasize the dialogue between service partners, assuming co-creation as “the joint actions by a customer (or another beneficiary) and a service provider during their direct interactions” (Grönroos, 2012: 1). On the other hand, other scholars stress the importance of “institutional arrangements which facilitate coordination among actors” (Vargo and Lusch, 2017: 1). An update by Vargo and Lusch (2016) calls for research that allows for a more dynamic, holistic, and realistic perspective of value co-creation by zooming out the research lens. Hence the literature still falls short of explaining how non-situational variables residing in the larger ecosystems would affect co-creation. In this study, we incorporated the pre-existing store perceptions as a variable related to a larger system of values and beliefs.

In this study, co-creation questions were different for each actor, and participants were questioned at different corners of the store, without being able to affect each other after the sales were made. A second contribution is related to the matching direction and magnitude of the co-creation process between partners. Therefore, results indicate a co-creation process with both partners having positive store perceptions leading to positive evaluations of resources, resulting in a co-creative sales transaction (Tarı Kasnaoğlu, 2016; Chandler and Vargo, 2011; Jaakkola et al., 2015). To our knowledge, this study is the first attempt in a B2C environment to measure the corresponding levels of perceptions in the same service experienced by two partners.

Moreover, the present study does not “objectively” measure the level of resources using standard scales (such as through experience level or the level of categorical involvement) but relies on the actors’ perceptions to bring out the effects of this dialogical process. We thus conclude that co-creation is constructed on these perceptual grounds, involving several dimensions in the service experience that are highly imaginary, framed in a broader time (possibly including cultural orientations, educational background, and personality traits), perhaps beyond the service setting (Jaakkola et al., 2015). In line with our first point above, the perception of the other’s partner’s resources may also depend on earlier beliefs about how a salesperson/customer should behave, as part of a context broader than the specific market transaction (Akaka et al., 2013; Vargo and Lusch, 2017).

We believe that a third contribution is based on the fourth hypothesis, which states that partners engage in more co-creative behavior when they participate equally in the relationship. This expectation is confirmed for the customer; therefore, the seller’s co-creation behavior increases the customer’s participation. On the other hand, the customer’s co-creative behavior seems not to change the seller’s co-creation behavior in return. This situation continues to signal the interactive nature of co-creation since customers are indeed affected by how employees behave during the service encounter. Previous studies already indicate

that a salesperson's characteristics and behavior are influential on the co-creation process, such as through trust (Baumann and Le Meunier-FitzHugh, 2014) or emotional intelligence (Delpechire et al., 2018). Because employees can directly affect consumers' purchase intentions (Babin et al., 1999) and their complaint behavior (Clopton et al., 2006), the approach salespeople take can have significant effects on the customer.

What is perhaps more interesting in this study is that the salesperson seems not to be affected by how the customer contributes. This can be explained by the professional approach employees try to attain. Depending on their perceptions of the store and how they perceive the customer's resources, they may engage in a certain level of co-creative behavior without being affected by how much the customer participates. The definition and the range of co-creative behavior might have been established by company strategy even before the service occurred. There is a vast literature on the interaction between frontline employees and customers examined in a wide range of service contexts. This literature calls attention to a variety of different factors that may affect customer perceptions, including employees' knowledge of customer needs (Homburg et al., 2009), the perceived level of comfort in employee-customer interactions (Lloyd and Luk, 2011), employees' expression of emotions and nonverbal behavior (Lim et al., 2017), the possibility of employee discrimination against certain types of customers (Martin and Adams, 1999), and the level of general employee competence and its effects on perceived service quality (Wu et al., 2015). Specifically with the co-creation perspective, recent studies concentrate on the effects of the service situation and partners' differential predispositions (e.g., Tari Kasnakoglu et al., 2022), as well as the level and balance of resources that partners have (Vargo and Lusch, 2016; Tari Kasnakoglu, 2016; Grönroos, 2020). In contrary to previous findings which presume that employees are also affected by customer behavior, this study has revealed that the customer's behavior would not significantly change the level of co-creative behavior by employees. Employee co-creation is mostly based on the store they are working for and on the perceived level of customer resources. The actual encounter seems not to change the level of employee co-creation, which may indicate (1) a professional approach adopted by companies striving for a solid, stable brand image and (2) a possibly more centralized version of co-creation, creating less room for employees to behave based on the particular service characteristics, which may result in less job satisfaction.

6. Implications and future research directions

Based on the dyadic survey data collected from seller-provider pairs in real-life service episodes, this paper shows that co-creation is highly interactional and

perceptual. Selling is a social situation (Fine and Schumann, 1992; Kashif and Zarkada, 2015), and it involves adaptive strategies depending on contingent variables (Giacobbe et al., 2006). At the same time, pre-existing conceptions of the store can directly affect in-store co-creative behavior. The present study is an attempt to understand the differential effects of situational and non-situational variables. To explore co-creation more systematically, we need to incorporate more structural variables into empirical models (Vargo and Lusch, 2016, 2017), such as accumulated knowledge about brands, perceptions about certain shopping environments (such as shopping malls versus electronic environments), and enduring beliefs about certain positions in stores (such as manager versus front-line employee).

Future research can investigate these and other variables and find ways of measuring their effects. For instance, value is considered to be derived through the cultural context (Akaka et al., 2013; Arnould et al., 2014); therefore, actors interpret and respond using *culturally based* resources. Moreover, markets are constantly being constituted over time and space (Edvardsson et al., 2011); thus, learning more about how actors create, re-create, and co-create across time and place would be useful. The present study is limited by the type of data collected, and the results are valid only for contexts where a customer and a provider meet in an apparel retail store. Further research is needed in other product categories, such as convenience items, luxurious products, or professional services. Further research is also needed to understand the effects of culture and changes in cultural elements, as well as the effects of more enduring constructs such as global cultures, consumer cultures, or brand cultures.

As this study has shown, co-creation is dialogical not only for the service occasion that happens between a provider and a customer but also for the pre-existing perceptions of people and brands, which are socially constructed (Edvardsson et al., 2011; Fine and Schumann, 1992). In addition, a salesperson seems to create a difference in the co-creation process. It is possible that customers would be more willing to engage in constructive communication with in-store personnel, too. Therefore, a good store brand with positive associations in customers' minds seems to work well toward co-creation (Hatch and Schultz, 2010). Branding, in this sense, is not only a way of gaining loyal customers but also a way of creating actual, co-creative communication in the store, leading to sales. Sirianni et al. (2013) point out that employee-brand alignment improves customers' brand evaluations, while employee authenticity enhances employee-brand alignment.

It should be noted that the data in the present study was collected only when there was an actual sale. However, there might be some situations where actors engage in co-creative behavior but do not end up with an actual purchase situation. Still, there might be instances to consider, and future research can investigate these

situations in which potentially useful and harmful types of perceptions encourage or prevent partners from co-creation. In line with these theoretical inquests, it seems possible for managers and brand developers to strategically plan a co-creative service relationship. In addition, it may be useful to identify a possible “threshold” where the customer becomes convinced that the store brand is favorable based on employee behavior, despite previous negative perceptions. In other words, whether situational or structural factors are more effective in co-creation attempts is a point that needs further attention.

Compliance with ethical standards

The authors declare that they have no conflicts of interest.

All procedures performed in this study involving human participants were in accordance with the ethical standards of the institutional research committee.

Informed consent was obtained from all individual participants involved in the study.

Data availability

The datasets generated and analyzed during the current study are available from the corresponding author upon reasonable request.

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Özet

Durumsal ve yapısal faktörlerin perakende mağazalarındaki ortak yaratıma etkileri

Bu makale, bir hizmet ilişkisinin diyalojik bileşenlerine odaklanmakta ve bunların ortak yaratım üzerindeki etkilerini incelemektedir. Bir durumsal değişkenin (bir partnerin, diğerinin kaynaklarına yönelik algıları) ve bir durumsal olmayan değişkenin (mağazanın marka algısı) ortak yaratım davranış üzerindeki etkilerini araştırılmaktadır. Önerilen modeli test etmek için, perakende mağazalarda bir müşteri ile bir satış elemanının bir satış ortamında etkileşimde bulunduğu 364 çiftlik diyardik anket verisi toplandı. Veriler, yapısal denklem eşitleme tekniđi kullanılarak analiz edildi. Sonuçlar, mağazanın marka algılarının, partnerlerin kaynaklarına yönelik algılar aracılığıyla doğrudan ve dolaylı olarak ortak yaratımı artırdığı bulgusunu desteklemektedir.

Anahtar kelimeler: Çalışan-müşteri etkileşimi, tüketici algısı, ortak yaratım, hizmet ilişkisi, mağaza marka imajı, AMOS.