



The role of customers on the co-creation of Service Climate in a restaurant setting: A qualitative study

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Abstract

The benefits of customer co-creation of value in the service delivery process have been well established through recent literatures. However, despite the fact that there has been an increase in the awareness of the importance of customer behaviors in the service delivery process, little research has been done to investigate the role of customers and their influence in co-creating the service climate within organizations. This study captures the impact and effects of customer behaviors on the perceptions of employees towards the service climate of their respective restaurant firms.

The overall objective of this thesis is to deepen the understanding of the role of customers in co-creating the service climates inside restaurant firms where co-creation of services occurs. For conducting this study, I have used the semi-structured interviews for data collection from six respondents (three customers and three employees) from three different restaurants within the city. Results indicate that customers' participative and citizenship behaviors such as giving feedbacks, employees' job appreciation and praise during direct interactions, advocacy through word of mouth, and sharing of knowledge and seeking of information that could benefit the firm influenced employees' perception of their work climate. The results also showed that employees transfer these positive attitudes to their fellow employees through affective group tone through which the overall working climate within restaurants is improved.

I believe that this study will be helpful to future scholars and researchers who wish to conduct further research on this particular topic as the findings from this study have increased the understanding of the role of customers in the co-creation service climates within restaurant organizations. The paper also discusses the theoretical and practical implications of the findings from this research at the end of the paper.

Keywords: *Service climate, Value co-creation, Service-dominant logic, Social interaction, Customer Experiences and drivers of experiences, Influence of customer behaviors in co-creation of service delivery*

List of Abbreviations

OCB	Organizational Citizenship Behavior
SDL	Service Dominant Logic
HR	Human Resource
S-D	Service-Dominant
G-D	Goods-Dominant
FSE	Frontline Service Employee

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1. Introduction

This chapter describes the background of the study being conducted and aims to make the readers familiar with the research theme of this paper. The background is followed by the problem discussion and after recognizing the problem; a specific research question is developed. At the end of this chapter, the choice of topic is also presented.

1.1 Background

The past thirty years have seen rapid advances and developments in the research area of the role of service climate of organizations. There is a considerable volume of published studies conducted by researchers such as Johnson (1996); Schneider, White, and Paul (1998) which describes the role of organizational climate in service organizations in relation to the customer satisfaction and service quality by taking into account the employees' perceptions into the process. This area of research has been of interest to many scholars in the service marketing field and is considered as an important element for the successful service delivery of quality service to the customers resulting in increased customer satisfaction. Before we become familiar with the service climate concept, it is important to understand what 'climate' means in an organizational context. According to Schneider, Ehrhart, and Macey (2011), the climate of any setting is referred to as "*the overall sense or meaning that people construe from the patterns of their individual experiences and behaviors which they observe in their social settings*" (cited in Bowen & Schneider, 2013, p.2). This means that the perceptions that people have about what they experience from the social setting in which they are, defines the climate of that setting. Therefore, in a service setting, where service is the main theme, service climate refers to the collective sense of shared perceptions of people who are involved with the service organization whose motive is to provide service excellence backed up by policies and practices that encourages and emphasizes service behaviors by recognizing and rewarding such behaviors (Schneider et al., 1998, p.151).

Previous researches conducted by Lenka, Suar, & Mohapatra (2010); Hong, Liao, & Jiang (2013) have suggested various relationships between perceptions of service climate and employees' job satisfaction, superior service performance, and employee attitudes and behaviors. A study by Lenka et al. (2010) found that employees were more committed towards their organization's service practices and felt more connected with organizational values where the organizational service climate was positive and employees were happy with the climate of service (Lenka et al., 2010, p.1315). In another recent study, the authors found that the presence of a strong service climate within an organization influenced employee behavior a great deal making them more committed towards responding to customers' needs and preferences by engaging in *organizational citizenship behavior (OCB)* more often (Hong et al., 2013, p.241). Organ (1988) defines Organizational Citizenship Behavior as "*behavior that is discretionary, not directly or explicitly recognized by the formal reward system and that in the aggregate promotes the effective functioning of the organization*" (Organ, 1988, p.4). We will look into this concept and other service oriented behaviors more in Section 2.2 in the next chapter.

A large and growing body of literature has investigated about the attributes related to strength of a service climate and the role that employees play to create a strong climate for service in

the organization. For example, a study by Schneider, Salvaggio, and Subirats (2002) showed that the strength of a climate was determined by the level of variance in the employee perception of the employees about the service climate within that organization. This study showed that if there existed a low variance in the employee perception of the climate attributes, then the climate was considered as being strong and vice-versa and also concluded that climate strength acted as a moderator between the climate level of the organization and the customer experiences (Schneider, Salvaggio, and Subirats, 2002, p.224). The role of employees in creating a strong service climate in an organization has already been well established from past literatures and researches. Salvaggio, Schneider, Nishii, Mayer, Ramesh, & Lyon (2007); Schneider, Ehrhart, Mayer, & Saltz (2005) indicated that leadership qualities of employees do help to create a strong service climate. Similarly, Liao and Chuang (2007) found that leadership qualities such as charisma, inspirational motivation, intellectual stimulation etc. was positively associated with the store's service climate and Hong et al. (2013) found that service oriented leadership had stronger relationships with service climate than the usual generic forms of leadership. Another area of research conducted by Salanova, Agut, and Peiro (2005) has also focused on the engagement of employees and their effect on the creation of a service climate. In this study, the authors proposed that employee engagement was an important factor which acted as a foundation for the creation of a service climate. The important finding from this study suggested that the level of employee engagement in creating a service climate was a detrimental factor which affected and determined the degree of customer experiences as being favorable or unfavorable (Salanova et al., 2005, p.1217).

In a recent study conducted by Bowen & Schneider (2013), the authors examined a service climate framework where service climates were linked to customer experiences via employees service oriented behaviors such as in-role behavior and customer focused OCBs as mediators that yielded customer experiences (Bowen & Schneider, 2013, p.2-5). This proposition was also proposed earlier by Schneider et al. (2005) in their study which related service climate significantly to customer experiences through customer focused OCBs. It should be understood that through customer oriented service behaviors of employees, customer experiences are mediated and service climate in itself cannot yield customer experiences alone (Chuang and Liao, 2010, p.179-180). Schneider and Bowen (1985); Schneider, Ashworth, Higgs, & Carr (1996); Salanova et al., (2005) conducted studies which revealed important linkages that exists between service climate and various aspects of customer experiences such as studies focusing on the customer reports of service quality, some focusing directly on customer satisfaction, and other on customer loyalty. Other studies have also been conducted which show relationships between service quality, customer satisfaction, and customer loyalty simultaneously with service climate which was examined by Liao and Chuang (2004) in their study. From the extent of all these studies, it can be concluded that service climate of any service organization significantly relates to the customer experiences in a direct or indirect way. This relationship of service climate within organizations with the customer experiences will be a basis for the further identification of the problem statement for this study being conducted.

1.2 Problem Statement

Although there have been various studies that link service climates to customer experiences, hardly any effort has been made to understand and investigate the role of customers in helping to co-create a service climate in an organization. The service-dominant logic (SDL) highlights

the role of customers as being a co-creator of value during the service delivery process and not just helping to co-produce the service (Vargo and Lusch 2004, p.13-14). We have seen the changing role of customers during the service delivery process during the last three decades to a great deal. First, the role of customers during the service delivery process were only regarded as being clients for firms and were considered as ‘partial employees’ of the organization by Mills and Morris (1986). Then, Bowen (1986) later regarded customers as being an important ‘human resource’ in service organizations. More recent studies by Hibbert, Heidi, & Mohammed (2012) have considered customers to being ‘resource integrators’ who obtain value by themselves by integrating their own resources and other resources of the organizations and are involved in the co-creation of value (Bowen & Schneider, 2013, p.12). However, far too little attention has been paid to try and understand the role of customers in successfully co-creating a service climate and understanding how customers tend to react to the service climate of an organization.

Given the extensive research findings on the effect of service climate strength on customer experiences, it would be interesting to know the actual role of customers in the overall creation of the service climate itself. Since the value is co-created by customers and employees during a service delivery process, this takes place in and within the organization as the social context. By understanding the specific role of customers in contributing to create service climates inside organization, the findings could be used by managers of firms to view customers in a different light and emphasize the factors that could really lead customers to help firm create good working climate inside organizations. This gap has also been proposed by Bowen and Schneider (2013) in their recent article, as they propose further research on this topic to understand the interplay of the co-creation of value with service climate creation and the role that customers play in each part of this process. This study could also be interesting to academic researchers as it sheds a different perspective into the creation of service climate and the role of customers as being a very influential actor in the service climate creation process which has not been researched before.

Against this background, the present study seeks to broaden the understanding of the process of service climate creation and the role of customers in co-creating a service climate inside an organization where co-creation of value takes place. The present study was conducted only within the restaurant businesses context in Umeå city of Sweden. Out of the many service industries, this research focused on the restaurant setting as the empirical context because of the fact that the restaurant services are used by people from almost every background. Most service encounters in restaurants between employees and customers are through direct interactions and not all encounters are pleasant experiences for both employees and customers. Some customers might be rude to employees and sometimes employees might not attend to customers with joy. Also, because in a restaurant context, there is considerable amount of time that customers have to spend as they must stay there at least for a while before they order and are served. The presence of customers’ at the restaurant makes it possible for the close interpersonal interactions between employees and customers more likely possible, as well as between customers. Restaurants can be classified as high-contact services as the service provided there is produced in the presence of the customer and because the interactions between the customers and the other parts of the restaurant offerings are also of importance (Walter et al. 2010, p.241). For example, customers are also influenced by other factors such as the layout of the restaurant, the food and beverages, and lighting and interior decorations etc. Employee attitudes towards the guests are often linked to the satisfaction level of the employee from his/her work environment. In high contact-services like in restaurants, this is even so more a case. Since customers spend time and money in restaurants

in search of pleasure, conviviality and interactions (Warde and Martens, 2000, p.6), choosing restaurants as an empirical context for this study provides a fine opportunity to study the customers' participation and their role in the co-creation of the service climate.

1.3 Objective of the thesis

The main purpose of this study is to further understand the role of customers in the co-creation of a successful service climate inside a restaurant firm where there exists direct interaction between customers and employees in the process of service delivery. Since the value in a successful service delivery is co-created by customers and employees alike, restaurant firm acts as a social environment where this co-creation takes place. Our research will thus focus on the restaurant-context service climate creation where we aim to further understand the role customers play in the service climate creation process by looking into the different customer behaviors and experiences and relate it with the behaviors and perceptions of the employees in order to understand how customers react to and help co-create service climates in restaurant organizations as the social context where co-creation occurs.

Thus, the research question developed for this paper is:

How do customers contribute to the co-creation of service climates inside restaurant firms where co-creation of service occurs as a social context?

1.4 Choice of Topic

Before starting with this research, I had the idea of doing a research that focuses on finding out the linkage between customer satisfaction and employee motivation. But after delving further into many literatures about the topic I came to know that the relationship between these two factors was pretty much evident. As a business student, I am very interested to know about the relationship between customers, employees and the firm since these actors are vital in the overall service creation and the creation of a positive service climate within an organization. So, I wanted to do a research which involved customer experiences and how firms could utilize these customer experiences to build a strong positive climate of service in their organization. As I delved further within this area of research, I found that previous research have already established that customer behavior influenced customer related outcomes such as service quality, customer satisfaction as well as firm performance (Yi, Natarajan, & Gong, 2011, p.87). Studies also showed that service climate of a firm significantly related to customer experiences. However, I did not find any studies that investigated the role of customers in helping to create a service climate which really kept me interested. I think this is an important gap in this area of research as customer are also co-creators of service in the organization and the role they play in forming the service climate of the organization should be addressed. Highlighting this gap in the research within the co-creation of service and the climate of service in the organization, I decided to do a research on this topic.

2. Theoretical Framework: A Literature Review

This chapter presents various theories and related literatures regarding service climates, service co-creation, customer experiences and drivers for such experiences, and customer value co-creation behavior, and effects of such customer behaviors giving the readers a good summary on the studies that have been conducted within the research area of this topic.

Several key theoretical concepts have been identified in this thesis. These theoretical concepts have been used as a basis to develop the research question in the previous chapter. The different theoretical concepts are discussed in the following sections.

2.1 Service Climate

According to Schneider et al. (1998) a climate for service is defined as “*employees’ perceptions of practices, procedures and behaviors that gets rewarded, supported and expected with regard to customer service and service quality*” (Schneider et al., 1998, p.15). The policies and practices that guide the behaviors of employees and, the experiences employees gather along with a sense of what is going on around them inside the organization is reflected by the service climate of that organization which eventually shapes the general tone, atmosphere and the work climate of an organization (Schneider, Bowen, Holcombe, & Ehrhart, 2000, cited in Hong, et al., 2013, p.237). When organizations strive to focus advertently on providing better service to its customers, a positive climate for service in that organization can exist (Dietz, Pugh, & Wiley, 2004, p.88-89). Service climate can also be defined as the overall emphasis of the service organization in delivering excellent service and treating its employees’ rightly and creating a favorable environment for them to become motivated towards that goal. When organizations initiate practices and policies that heighten service excellence, employees feel what is expected of them from the organization and strive to work towards that goal. Thus, the different experiences that employees encounter inside the organization from the various events and activities within that organization creates a belief among the employees about what their organization wants and expects from them. This consensual belief of the employees is referred to as the service climate (Hong et al., 2013, p.237) and it is usually specific in focus, descriptive in assessment, and collective/aggregate in the level of analysis (Bowen & Schneider, 2013, p.2).

Substantial amount of literatures from Bendapudi and Bendapudi (2005); Schneider and Bowen (1995) have found out that when employees feel that their organizations’ practices are not keen to focus on customer oriented services, then it affects both the attitudes and behaviors of employees and customers as they are reported to have less positive experiences during service encounter. Therefore, the two important areas where organizations need to focus in order to provide excellent service delivery and, an environment for a positive service climate are the concern for its employees and a concern for its customers. When organizations structure their practices to better meet their employee needs and focus on employee satisfaction, customers are automatically served better (Mechinda and Patterson 2011, p.103). Therefore, it is important for organizations to structure their practices focusing on the needs of their employees so that a strong service climate can exist through which the management philosophy of the organization can be transferred to the performance of its employees.

The need for organizations to have a strong service climate has been considered by many scholars such as Schneider, Ehrhart, Mayer, Saltz, & Niles-Jolly (2005); Schneider, White, &

Paul (1998) as being a very important and critical link in order to translate the internal management philosophy of the organization into effective and improved organizational performance. In order to do this, organizations must include service oriented practices more and develop an overall organizational climate that is favorable to guide the attitudes and behaviors of its employees towards delivering quality services to its customers. It has also been established that employees with certain service-centric personality traits are better able to identify themselves with the philosophy and values of service organizations and are more motivated intrinsically. The perception of a service employee about having a positive service climate depends on the individual's ability to be more conscientious, open to experience, and agreeableness (Auh, Menguc, Fisher, & Haddad, 2011, p.438). Such positive perceptions generated through these service-centric personality traits could also determine how they interact with and serve their customers (Auh et al., 2011, p.427). However, it becomes very difficult for organizations to actually monitor all the activities and assess them during the service delivery process. Therefore, organizations should look to build a climate for service where its employees could be more responsible for building a positive climate in the organization. This would benefit the firm, customers as well as the employees and pave the way for excellent service delivery and customer satisfaction.

It is essential to understand that service climate within an organization plays a critical role in affecting the attitudes and behaviors of the front-line employees towards the customers. If organizations develop practices and policies that reward excellent services, then it will create a positive climate for service and motivate employees to perform better and deliver excellent services to its customers (Mechinda and Patterson, 2011, p.102). The general human resource (HR) practices adopted by the organizations are the foundations through which the strategic focus of the firm are communicated to the employees of that organization. It is through these practices that employees know what actions and behaviors are acceptable and expected of them and rewarded by the organization. Therefore, failing to communicate the organization's strategic focus and service theme to its employees could lead to employees being passive and demotivated to deliver superior services because although these general HR practices are not specifically service oriented, still they are intended to enhance the overall employee performance, thus relating to the gist of service climate (Hong et al., 2013, p.239). Another type of HR practices however, gives a message of service-quality orientation, and follows practices which are targeted towards delivering high quality of service. In a service-oriented HR system, the performance management and the compensation policies of the organization reflect a particular focus on service and studies have shown that they contribute to developing employees' passion for service (Schneider, Wheeler, & Cox, 1992, p.709-710). Although both general HR practices and service oriented HR practices have an effect on service climate, there is no doubt that service-oriented HR practices are more likely to have a more profound effect on service climate than general HR practices as the former conveys concern for both employees and customers which is the main theme of service climate (Chuang & Liao, 2010, p.177-178).

We shall now look into concepts regarding service oriented practices that are employed by many organizations so as to facilitate and motivate employees to improve the quality of service delivery.

2.2 Service oriented Organizational Citizenship Behavior (OCB)

According to Saxe and Weitz (1982), customer orientation is the "*willingness of individual service providers (in this case employees) to customize their service delivery according to the*

customer's situation (e.g. needs, preferences, problems etc.) so that such behaviors lead to customers being satisfied' (cited in Mechinda and Patterson, 2011, p.103). The service industry is very unpredictable and fragile and the slightest of ignorance or misjudgment by the service providers could lead to disastrous situations. Firms should promote practices that seek to deliver excellent services and make their employees feel valued and employees should be recognized and rewarded for doing that. There is no denying that sometimes there are customers who are just rude, impolite and disrespectful or just aggressive with their unreasonable demands who often pose serious problems for service workers and firms. Studies have also suggested that due to such customers' actions, service workers tend to develop multiple negative emotions leading to negative outcomes and even leading to employee service sabotage. But despite the circumstances, the decision of the employee to react negatively also comes from the service worker's moral identity (Chi, Tsai, & Tseng, 2013, p.298-299). Employees should also be willing to go above and beyond their usual job descriptions in order to provide service to their customers and even try to exceed their customer's expectations. This activity where employees are willing to put an extra effort in trying to satisfy customer needs and preferences is also termed as organizational citizenship behavior (OCB) and these behaviors are usually discretionary in nature and not mandatory to perform in part of the employees as part of their job (Organ, 1988, p.4).

In order to create a strong and positive service climate, firms should take comments and ideas from their employees and should encourage more participation from their employees. Empowerment of employees to suggest ideas and suggestions provide first hand opportunities to respond to customer changing demands as suggested by Batt (2002); Liao and Chuang (2004); Ro and Chen (2011). Moreover, in a restaurant service, the importance of service-oriented OCBs adopted by frontline service employees could play a vital role in providing effective service delivery and quality service because frontline service personnel in a restaurant are in direct and constant contact with the customers. Being able to provide instant services and responses to customers have direct influences on the customers' overall impression of the organization and also becomes a major determinant for the decisions for repeat purchases. A study conducted by Ma, Qu, Wilson, & Eastman (2013) concluded that service oriented OCBs directed towards customer orientation did influence the satisfaction level of the customer and determined the repeat purchasing behavior of the customers (Ma et al., 2013, p.314). There is no doubt that organizations that design and manage their service climates with customer-focused approach will create higher level of employee satisfaction and their commitment to the firm. This will also motivate the behaviors of employees to better serve and facilitate the creation of positive customer satisfaction and their perception of service quality (Paulin, Ferguson, & Bergeron, 2006, p.906).

A vast array of studies has confirmed the linkages between employee attitudes and customer satisfaction and the overall firm performances. The service profit chain model proposed by Heskett, Sasser, & Schlesinger (1997), emotional contagion framework put forward by Pugh (2001), and service linkage research asserted by Schneider et al., (2005); Wiley (1996) have all suggested that employee attitudes and service performance will result into customer satisfaction (cited in Hong et al., 2013, p.241). The study by Pugh (2001) confirmed that the attitudes of the customers are partly influenced by the attitudes and behavioral display of the employees through the emotional contagion process. If firms create an environment where a positive service climate can exist through appropriate service behaviors and customer oriented OCBs, the attitudes and behaviors of the employees will be dedicated towards providing excellent service towards its customers. This positive group affective tone is then transferred to all the service workers within that organization and it creates a supportive social context for

the employees of that organization (Chi et al., 2013, p.315). This in turn will create a pleasant experience for customers making them value the quality of service greatly. The eventual outcome of this experience would be that these customers will have positive in-store moods and would want to spend more time inside the store making the possibility of higher purchase intent possible (Tsai & Huang, 2002, p.1001).

Therefore, it can be argued that the effect of service climate on customer satisfaction is mediated in part by customer focused OCBs and service oriented HR practices (Schneider et al., 2005, p.1026-27). This relationship between service climate and employee attitudes and service performance being positively related to customer satisfaction and subsequently financial performance is also made evident through a study by Hong and his colleagues (2013). Hong et al. (2013) found that service climate had a positive relationships with collective employee attitudes (e.g. job satisfaction and commitment) and service performance (e.g. task performance and OCB), which were connected to customer satisfaction eventually relating to the financial performance of the firm (Hong et al., 2013, p.251). It is also important to understand that when a service is created or delivered, it is not only the firms' or the employees that create value during the process. Customers are equally responsible and liable in the service creation process. In fact, early research on service creation process has stated that for a pleasant and successful service delivery to take place, customers play a significant role during value creation of service delivery process (Bowen, Siehl, & Schneider, 1989, p.75). Therefore, in order to clearly understand the role of customers in the service delivery process, we need to understand the concept of value and value creation which is the next topic we will discuss.

2.3 Value co-creation in service logic

Value and value creation have often been an elusive concept in service marketing and yet it has been frequently used in the literature. According to the traditional good-dominant (G-D) logic, value is created by the manufacturer of the goods which is then exchanged with the customers for goods or money. Thus, this view of value is entirely based on the value-in-exchange meaning of value and the process of value creation was entirely an activity performed by the firm (Vargo, Maglio, Akaka, 2008, p.146). A different view on value and value creation came to light when the service-dominant (S-D) was published. This view proposed that value is not only created by the firms, but it is co-created by producers and customers jointly. This view shifted the traditional focus of value-in-exchange to value-in-use meaning of value, where value was co-created through the interaction of resources between customers and the firm or firm's resources (Vargo et al. 2008, p.146). An important contribution from the study by Vargo and Lusch (2004) was that they proposed that value creation did not only depend on the activities of firms but it was always co-created with the combined efforts of customers, employees, and the firm. Moreover, in the process of value co-creation, the value derived is always determined by the beneficiary party (customers) (Vargo et al. 2008, p.148).

Value creation can be simply understood as a process through which when users use something and they tend to become better than they were before by using that goods/service or when the goods/service the user uses increases their well being. Therefore, when considering the value-in-use concept, value creation can be regarded as the perception of customers' experience from using the resources (Gronroos, 2011, p.282). It is important to understand that service in the eyes of the customers mean that they acquire and use all the

resources and processes that are presented by the supplier to them and in the process customers may even apply their own skills in order to create value for them. Thus as also proposed by the service logic, customers act as resource integrators who interact with resources provided by their service providers. For customers to create value for themselves, they have to be able to integrate the resources that they acquire with other necessary and available resources (Gronroos 2011, p.286). Therefore, from the customer's view point, service means being able to use the available resources in a value creating way (Gronroos, 2008, p.301).

However, the meaning of service for the firms/providers could imply supporting their customer's practices with resources and interactive processes so that their customers are able to create value for themselves. So the firms/providers must aim to facilitate value creation process by providing support with the firm's resources and processes (Gronroos 2011, p.286). Therefore, a service provider's main focus should be to develop these interactive processes and integrate the goods resource or resources in such interactive processes in which customers are involved (Gronroos, 2011, p.287). Vargo and Akaka (2009) noted that unless customers do not incorporate the offerings that firms and service providers provide to the customers into their lives, value cannot be created. As already determined by the service logic, it is the customers who create, experience, and determine what value is created. Firms, however, act as a facilitator of value providing support of resources and processes through which customers can make use of the offerings provided to them (Gronroos 2011, p. 288-289). When such offerings are made available to the customers then customers choose those offers which they think would provide them with the maximum utility by evaluating those offers.

In the next section we will look into the Service dominant logic more closely and also explore the social construction approach which will help us to understand the value co-creation process broadly from a social context.

2.4 Social construction approach

According to the service-dominant logic (SDL), all providers are service providers, and service takes place only when there is an exchange of some goods/service between customer/users and the firm/service providers. The S-D logic also posits that value was always co-created with the customers and customers were at the center of the value creation process. As customers made use of the resources that firms provided them with, by applying their own skills and experiences, value was created by customers as they perceived and that firms were only regarded as facilitators of the value. Vargo and Lusch (2006) stated in their S-D logic that both providers and customers act as resource integrators who act in networks which are embedded in service systems within an organization. It is also important to understand what a service system is in order to delve into the concept of value co-creation. A service system is defined as a "*value-co-production configuration of people, technology, other internal and external service systems, and shared information (such as language, processes, metrics, prices, policies, and laws)*" (Spohrer, Maglio, Bailey, & Gruhl, 2007, p.2). Thus, the configuration of people, resources technologies and practices present inside the organization's domain through which customers are able to obtain value make up the service system of a particular firm. It is essential to understand that the service systems of an organization adapt and survive through the interaction and integration of resources that are mutually beneficial to the involved parties within firm or firms (Vargo and Lusch, 2008, p.5).

Unlike the traditional goods dominant logic where firm was regarded as the sole creator of value, the service logic proposed by Vargo and Lusch (2004) proposed that without customer no value could be created and that customers did have a major role in value creation process. The service logic placed customer as being in the center of value creation process and according to the basic idea of the S-D logic, value co-creation involved process orientation which requires the involvement of the customer in the co-creation of value that goes beyond the provider's output to include resources in the customer's own network as well which has been well established in studies conducted by Moeller (2008); Vargo and Lusch (2008). The service-dominant logic establishes that value is dynamically co-created with customers as either "value-in-use" or "value-in-context". In both cases, attention was not given to the social context where this value creation process takes place and the whole value creation process has only been regarded as an individualized perception which was entirely independent of the social context in which the service takes place. However, in a recent study conducted by Edvardsson, Tronvoll, & Gruber (2011), this aspect was considered and the authors tried to encompass the social context where the value co-creation took place and the different factors that affected the process. The social construction theories emphasized that value co-creation took place within the social systems and it extended beyond the individual and subjective setting. Therefore the authors proposed that the process should be understood as a part of the social context (Edvardsson, Tronvoll, & Gruber, 2011, p.329).

Developing on this concept, the authors took it a little further by pointing out that value is a socially constructed process and that in the value co-creation process social forces interact with each other through which value is reproduced in the social structures where the value created may not be the same to all the actors involved in the co-creation (Edvardsson et al. 2011, p.327). The study positioned customer in a social context as an inter-subjective actor and a resource integrator rather than an individual actor. The findings from this study suggested that customers' position, role and interactions within the various social systems did have a major impact on the development of their operand (knowledge and skills) resources and their ability to use operand (physical goods and services) resources while co-creating value. According to the authors, when customers use their prior knowledge and experience in co-creating value, sometimes other actors in the organization such as employees (mainly front-line employees) could even be forced to make changes to their own roles in the process so as to accommodate the customers' needs and preferences (Edvardsson et al. 2011, p.336). From this point of view, it is also important to understand that although the collective social forces often play a significant role during service exchange and value co-creation, it should also be noted that the individual needs, preference, habits and values of actors also plays a significant role in the process (Edvardsson et al.2011, p.337). Actors make use of the operand as well as the operand resources that are present in the socially constructed systems. Thus, the social interaction and roles of actors within the social systems, their positions and their influences on the overall service process should be paid attention to (Edvardsson et al., 2011, p.337).

There is no doubt that value is co-created when the resources are integrated and the competencies are applied by the actors involved in a socially constructed structure. This is possible through the interactions between providers and beneficiaries (Vargo et al. 2008, p.145). The importance of social interactions in co-creation of service and value-in-context is vital as they give direction to customers, employees and other actors within the social context. Flint (2006) rightly stated in his study that value is not static and it is something that emerges and morphs over time for individual customers (Flint 2006, p.356). When customers interact with employees, other customers and other actors, they initiate interaction and co-creation of services. Thus, we can argue that communication is the core of social interaction and is vital

for the transfer of information between the customer and the provider, as well as between customers (Edvardsson et al. 2011, p.332). Given the importance of social interaction in the value creation process, we will now look at the concept of interaction and its impact on value creation process in the next topic.

2.5 Interaction concept and its impact on value creation

The concept of interaction is considered as a key construct in the area of service marketing research. For any type of interaction to take place there must be at least two parties present and the mutual and reciprocal action by which the two or more parties affect each other is called interaction (Gronroos 2011, p.289). For an interaction to take place, the interacting parties should be involved in each other's practices by coming in close contact with each other. In a service contexts, interactions usually takes place in the form of *service encounters* where the interacting parties are involved in each others' practices and have the opportunities to influence each other (Gronroos, 2011, p.289). Service encounter refers to "*a period of time when the buyer and seller meet and engage in behaviors and activities*" (Wong & Sohal, 2003, p.249). Other definitions also highlight the different experiences that customers encounter such as "*discrete, separate, and distinct events and behavior, as well as a customer's interaction with all the dimensions of a service, such as the physical surroundings and the service contact employees*" (Wong & Sohal, 2003, p.249). Therefore, service encounters are considered as a psychological phenomenon as it highlights the interactional emphasis between parties involved, which has a direct impact on the outcomes on the attitudes of employees, customers as well as the performance of the firm in overall (Solomon, Surprenant, Czepiel, & Gutman, 1985, p.100).

During service encounters, both the customer's and the firm's are involved in processes of their own. But these processes are not recognized as occurring in parallel. In fact, the firm's processes and the customer's processes are integrated into one process which occurs simultaneously. This 'integrated' process has been termed as 'dialogical processes' by Ballantyne and Varey (2006) which they describe as a merging of the two processes into one integrated process (Ballantyne & Varey, 2006, p.339). Here, the customers and the firm's employees engage in a coordinated manner where the actions of both customers and firms' employees have the opportunity of influencing each other's process and learning from each other (Gronroos 2011, p.290). For example, when serving a restaurant guest, the waiter and the customer are engaged in a service encounter and both parties engage in a simultaneous process when interacting. Here, both the waiter and the customer can take actions that influence the other which can ultimately influence the outcome of the process. Therefore, interactions between the employees and customers are very important and are considered as a key element that determines the linkage between the perceptions of the employees and the customers (Schneider and Bowen, 1995, p.424).

The fact that interactions do not include two parallel processes, but rather the processes are merged into one coordinated interactive process, both the customers and the firm do have opportunities to influence each other's processes. Firms can take part in the value-creating process of the customer as a co-creator when they are in direct interactions with them during service encounters. Although customers are in charge of their value creation and are their own value creators, firms could also co-create value with customers provided that they make use of the opportunities of the interactive processes during direct interactions (Gronroos 2011, p.290). When there is no direct interactions, firms can only act as a value facilitator and

cannot be independent value creators making value co-creation impossible (Gronroos 2011, p.290). It is very important for firm's employees who are in direct contact with the customers to learn how to deal and manage customer interactions because not all direct interactions turn out to be favorable in influencing customers' value creation process. If these front line employees cannot clearly understand the needs and wants/preferences of its customers then it is likely that customer will perceive less value from that service encounter and result in a negative outcome. Therefore, it is important to understand that it is not customers who become co-creators of value, but rather it is firms/providers who have the opportunities to become co-creators of value with their customers who actually create value by providing resources that customers can make use of to create value which is possible when there is direct interaction between the service provider and the customer (Gronroos 2011, p.290).

The interactions that exist between the firm's frontline employees and the customers only provide a platform through which firms can influence the customers' usage processes and value creation which makes firm a facilitator of value creation. However, if firms are to co-create value with the customers, firms must be able to make use of the resources they provide to customers during the process (Gronroos 2011, p.290). Customers' experience of the service is largely dependent on the service encounters and the direct interaction between the customers and the employees of a firm. Since value created is based on the perception of the beneficiary party (customer), it is a direct outcome of the experience that customers derive when they engage in direct service encounters. In the following section, we will discuss customer experiences and the drivers that influence the customer experiences.

2.6 Customer Experiences and Drivers of customer experiences

Consumers have more information about the goods and services they use than ever before, therefore they become more flexible in making their decisions and have many choices to choose from. Their choices are not static these days, but rather they can choose and test from a large variety of goods and services in order to achieve different experiences. These choices vary with context and different decision strategies are often used to make these choices (Williams, 2000, cited in Walter, Edvardsson, & Ostrom, 2010, p.237). Thus, it is important for the management of service companies to understand that their customers are no longer passive in their buying behavior. Management firms, in order to remain competitive in the market should understand what customers want and what contributes most to the value that customers perceive from the goods/service firms provide (Walter, et al., 2010, p.237).

In the service-dominant logic proposed by Vargo and Lusch (2008), the goods and services are regarded as being integrated and customers are portrayed to be actively involved as a co-creator of service. The SDL perspective changed the role of customer as being seen as an operand resource (goods and physical resources) to being regarded as an operant resource (skills and knowledge about how to do things) who does something actively during the value creation (Walter et al. 2010, p.239). The customers are the ones who are creating value by judging the value-in-use themselves through interaction with the product/services and other resources provided by the firm. This customers' experienced value depends on what the customers compare their experience with and the context or situation of consumption experience during the service process (Walter et al. 2010, p.238).

According to Sundbo and Hagedorn-Rasmussens (2008), a customer experience is *“a mental journey that leaves the customer with memories of having performed something special,*

having learned something or just having fun” (cited in Walter et al., 2010, p.238) This definition highlights that customer experiences involve customers being actively involved in some way and storing that experience in their memory which could later be referred to in the value creation process as competencies or knowledge. Another definition by Johnston and Clark (2005) define customer experience as “*customers’ direct and indirect experience of the service process, the organization, the facilities, other customers and how the customer is treated by the service firm’s representatives*” (cited in Walter et al. 2010, p.238). Such experiences initiated through direct or indirect interactions with the firm or employees triggers the customer’s cognitive, emotional and behavioral aspects and customers capture these experiences as memories. The outcomes of a service experience are usually initiated by the customer and these outputs could be tangible outputs, value, emotions and judgments or intentions (Johnston and Clark, 2005, p.9).

It is also important to know what factors affect the customer experiences. A study by Walter, Edvardsson and Ostrom (2010) pointed out three important frequent drivers of customer experiences as from the customer’s viewpoint which is also conducted in a restaurant setting. The three different frequent drivers were social interactions, the core service, and the physical restaurant environment (Walter et al. 2010, p.248-249). We will look into all three drivers in brief to get a better understanding. Social interactions occur between customer and employees, between customers, and also between employees. Social interactions occupy a central and essential part in the overall experience process because they are a medium through which customers construct their own meanings of the context and shape their preferences (Gupta and Vajic, 2000, p.39). The findings from the study by Walter et al. (2010) asserted the concept put forward by Holbrook (2006) that customer value is “*an interactive relativistic preference experience*” and that customer experience does not take place in isolation but in interaction with other people (Walter et al. 2010, p.254). Therefore, social interaction is an important factor that determines whether the customer experience is favorable or unfavorable especially in a restaurant setting context.

Another important driver for customer experience was the core service provided by the firms (food and beverage aspects) which were also found to be seen as playing a central part for the customer’s favorable or unfavorable experience. The quality of the food and the service level of the restaurant played an important role for customer experiences (Walter et al. 2010, p.252). The third important driver for customer experience was the physical environment of the restaurant which was also described as being one of the important influential drivers for customer experience. The exterior, interior, layout and the overall service-cape was seen to be a key factor to evoke positive or negative experience from the guests (Walter et al. 2010, p.250).

Now that we have understood what customer experience is and what are the drivers of customer experience, in the next topic we will see how customer behaves in the process of value co-creation which will provide us foundations to help us understand the role of customers in co-creating service climates inside organizations.

2.7 Customer value co-creation behavior

As we already know from the S-D logic that customers are not merely responders in the value creating process, but are rather active value-creators themselves as proposed by Vargo and Lusch (2004), it is necessary to focus on understanding the customer behavioral aspect of

value co-creation in this regard. Past researches on the customer value co-creation behavior from scholars like Bove, Pervan, Beatty, & Shiu (2008); Groth (2005); Yi & Gong (2008); Yi, Natarajan & Gong (2011) have identified two types of customer value co-creation behaviors namely customer participation behavior and customer citizenship behavior. Customer participation behavior is the “*expected and required behaviors which are necessary for the successful production and delivery of the service*”, whereas customer citizenship behavior is “*voluntary and discretionary behaviors that are not required for the successful production and delivery of the service but that, in the aggregate, help the service organization overall*” (Groth, 2005, p.11).

In general terms, customer participation behavior refers to all forms of customer involvement and engagement in the value creation process (Yi et al., 2011, p.88) whereas, customer citizenship behavior is a voluntary act in part of the customers, and the customers need not strictly comply to these behaviors in order to create a successful service. They are free to perform citizenship behaviors at their sole discretion. Yi and Gong (2013) made a study that conceptualized customer value co-creation behavior as a multidimensional construct and further divided the two types of customer value co-creation behaviors into four dimensions each. The customer participation behavior was further divided into four dimensions: information seeking, information sharing, responsible behavior, and personal interaction. Likewise, customer citizenship behavior consisted of four dimensions: feedback, advocacy, helping, and tolerance (Yi and Gong, 2013, p.1280). We will now discuss each of these dimensions briefly.

2.7.1 Dimensions of customer participation behavior

The customer participation behavior has been divided into dimensions namely information seeking, information sharing, responsible behavior, and personal interaction. When a service delivery is carried out, customers participate in the process by indulging themselves through these behaviors. Below we discuss these dimensions.

- **Information seeking:** Customers need to be aware of the information about what they are expected to do and how they are expected to perform their tasks as value co-creators during a service encounter. Customers usually seek information in order to clarify and satisfy their service requirements and service needs (Kellogg, Youngdahl, and Bowen, 1997, p.210). Seeking of information by the customers is important because it reduces uncertainty in part of the customers and enables them to better understand and control their co-creation environments. It also enables them to become integrated into the value co-creation process and master this role as value co-creators (Yi and Gong, 2013, p.1280).
- **Information sharing:** During value co-creation, it is important that customers provide important information to the provider. Through better information sharing with the employees, customers can make sure that the services provided by the employees meet their particular needs (Ennew & Binks, 1999, p.123). Therefore, sharing of information in the process of value co-creation is essential for its success, as failure to do so might result in the value co-created being low (Yi and Gong 2013, p.1280).
- **Responsible behavior:** For a successful value co-creation to occur between the customers and employees, it is essential that customers recognize their duties and responsibilities as being partial employees of that firm and being equally responsible

(Yi and Gong 2013, p.1280). Without the responsible behavior of the customers, there can be little value co-creation during the service encounters. Therefore, customers need to be cooperative, observe rules and policies of the firm, and also be willing to accept directions from the employees (Bettencourt, 1997, p.386).

- **Personal interaction:** Another important dimension of the customer participation behavior is the personal interaction aspect with the employees. Personal interaction can be defined as the interpersonal relations that take place between the customers and the employees which might include aspects such as courtesy, friendliness, and respect (Ennew & Binks, 1999, p.130). When the environment within the social setting is positive, pleasant, and congenial, it is more likely that customers engage in value co-creation (Lengnick-Hall, Claycomb, & Inks, 2000, p.363).

2.7.2 Dimensions of customer citizenship behavior

Similarly, the customer citizenship behavior is divided into four dimensions namely feedback, advocacy, helping, and tolerance. During the service delivery, customers do not require to comply with these behaviors but rather they are a matter of choice whether to comply or not. These dimensions are discussed below:

- **Feedback:** According to Groth, Mertens, & Murphy (2004), feedback includes solicited and unsolicited information that customers provide to employees. This information helps the employees and the firm to improve their process of service creation in the long run (cited in Yi & Gong, 2013, p.1280). From the customers' perspective, they offer guidance and suggestions to employees as they have considerable amount of experience with the service. And by following the suggestions and feedbacks from the customers, the firm can benefit in terms of providing better service in the future (Yi and Gong, 2013, p.1280).
- **Advocacy:** Advocacy means referring or recommending the firm or employee to other people. It shows the allegiance of the customer towards the service provider as the customer promotes the interests of the firm beyond their individual interest. Advocacy can greatly contribute to the development of a positive reputation for the firm, its products and services and higher evaluations of its service quality, thus increasing its customer base (Yi and Gong, 2013, p.1280).
- **Helping:** Helping in a service co-creation process refers to the customer behavior which is aimed at assisting other customers who might need help and who might be experiencing difficulties in acting the way that are expected of them. Some customers display a feeling of empathy towards other customers who are experiencing difficulties because they recall their own difficult experience of such services and believe that by helping others overcome the difficulties it gives them a sense of fulfillment (Yi and Gong, 2013, p.1281).
- **Tolerance:** Tolerance is the willingness of customers to be patient even when their expectations of adequate services are not met during the actual service delivery. The tolerance level of the customers will help the firm a great deal in the aggregate overall because service encounter failure are considered as the second largest cause of customer switching behavior (Yi and Gong, 2013, p.1281).

2.8 Effects of customer behaviors in co-created service delivery

Now that we have discussed the types of customer behavior and its dimensions, it is also important to know how these behaviors influence other actors involved in the co-creation of service delivery. When customers participate in service delivery process, they seek enhanced satisfaction and fulfillment of their personal needs by actively co-creating values with the service providers (Dong et al., 2008, p.124). Thus, in order to understand the effects of customer participation during the service delivery, we have to first explore the customers' psychological responses and their impact on the satisfaction level of the customers. When customers prefer to use a self-service systems and technologies instead of interpersonal services, it was found that customers did enjoy feelings of accomplishments and self-efficacy (Meuter, Bitner, Ostrom, & Brown, 2005, p.64). This suggests that customers are creating more value on satisfaction when they participate themselves in the service delivery process. Similarly, another study conducted by Zeithaml and Bitner (2003) argued that customers become more committed and motivated to co-create service as their level of participation increases resulting in a higher perceived service quality from the service.

As previous researches by Ennew and Binks (1999); Skaggs and Youndt (2004) also showed, customer behaviors not only influenced customers' satisfaction levels and their perception of the service quality but also influenced the overall firm performances (Yi et al., 2010, p.87). The service marketing literature has considered the importance of customers as being an essential component of the firm's environment and recognized them as human resources of the firm (Yi et al., 2010, p.88). Some organizational theorists such as Rodie and Kleine (2000) argue that customers do provide substitute labor for the frontline service employees (FSEs) within a firm in the form of information and resources they give or share and that the effective service delivery is highly dependent on the interaction of the customers with the firm and its frontline employees (Yi et al., 2010, p.88). There have been strong studies that suggest that the interactions that take place between the frontline employees and customers of a firm are a major factor which determines and drives the efficiency of the service operations of that firm. The firm could improve its operational efficiency by actually deploying its resources more effectively by identifying the high-contact and low-contact subunits in the firm according to the customers contact frequency which has been put forward by scholars such as Bowen (1986) and Chase (1981).

As discussed above, when firms deploy their frontline employees (FSEs) effectively and shift their focus more towards customers, then the chances that a more rewarding and positive interaction can manifest is more likely as FSEs will have more time to engage in the social interaction with the customers. This can benefit the employees' performance as they are likely to share more information with the customers and will be willing to show more understanding and concern for the specific needs of the customers which ultimately could create better understanding of mutual needs between the employees and the customers (Homburg, Grozdanovic, & Klarmann, 2007, p.22). Moreover, customer behaviors such as customer's citizenship behavior could affect and bring changes in the employee attitudes as employees could feel an obligation to reciprocate with positive behavior towards the customers (Cropanzano and Mitchell, 2005, p.890). This positive attitude at work is important for employees to grow and prosper inside the firm. Having a positive attitude and being happy at work also makes them accept more responsibility which increases their satisfaction and commitment towards that firm (Tepper, Duffy, Hoobler, & Ensley, 2004, p.456). The

citizenship behaviors from customers like providing feedbacks could provide FSEs with valuable knowledge which they can spread to their co-workers and throughout the firm (Yi et al., 2010, p.90).

2.9 Theoretical summary

We should acknowledge the fact that the service climate creation in an organization is a large topic comprising of various elements and it is difficult to summarize the topic in a few pages. But however, in this chapter I have tried to lay the foundations that make up the service climate in an organization by using different theories. First, we discussed what service climate is and how important it is for organizations to develop a positive service climate in order to motivate its employees to have the right attitude to work so that they provide quality services to the customers. Focusing on the HR practices of the firm towards service orientation, employees become more passionate about their work and seek to deliver quality services. Such service oriented practices designed by firms help direct behaviors of the employees in line with the organizations management philosophy and also positively influences the customer satisfaction levels and increases their chances of returning back with repurchase intentions. We highlighted that customer focused service behaviors of employees mediated the effect of the service climate of the firm on its customers satisfaction levels. Then we looked into the concept of value co-creation in service logic and pointed out that value from a service is co-created with the efforts from customers and the resources of the firm. When firms and customers come into direct contact, firms act as a facilitator of resources through which customers create and experience value from the offerings provided to them by the firm.

After that, we delved into the social construction approach where we recognized value as a socially constructed process where the collective social forces play a crucial role during value co-creation. This put customer at the forefront of value co-creation where they used their previous knowledge and experience when interacting with various social systems when making use of the resources provided to them by the firm. This was then followed by discussing the interaction concept and its impact on the value creation process. During service encounters between customers and employees of the firm, both parties are involved in a combined integrated process where each party could influence the perception of the other through direct interaction, thus determining the value being created. Example of a restaurant waiter and customer was also presented following the discussion. Customer experiences were discussed after that and the key drivers that make up the customers' experience were seen to be social interactions, the core services of the firm, and the environment of the firm. These three elements were found to trigger the customer's cognitive, emotional, and behavioral aspects leading them to store such experiences as memories. Then the chapter followed with description of the customer behavior attributes during value co-creation process. The dimensions of the two types of customer value co-creation behaviors are explained which gives us an understanding of the ways customer react to and engage in during the value creation process. Finally, the chapter concludes with theories that show the effects of customer behaviors on the employees and firm during co-creation of services which gives us an insight into how employees and firms could benefit from such customer behaviors.

Table 1 below illustrates all the theories covered in this chapter and provides information on how these theories will be used in the empirical study providing the overall framework of the study in focus.

Section	Topic	How it will be used in the empirical study
2.1	Service Climate	<ul style="list-style-type: none"> • To understand the present service atmosphere within the restaurants in study • To create questions on the service expectations of customers and the actual service climate perception of employees • To use the findings to answer the RQ
2.2	Service oriented OCBs	<ul style="list-style-type: none"> • To create questions and analyze answers which shows how such activities lead to better working environment • To use the findings to answer the RQ
2.3	Value co-creation in service logic	<ul style="list-style-type: none"> • To develop questions and analyze answers regarding the firm competence and resources availability showing firm as a facilitator • To use the findings to answer the RQ
2.4	Social construction approach	<ul style="list-style-type: none"> • To develop questions and analyze answers by incorporating the customers at the center of value creation process • To use the findings to answer the RQ
2.5	Interaction concept and its impact on value creation	<ul style="list-style-type: none"> • To develop questions and analyze answers which show the influence of interactions on both customers' and employees' attitude and behavior • To use the findings to answer the RQ
2.6	Customer Experiences and its drivers	<ul style="list-style-type: none"> • To create questions and analyze answers which show the use of prior use of experiences by customers when in direct interaction with employees • To use findings to answer the RQ
2.7	Customer value co-creation behavior	<ul style="list-style-type: none"> • To develop and analyze questions regarding the behavior of customers to understand why and what motivates them to carry out such behaviors • To use the findings to answer the RQ
2.8	Effects of customer behaviors in co-creation	<ul style="list-style-type: none"> • To analyze the questions and link up the findings to understand the influence of customer behavior on the environment of the firm • To answer the RQ

Table 1: Chapter two summaries and its intended use in the empirical study

2.10 Conceptual Framework

From the above literatures, I have developed a conceptual framework through which this study will be carried out (See Figure 1). As I have already discussed earlier in the chapter that in a service context, direct interactions between customers and front-level employees play a

major role in determining the outcome of the service, it is important to take both employees and customers into account during co-creation of service. The theoretical concepts which I have referred to in this chapter provided me with a base from which I was able to propose a definite gap in the research area. The eight major theoretical concepts that I have discussed also helped me formulate my research question and the interview guide. The interview guide developed was aimed to divide the information and data into two different themes namely customer and employee themes.

Four different topics were classified into customer themes which are service expectations, social interactions, previous experiences, and customer participation and citizenship behaviors. In order to find out the roles customer play in the service delivery, it was important to know what customers expected from the service they receive. This is why the service expectation is categorized as a customer theme. Since customers and employees communicated through social interaction during the actual service delivery, social interaction is categorized in both customer as well as employee themes. As we have discussed in section 2.6, customers store their experiences from previous service encounters into their memories and they recall those memories to compare or relate to the present service. Therefore, previous experience of customers is categorized as another important customer theme. Lastly, the final customer theme is categorized as customer participation and citizenship behavior. As customers are active value-creators, they are very much engaged in the overall process of value creation from the service they receive. Therefore, in order to understand the role of customers in the overall co-creation of service climates within restaurants, it is necessary to understand this behavior of customers in detail.

Similarly, I have categorized six employee themes from the literatures of which the first theme is the general questions which is aimed to know a brief background about the employees. The second theme is the service climate which is aimed to know the present working climate of employees in that restaurant. Considering the present atmosphere and the working environment of the employees in the restaurants could be an important factor when trying to find out how these factors can influence the interaction process of employees with the customers. The third employee theme is service quality and this theme is intended to find out the management's commitment towards providing quality service to the customers. The quality of service that a restaurant provides is one of the most important factors through which customers become satisfied and happy. Thus, it is necessary to know if management is committed towards providing quality service to its customers or not. The frontline employees are the ones who are mainly in direct contact with the customers during service delivery. Therefore, social interaction as I have already mentioned before has been listed in both employee and customer themes. However, in the case of employees, social interaction along with firm competence has been categorized into one theme because firms facilitate the value creation process by providing employees and customers with its resources through which value creation can be made possible (Gronroos, 2011, p.286). The fifth employee theme was categorized as empowerment and flexibility of employees considering that the strength of service climates inside firms depends on the level of empowerment of employees to suggest ideas and act on the opportunities to respond to customer demands. The final employee theme is the customer focused OCBs. Since it is important for firms to make sure that their services are intended to providing superior quality services to the customers, firms try to instill practices that are targeted to motivate their employees to perform customer focused OCBs. Therefore, classifying this as the sixth and final employee theme can help understand its significance when trying to understand the reaction of customers to such employee behaviors.

After classifying the information and data collected from the empirical findings into customer and employee themes, the themes are then further categorized into four different categories namely Service Environment, Social Interaction, Employee Engagement, and Customer participation and citizenship behaviors through which further analysis will be done of the gathered data (see figure 1). These categories are categorized on the basis of the literature review and are believed to be the most important factors that are involved in determining the service climate within restaurant firms. To determine the current service environment of the restaurants, themes like service expectations, service climate, service quality, customer focused OCBs were used. For social interactions category, previous experience of customers, interactions and firm competence were used. For employee engagement, themes such as service climate, employee empowerment and flexibility, and interaction and firm competence were used. Similarly, for the final category, themes such as customer participative behavior and service quality were used.

This framework comprehensively presents all the factors that influence the service climate within the firm. The present service environment in which the employees work is a major factor through which the service levels of the employees are influenced when they serve their customers. It is this environment through which customers generate their expectations from the service thus it serves as a platform for customer expectations. Under this platform, customer and employee come into direct contact and engage in social interaction through which they have an opportunity to influence each other's processes. This social interaction between customers and employees gives firm and its employees an opportunity to co-create service with the customers and the degree of freedom of employees have to suggest ideas and participate in service delivery process could help generate the optimum value from the service delivery. The final category is the customer participation and citizenship behaviors which is also a very important behavior of customer and that is necessary for the successful delivery of the service. Through citizenship and participative behaviors customers play a vital role in the service co-creation and help employees co-create service. These four categories are believed to impact the overall service climate within the restaurants. In conclusion, the conceptual model developed in figure 1 aims to create a theory which potentially could help understand the role of customers in the co-creation of service climate inside restaurants.

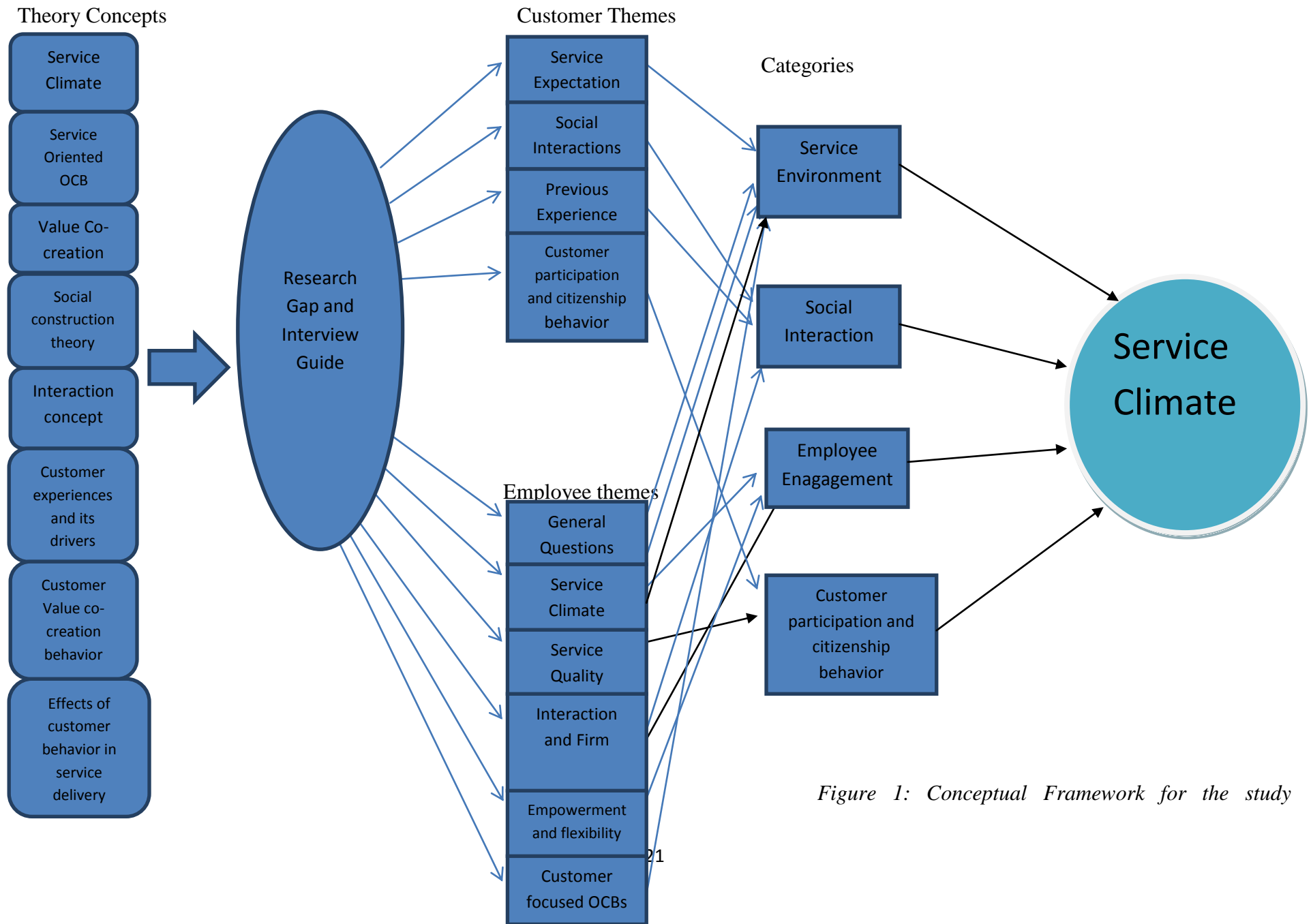


Figure 1: Conceptual Framework for the study

3. Research Methodology

In this chapter, the research philosophy, research approach, and strategies used in this study are explained and I also provide arguments for using such methods and strategies. Then, the practical aspects of the study such as the data collection methods, respondent selection and interview types are discussed so that the readers become clear about the progress of the study being conducted.

3.1 Researcher's Preconception

The author is currently enrolled in the Masters in Business Development and Internalization program in Umeå University and has completed courses such as Consumer behavior, marketing strategy, business to business marketing, project management and organizational design. Moreover, the author's interest in the entrepreneurial and management field also led him to do research more on this area. Since satisfying the customers and motivating the employees to provide better service could be vital factors for success of any new venture, the creation of a positive service climate within an organization could be the backbone for having positive employee attitudes at work and satisfied customers. Understanding the role of customers in the process of service climate creation could increase the customer participation in the overall service delivery and could also be helpful in retaining the customers. Also, this area of study was interesting to me not only as a business student but also as a customer and a future entrepreneur as I would have to deal with my employees and look into ways to motivate them as well as satisfy my customers. I believe that with this study, deeper understanding of the roles that customers play in co-creating positive service climate in the restaurant firm can be explored.

3.2 Research Philosophy

It is important for researchers to consider the appropriate research philosophies for his/her research as understanding the basic assumptions of research philosophies can enable the researchers to reach designs beyond their past experiences (Blumberg, Cooper, & Schindler, 2008, p.16). Through the basis of appropriate research philosophies, right choices of research approaches and research strategies can be made. Bryman & Bell (2011) have classified the research philosophy into ontological and epistemological considerations. As far as the ontological philosophy is concerned, it focuses more on the nature of reality, generating the theories of what is known, and also perceives the view of reality (Raaschelders, 2011, p.920). The two aspects that describe the ontological consideration are objectivism and subjectivism of which both are likely to be accepted as producing valid knowledge by many researchers (Saunders, Lewis, & Thornhill, 2009, p.110). Objectivism views reality as existing of social entities which is beyond the influence of the researchers and which is also external to the social actors where as subjectivism also known as constructivism views reality as a social phenomena whose meanings are continually being accomplished by social actors (Bryman & Bell, 2011, p.21-22).

In this study, I want to find out the role that customers play in the co-creation of a service climate inside a restaurant context. This process involves the emotions, attitudes and experiences of customers as well as the employees from which they construct their perceptions, social constructs, and experiences. Constructivism or 'social constructivism' views reality as being socially constructed and, social actors like customers and employees in an organization may have different interpretations on situations in which they find themselves in. And each individual may perceive different situations in different ways as a consequence of their own view of the world (Saunders et al. 2012, p.132). Thus, the customers or employees of the organization may seek to make sense of the interaction based on the interpretation of the events and assigning meanings that they draw from these events. Therefore, it is the role of the researcher to seek understanding of the subjective reality of the customers so that the researcher is able to make sense of and understand the motives, actions, and intentions of the customers in a meaningful way (Saunders et al, 2009, p.111). Therefore, for this particular study, the constructivism approach has been used for ontological consideration as the social interactions that take place between the customers and the service providers are continually in a state of constant change.

The epistemological assumption is about the basis of knowledge and the manner in which the knowledge can be transmitted to others (Bryman & Bell, 2011, p.15). Under epistemology, there are two main philosophy positions: positivism and interpretivism. The positivism stance advocates that knowledge is developed by investigating the social reality through observation of objective facts (Blumberg et al., 2008, p.17). On the other hand, the interpretivist approach holds that knowledge is developed and theory built by developing ideas which are inducted from the observed and interpreted social constructions (Blumberg et al., 2008, p.17). Interpretivism is based on the truth that social reality has a meaning for human beings where the human action is meaningful (Bryman & Bell, 2011, p.18). Researchers have also proposed a combined philosophical stance which shares the principles of both positivism and interpretivism which is called realism. Realism is similar to the positivism stance in that it assumes a scientific approach to the development of knowledge (Saunders et al., 2009, p.114). This philosophy accepts the existence of reality which is independent of human beliefs and behavior, but also concedes that understanding these behaviors of people requires acknowledgement of the subjectivity inherent to humans (Blumberg et al., 2008, p.18).

Thus, taking the above explanations into consideration, interpretivism position best suits the study being conducted. Human behaviors and their actions are uncertain and are always changeable according to time and situation. Interpretivism position helps to obtain the subjective reality of the actions performed by social actors and try to make sense or acquire the meaning of it. For an interpretivist position it is crucial that the researcher enter the social world of his/her research subjects and understand their world from their perspective (Saunders et al. 2012, p.137). Since this study deals with understanding the customer experiences and how they can help shape the service climate of a restaurant, it is important to dig deep into the drivers of these customers' experiences emotions and interpret the social world according to their views. The researcher's emphasis for this study is in making sense of what is happening and to attempt to understand the subjective realities by offering interpretive explanations which are meaningful for the participants of the organization (Blumberg et al., 2008, p.17). Therefore I think the interpretivist approach is best suited for my research. We interpret our everyday social roles in accordance with the meaning we give to these roles. Similarly, we interpret the social roles of others in accordance with our own set of meanings (Saunders et al. 2012, p.137).

The opposing stances taken by positivists and interpretivists are summarized in Table 1.

	Positivism	Interpretivism
<i>Basic Principles</i>		
View of the World	The world is external and objective	The world is socially constructed and subjective
Involvement of researcher	Researcher is independent	Researcher is part of what is observed and sometimes even actively collaborates
Researcher's influence	Research is value-free	Research is driven by human interest
<i>Assumptions</i>		
What is observed?	Objective, often quantitative, facts	Subjective interpretations of meanings
How is knowledge developed?	Reducing phenomena to simple elements representing general laws	Taking a broad and total view of phenomena to detect explanations beyond the current knowledge

Table 2: Positivism and interpretivism compared (Blumberg et al., 2008, p.19)

3.3 Research Approach

It is really important for any researchers to be clear about the scientific approaches they are going to use to support their research design because the scientific approach used in the research defines the relationship between the theory and empirical parts of that research. Based on the reasoning approach, there are two forms of reasoning; deductive and inductive and some studies can also be carried out with the combination of both deductive and inductive approaches (Saunders et al. 2012, p.144). The deductive approach is based on methods from natural science where the existing theories are used to develop hypothesis. Hence, in a deductive approach, observations and findings are an outcome research (Bryman & Bell, 2011, p.13). The inductive approach however emphasizes on gaining understanding of the meanings humans attach to events and offers a more flexible structure to permit changes of research emphasis as the research progresses (Saunders et al., 2009, p.127). Hence, in an inductive approach, the theory would follow the data rather than vice-versa as with the deductive approach.

Taking both the research approaches into consideration, I believe that for my research, the inductive approach would be suitable for the study being conducted. In my research, since I will be working with qualitative data in an exploratory based study, a small sample of subjects will be interviewed through semi-structured interviews. The inductive approach is more appropriate than the deductive approach because in a deductive approach, large sample size is used to test the hypothesis (Saunders et al., 2009, p.126). Also, because using the inductive approach, this connects me to my epistemological stance (i.e. interpretivist) for this study. From my interpretative point of view, I believe that a service climate is more of a social construct which exists in the minds of the people who have experienced it. Therefore, it is important to gain a deeper understanding of the meanings these people assign to events occurring within this social construct. From the theories used, questions were developed for semi-structured interviews to be conducted. The data will then be collected and interpreted

from the customers' and employees' viewpoint. The collection of data, coding, analysis of the findings and the conclusions are all done with an inductive approach. From the data collected from the semi-structured interviews, analysis is done to make sense of what is going on to better understand the role customers play in the co-creation of service climates within restaurant firms. The result of this analysis would be a formulation of a new theory (Saunders et al., 2009, p.126). Thus, I have used inductive form of reasoning as my research approach for this paper as it deals with understanding how customers attach different meanings to the events they are exposed to. Also, my concern is not to develop a hypothesis, but to collect and analyze the data to answer the research question. Therefore inductive approach best suits this study approach.

3.4 Research Strategy

According to Bryman & Bell (2007), research strategy means a general orientation to the conduct of a business research (Bryman & Bell, 2007, p.28). It is a general plan by which we obtain the answer to the research question of our study. It is important for researchers to understand the research strategies clearly because this leads the researcher in the correct direction when conducting their research and collecting the data. The research strategy can be distinguished into two main types: quantitative and qualitative (Bryman & Bell, 2011, p.26). The quantitative approach often deals with quantification or numeric data and uses data collection techniques and data analysis procedures that generate or use numerical data. This strategy usually entails a deductive approach to the relationship between theory and research. It views social reality as external and objective reality and views the natural science model from a positivist stance (Bryman & Bell, 2007, p.28). In contrast, qualitative approach uses data collection techniques and analytical procedures which generate non-numerical data (Saunders et al. 2012, p.161). This strategy emphasizes words and an inductive approach to the relationship between theory and research. The social reality is viewed as constantly changing and the natural scientific model is viewed as from an interpretive stance (Bryman & Bell, 2007, p.28).

Qualitative researchers stress the socially constructed nature of reality, the intimate relationship between the researcher and what is studied, and the situational constraints that shape inquiry (Denzin & Lincoln, 2003, p.13). The main aim of this study is to understand the role of customers in co-creating a service climate inside a restaurant firm. Therefore, in my research, I am not trying to test any theories but rather it is concerned with the generation of new or modification of the existing theories. This study focuses on understanding how customers react to and help co-create service climate in a restaurant setting firm as a social context where service is co-created by the interaction between customers and employees. The nature of the study clearly calls for a qualitative approach where the data can be collected by conducting interviews to know the views, experiences, opinions, feelings of the potential respondents so that the social phenomenon can be explained in depth. Also, because this study commences an inductive approach and uses an interpretive and constructive stance in research philosophies, qualitative research strategy best suits this research. The main steps required for a qualitative research are stated below in Figure 2.

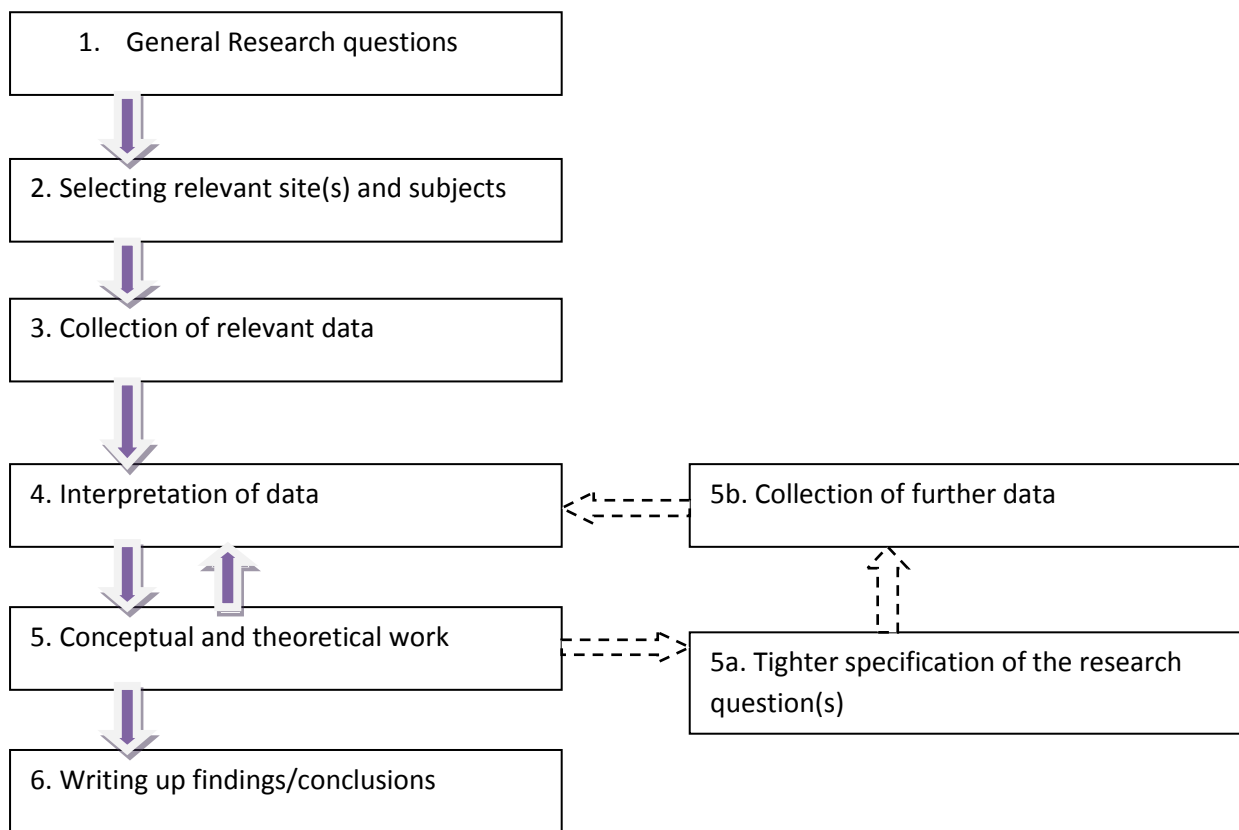


Figure 2: An outline of the main steps of qualitative research (Bryman & Bell, 2007, p.406)

This study also follows the main steps that are required for the qualitative research. First of all, after reviewing the different literatures by identifying keywords, the research question for the study was developed. Then three employees working in three different restaurants (two fine dining and one fast food restaurant) were contacted along with three random customers to participate in this study. After the participants agreed to participate in the study, the data was collected through semi-structured interviews from all six participants. The collected data is then organized into different categories and interpreted. The empirical findings will then be discussed in relation to the literatures for further analysis and conceptualization. Finally, the conclusions are drawn at the end of the study.

3.5 Nature of the study

There are three types of studies of which research papers are based on. They are exploratory, descriptive, and explanatory (Saunders et al. 2012, p.170). An exploratory study provides valuable means to ask questions about what is happening and helps in gaining insights about a topic of interest. One of the main advantages of conducting an exploratory study is that it is flexible and adaptable to change. Therefore, researchers must also be willing to change and adjust directions as new data and insights emerge (Saunders et al. 2012, p.171). A descriptive research helps to gain an accurate profile of events, persons, or situations and can sometimes be an extension of, or a forerunner to an exploratory research. Finally, an explanatory research establishes causal relationships between variables (Saunders et al. 2012, p.171-172).

For this study I have decided to conduct an exploratory research. The purpose of using the exploratory research is to explore what is going on and get new insights about that subject matter. My research question focuses on understanding the role that customers have in helping to co-create a service climate inside a restaurant firm. This could be best answered by conducting an exploratory research because it requires conducting in-depth interviews with the participants in order to understand and explore the topic in question. The possibility and capacity of data to be collected in order to gain new insights into this topic can be best made possible through an explorative study.

3.6 Literature Search

Before conducting any type of study, it is important to first know what is already known about that area of interest so as to not simply 'reinvent the wheel' (Bryman & Bell, 2011, p.91). Much of literature search relies on careful reading of the books, journals, and reports in order to find a few keywords that should help narrow down the boundaries of a chosen area of research. However, electronic databases of previously published literatures can also provide valuable insights (Bryman & Bell, 2011, p.103). In this study, I have used the secondary sources for my literature search. The advantage of using a secondary data is that it saves cost and time, and the data provided by official sources are usually of high quality. It also provides opportunities for longitudinal and cross-cultural analysis of the data and the re-analyzing of data can offer new interpretation (Bryman & Bell, 2011, p.312-320). The information and theories that I gathered from the various secondary data helped me to understand the context and support the area of this study.

Initially, I read a lot of articles and journals related to service climate and value co-creation in service delivery which also enabled me to come up with the research problem. Then after reading and understanding what other researchers have contributed in the related field, I started to look for literatures by developing some keywords that would help me gain deeper insights into the research area. These keywords which I have used in my study are *service climate*, *value co-creation*, *service-dominant logic*, *social interactions*, *customer experiences and its drivers*, and *customer behaviors in the co-creation of service delivery*. Since there were very limited literatures that showed the influence of customers in co-creating service climate of firms, it was difficult for me to decide what literature I should focus on. However, after reviewing the literatures that I found by using the aforementioned keywords, I was able to find a framework through which I believe would enable me to generate some new concept about how customers could play a role in co-creating service climate inside firms. These literature choices improved my intellectual capability to construct the research framework for the study in understanding the role customers could play during co-creation of service.

A significant proportion of the literature search was done through the Umeå university library database. Through the university database, I could get access to other databases such as Business Source Premier, Emerald Full text, Elsevier Science Direct etc. which were also used for the literature search for this study. Besides that, I have also used some books and journals in the relevant area of study to review the previous literature in the research area. Search engine sites such as Google, Google Scholar and journal databases such as Emerald, Sage, etc. were also used to collect the secondary data. However, much of the articles and journals used are academic journals and peer-reviews collected from the Umeå university library database. I have tried to use more recent sources of literatures for my study, but,

however, some of the literatures used have also been referred as old as thirty years ago. But nevertheless, the importance of these literatures is still relevant and valid to the construct of the paper.

3.7 Data collection methods

Since I have decided to use a qualitative research strategy for my study, the method of collecting data is through the interviews. The interview is probably the most widely used method in a qualitative research (Bryman & Bell, 2011, p.465). Interviews can be classified into three different types: structured, semi-structured, and unstructured or in-depth interviews. Structured interviews use a standardized set of questionnaires also referred to as interviewer-administered questionnaires and the response are recorded on a standardized schedule. This type of interview is usually used to collect quantifiable data usually with pre-coded answers (Saunders et al., 2012, p.374). In a semi-structured interview, the researcher has a list of themes and questions on specific topics to be covered, and the interview may not be conducted in a standardized pattern meaning that the order of the questions may vary depending on the flow of the conversation and the researcher can even ask some follow up questions. Unstructured or in-depth interviews are informal interviews where there is no predetermined list of questions to follow. The interviewee is given the opportunity to speak freely about the events, behaviors and beliefs related to the topic area (Saunders et al., 2012, p.374-75).

For this study, I have chosen to use the semi-structured interview process because of the nature of the study being conducted. Since this research is exploratory based, semi-structured interviews will be helpful to conduct qualitative interviews where the researcher adopts an inductive approach. A list of questions was developed based on the review of literatures used mainly focusing on the customer experiences during co-creation of services and customer value co-creation behaviors in a restaurant service setting (See Appendix 1, 2). Before the interview is conducted, the purpose of the interview is made clear to the interviewee and as the interview proceeds, the questions of the interview guide may also change or sometimes follow up questions can be asked to dig deep into the subject topic and explore the objectives of the research in depth. The interview questions are easy to understand and some management terms such as OCB, customer participation behavior, and citizenship behavior were explained to interviewees as the interview proceeded to make the respondents familiar with the terms. Face-to-face interviews were carried out on one-to-one basis meaning that the interaction took place between the researcher and a single participant at a time. Moreover, follow-up questions were also asked in order to get more clarification from the respondents to the questions if needed. Therefore, I believe that the use of semi-structured face-to-face interview is best suited for collecting the data for this study and will help me to understand the gap presented in this study.

3.7.1 Interview guide

The interview guide is made to meet the objective of the research paper. The main purpose of conducting an interview is to talk with the respondents in order to acquire the facts and information about their views, feelings, statements, thoughts, and their description of the behaviors about how they view the social world from their vantage point. As mentioned in section 3.7, a semi-structured interview method is used to conduct the interview for this study.

I formed the interview questions from the review of the literature chapter by focusing on answering the research question for this paper. Table 1 in section 2.9 also shows which literature is used to formulate what kind of questions for the interview guide. Moreover, I also tried to raise follow up questions at the time of the interviews to ensure that the respondents understood my questions and also to gather important information that is related to the research question. It is a good way to make sure that researcher ask follow up question during the interview in order to not miss out little details related to the topic in study (Bryman & Bell, 2007, p.474).

In the interview guide, I have distinguished the customer's questionnaire into four topics namely service expectation, social interactions, uses of previous experience and service encounter, and customer participation and citizenship behaviors. Similarly, I have distinguished the employee's questionnaire into six different topics namely general questions, service climate, service quality, interaction and firm competence, employee empowerment and flexibility, and customer focused OCBs. In this regard, the conceptual framework model developed in section 2.10 also describes the overall process of how these questions were developed and arranged into these themes in detail (see figure 1). Therefore, by developing the questions from the literature review and arranging them into different related themes, it gives me a deeper insight into the information of the relevant topic.

3.7.2 Selection of Respondents

As this study concerns with investigation into the role of customers in co-creating a service climate within the restaurant firm, I have considered using the volunteer sampling within non-probability sampling. Since the service is co-created with the integrated processes of both customers and employees, it is important to collect data from both these actors. Therefore, for this study, the target respondent groups are divided into customer and employee groups. Altogether, six respondents are interviewed for this study of which three respondents are employees and the other three are customers. There are a number of restaurants operating within the Umeå city. I have selected to interview three employees from three different restaurants within the city through snowball sampling method. Similarly, I have selected three customers, also through non-probability sampling method. The reason for using this kind of non-probability sampling method is because of the ease of access to the participants. Non-probability sampling becomes the most suitable and practical way of sampling because in this study, an in-depth study needs to be made on a small number of participants selected for a particular purpose. This sample would thus provide with an information-rich data where the research question can be answered by analyzing the data collected from interviews and innate theoretical insights could be obtained (Saunders et al. 2011, p.282-289). The identity of the participants and the restaurants will not be mentioned here keeping in mind the ethical issue of confidentiality. According to Bryman & Bell (2007), "*the identities and records of individuals and organizations should be maintained as confidential*" (Bryman & Bell, 2007, p.133). Therefore, I will use coded forms to recognize our participants. The three customer participants are therefore coded as Customer A, Customer B, and Customer C. And the three employees are represented as Employee A, Employee B, and Employee C respectively.

First I visited one restaurant myself, and then contacted with the potential employee respondent and took some of his time to talk to him about my thesis research and how I wanted to conduct my research within the restaurant setting context. After a brief discussion about my thesis research and my request, the employee agreed to participate in my study.

Then I selected the other two employees through snowball sampling method. I used the contacts of the first employee to get in contact with two more employees from other two restaurants. Snowball sampling is mainly appropriate for those studies where the population size is not known to the precise extent from which it would have to be drawn and the difficulty of such a sample would be that there is no accessible sampling frame for the population from which the sample is to be taken. Thus, snowball sampling is the most feasible option (Bryman & Bell, 2007, p.200). Out of the three restaurants, two restaurants were fine dining restaurants while the third was a fast food restaurant. The fact that I have chosen three employees from three different restaurants helped me to understand and gain deeper insights into how employees react to different situations of service climate and service encounters. If all the employees were interviewed from the same restaurant then probably it would have been difficult to get a broader view of the restaurant setting in general as restaurants do have different settings and different types of working atmosphere. This might provide weight to explaining how important it was to collect empirical data from different employees from different restaurants. Then I requested the employees from the restaurants for their time to take part in my research. All three employee respondents were willing to participate in my research. Employee A and Employee B however said that it was not convenient for them to conduct the interviews at their respective workplaces due to their busyness. So they requested if they could conduct the interviews somewhere else in their free time. So I told them that it was okay and the interview will be conducted as per their convenience. Employee A told me that it would be convenient for him to conduct the interview at the university because it was near to his home and he could come by in his free time to participate in the interview. Employee B also lived near the university area but he rather opted to get interviewed at his home because it was convenient for him that way. So I had to go to his residence to take his interview. Employee C however agreed to give me his interview after he finished his work. Interview with Employee C was conducted at his workplace after his working hours were over.

Similarly, I contacted one customer when I visited one of the restaurants. After a brief discussion with her, I explained her about my thesis research topic and I also asked her if she wanted to participate in my research. She was happy to volunteer in my research. The other two customers interviewed were selected through volunteer sampling method. As a student in the university, I too go out often to eat at restaurants. Therefore, I knew a lot of people who often eat out at restaurants. Thus, university complex was a fine place for me to find my potential customer respondents. Moreover, I also put up advertisement on the university facebook page to look for potential customer respondents who were willing to participate in my research. After that, two more potential candidates came in contact who were willing to participate in the research. I contacted them through emails first and fixed a time for the interview. All of the customer respondents admitted that they had been to the three restaurants that I selected for in this study which also gives this sample credibility in relating to the customer-employee relationships that will be discussed from the interview guide. The problem with this kind of sampling method could be that it is very difficult and unlikely that the sample will represent a large population. But, nevertheless, since this research is guided by a preference for a theoretical sampling, there seems to be a better 'fit' between non-probability sampling and the theoretical sampling strategy of qualitative research (Bryman & Bell, 2007, p.200).

In total, six respondents were selected for the interviews for this research. There is no doubt that the size of the research sample should be large enough to ensure the reliability and concise enough to quickly contribute to the saturation point (Gravetter & Forzano, 2009,

p.142). The saturation point is the point where additional information becomes surplus and adds very little to the already established body of knowledge. Usually, an appropriate size for the qualitative research is considered to be in between 4 to 25 until it reaches the saturation point (Gravetter & Forzano, 2009, p.142). Because, the present study is conducted through semi-structured interviews with open-ended questions, it would only further add to the useful content until a specific threshold point is reached after which the additional information received would only be a mere repetition of the same content. Although there are only six respondents that are considered for interviewing, the relevant information and the authentic opinions from both customers and employees have been scrutinized well enough to come up with valuable new knowledge at a saturated level. However, attempts were also made to contact more respondents, but due to the limited time and resource constraints, it was feasible to conduct only six interviews. Also, by not conducting further interviews, the integrity and credibility of the research has not been compromised as no such indication can be seen.

3.7.3 Conducting and Compiling the Interview Material

It is important for a researcher that he/she prepares themselves before taking an interview so that they don't lose focus from the specific topic in discussion. Also preparations of the follow up questions and the flow of the interview should be worked upon before conducting an interview. For easy and effective transcription of the interview for this study, a tape recorder was used. It is more effective to use a tape recorder to transcribe the interviews for qualitative researchers (Bryman & Bell, 2007, p. 484). Before interviewing the respondents, I first contacted all the respondents personally and requested them if they were interested to participate in my research. Once, they were ready to participate in the research, then I fixed dates on which the interviews were to take place depending on the feasible timing of the respondents. I also sent the interview questions in advance through email so that the respondents did have time to prepare themselves for the questions. Finally, before the interview started I explained to the respondents that the interview will be recorded but the names of the respondents and their company will be kept anonymous in my report. All the respondents were fine with that. Also, before starting the interview I explained the participants about what my research was about in brief to give them an idea about my research.

Out of the six interviews conducted, three interviews were conducted inside the university premises, two interviews were conducted at the residence of the respondents, and one interview was conducted at the workplace of the respondent. For further details about the selection of respondents in detail see Table 3. The maximum time spent in an interview was 58 minutes whereas the minimum time spent was 30 minutes. Although some interviews were finished in a rather short time, nevertheless I was able to acquire all the relevant information from the questions arranged in the interview guide. Rather detailed and succinct answers to the interview questions provided me with vast knowledge required to understand the research question better. Sometimes, when the respondents found it difficult to understand some management terms, I explained the terms to them and also asked follow up questions so that the respondents became comfortable in answering the questions. The information from the interviews were summarized according to the related topics by taking notes of what the respondents said and also from the actual 'quotes' from the respondents. The information received from interviews has been very helpful in the overall analyzing and interpretation of the study. After the interviews were conducted, I thanked the participants for their time and

requested their time in future if I required some more information. They were all supportive of that.

A table showing the details of participants used for this study is shown in the table below in Table 3.

	Employee A	Employee B	Employee C	Customer A	Customer B	Customer C
Country of origin	Ethiopia	Turkey	Bangladesh	Nepal	Sweden	France
Sex	Male	Male	Male	Male	Female	Female
Work position	Server	Server	Supervisor/Server	N/A	N/A	N/A
Interview language	English	English	English	English	English	English
Interview type	Face-to-face	Face-to-face	Face-to-face	Face-to-face	Face-to-face	Face-to-face
Duration of the Interview	34 minutes	54 minutes	58 minutes	42 minutes	41 minutes	30 minutes
Restaurant type	Fast-food	Fine dining	Fine dining	N/A	N/A	N/A
Interviewed Place	University	Residence	Workplace	Residence	University	University
Work experience	20 months	15 months	36 months	N/A	N/A	N/A

Table 3: Overview of Respondents

3.8 Approach to analysis

Among the various techniques of analyzing qualitative information, in this study I have selected to use the content analysis for analyzing the information gathered from the interviews. Analyzing data involves the summarization of the mass data collected and presenting the findings to readers in such a way that it communicates the most important features of the raw information (Hancock, 1998, p.16). Content analysis can be used for categorizing verbal or behavioral data to classify, summarize and tabulate the hidden information that is presented in the collected data so that it can be presented in the form of messages in the mass of each interview (Hancock, 1998, p.17). Based on the data collected from the interviews, the information deduced have been classified into major themes which

are further grouped into categories before being analyzed in comparison to the literature review of this paper. Chapter 5 will show this comparison of the empirical findings and the literature review in detail before concluding the findings from the study.

A summary of the research design methods and nature of this study have been presented in a table below:

Ontological consideration	constructivism
Epistemological consideration	interpretivism
Research approach	inductive
Research strategy	qualitative
Nature of study	Exploratory
Analyzing approach	Content analysis

Table 4: research design summary

3.9 Quality Criteria

This thesis has tried to maintain and satisfy the different quality criterions required. According to Guba and Lincoln (1985), qualitative research and quantitative research are evaluated with different approaches. Unlike quantitative research, where quality of evaluation is measured on the reliability and validity concepts, for assessing the quality of qualitative research, a different alternative should be used. The two primary criteria proposed by Guba and Lincoln (1994) for assessing a qualitative study is trustworthiness and authenticity (cited Bryman & Bell, 2011, p.395). Since this study follows the qualitative approach, it is important to achieve the trustworthiness and authenticity of the study. Under trustworthiness, this study has maintained the credibility, transferability, dependability, and conformability of the research.

3.9.1 Trustworthiness

Under trustworthiness, we have four criteria which are credibility, transferability, dependability, and confirmability. We shall now look at all of these four criteria of trustworthiness in brief.

3.9.1.1 Credibility

Credibility of any qualitative research means that the social reality studied is and should be accepted by others. In order to establish credibility, the researcher must make sure that proper scientific methods of good practice is used and also presenting the research findings to the research participants to make sure that the researcher has correctly understood the social world (Bryman & Bell, 2011, p.396). In this study, I have followed the standard practices at my disposal keeping in mind the concepts and practices that are presented in relevant books of research methodology. Although, the sample size for this study is small, the findings from the study have been very important and have added to the knowledge of service marketing. The use of semi-structured interviews have provided the author with a better chance to understand the respondents views in detail and the phrases and quotes from the empirical findings used by different respondents have been interpreted with support from the literatures used to try to understand their opinions. Therefore, although the number of sample size is limited and the

interviews conducted were not so long interviews, the study has been done in a scientific manner making a contribution in understanding the role of customers in the co-creation of service climates inside restaurant setting. Also, I have sent my findings to each of the interviewees to validate and confirm my findings.

3.9.1.2 Transferability

Transferability is the second criteria of trustworthiness which is also parallel to the concept of external validity. The basic idea of transferability is that the findings from the research could be transferred from one context to the other, or used in the same context in other studies (Bryman & Bell, 2011, p.398). But as Bryman and Bell (2011) noted, “qualitative findings tend to be oriented to the contextual uniqueness and significance of the aspect of the social world being studied”, it is difficult for all qualitative findings to be applied to a different context (Bryman & Bell, 2011, p.398). In this study, due to the unique context of the study, it becomes difficult to transfer its findings to apply to other settings. Since this study is done only with a small sample size and inside the restaurant settings only, it will be difficult to say that the results can be applicable to other social settings. But, since this study does not aim to generalize, the findings from this study lead us to an understanding of the role of customers in co-creating a service climate inside restaurant firms. Therefore, although the research findings from this study do not have a high degree of transferability in another context, but nevertheless, it leads to a new understanding of customer roles in the co-creation of service climates.

3.9.1.3 Dependability

This is the third criteria for trustworthiness. Dependability means ensuring that the complete records of the entire phases of the research process are archived for future consultation and ready access (Bryman & Bell, 2011, p.398). This criterion checks whether the researcher has followed the appropriate techniques and method in a reliable way and how much care has been given to the records to establish how far proper procedures are being and have been followed (Bryman & Bell, 2011, p.398). For this study, I have used the semi-structured interviews for the data collection process and used exploratory study to interpret them. Also, all the fieldwork notes, interview transcripts, data analysis decisions have been recorded for easy access in the future.

3.9.1.4 Confirmability

The last criteria for ensuring trustworthiness refers to being open and interpretive in part of the researchers to the findings which should be based on the data obtained from the respondents rather than the researcher trying to manipulate it with his/her own opinions (Bryman & Bell, 2007, p.414). In this study while analyzing the data from the interviews, any personal views and the opinions of the researcher has not been counted. All the analysis is based on the data as received from the respondent's viewpoint. Also, the interviews are recorded along with other relevant notes as it may be needed in the future for monitoring and analyzing the findings of the study. The interview questionnaire was given to the respondents prior to the interview so that participants could prepare themselves and accurate information could be acquired while trying to avoid any biasness. Also, the respondents have been selected from different countries so that people from all cultures could also be included in the study to enhance the knowledge and improve its credibility. Thus, while conducting this study, the researcher has acted in good faith and has fulfilled all the ethical aspects required for the research ensuring the trustworthiness of the study.

3.9.2 Authenticity

The second criterion for evaluating the quality of qualitative research is authenticity which refers to the context of how fairly the research has represented the viewpoints of different members of the social settings (Bryman & Bell, 2007, p.414). The purpose of this study was to investigate the role of customers in creating service climate inside restaurant firm. The social interaction between customers and employees when coming in direct interaction with each other was an important factor to understand this. Therefore, both customers and employees were interviewed keeping in mind that interviewing only customers were not enough to fulfill the purpose of the study as during a service delivery both customers and employees act as co-creators. Understanding the viewpoint of both customers and employees on what and how they experience the encounters between them lead us to understand the climate creation inside the firm which helped to make the findings from this study more authentic and more acceptable.

3.10 Ethical considerations

When conducting any sort of research, it is important that the researchers ensure the best use of the different methodological practices and procedures and should also be concerned about the moral correctness related to the involved participants (Saunders et al., 2007, p.178). So, this thesis has achieved it by following the four main ethical principles which are discussed below.

- **Harm to participants:** The researcher should avoid any actions that would affect or harm the participants in future in any way such as physical harm, stress, development or self-esteem, or harm to career prospects for future employment. Whenever a researcher tries to seek access to the participants of the research, it is important to consider the ethical problems as researcher should not try to apply any pressure on intended participants to grant access (Saunders et al., 2009, p.188). As individuals have right to privacy, they should not be pressured or coerced into participating. In this study, I have tried to eliminate any kinds of harm that could be done to the participants which may affect their personal life or their work. Even the interviews were conducted as per the convenient timing of the participants and the individual as well as organizational data are kept confidential. Moreover, all the interviews and data collected have been used with the permission granted by the interviewees,
- **Informed consent:** This means that the researcher should provide the participants with full information about the research before their participation. Any data collected or used without the consent of the participants is not ethical. All the participants should accept to take part in the research voluntarily. For this study, oral agreements were reached with all the participants to make sure that the information provided by the participants would be handled with care and kept secret. For most business research, oral consent is sufficient and the willingness of a respondent to participate after knowing that participation is voluntary is often interpreted as consent (Blumberg et al., 2008, p.116). This agreement was based on the trust and belief between the researcher and the participants that the information would be handled with high degree of confidentiality.

- **Invasion of privacy:** The researcher should not invade the privacy of the participants. The researcher should be careful not to disclose any information about the participants which they don't feel comfortable with. Thus, maintaining confidentiality and anonymity is very important as requested by the participants. The privacy guarantee is not only important in retaining the validity of the research but also in protecting the respondents (Blumberg et al., 2008, p.118). In this study, I have maintained the privacy of the participants and guaranteed the confidentiality of their personal information. I have protected the respondent's confidentiality by restricting the access to participant identification and their organization's identification. Also, some participants wanted to conduct interviews at their residence as they have the right to privacy in their own homes. Such right to privacy of the participants was respected during the conduction of this study.
- **Deception:** Deception occurs when the data received from the participants are used for other purposes than what it should be. Deception should always be minimized and avoided as to get accurate findings from the research (Bryman and Bell, 2007, p.141). For this study, the information collected from the participants was used only for the purpose of understanding the research question of this paper.

While conducting this research, I have followed all of the above principles in order to make sure that the participants are not affected by our study for the information they have provided for this study. The information provided by the participants will be handled with care and kept confidential and the names of the respondents and the restaurants will be anonymous. Also, all the interviews recorded were with the permission from the participants.

4. Empirical Findings

This chapter presents the empirical findings which are gathered from the interviews of three customers and three employees working in three different restaurants in Umeå. The chapter is divided into two sections: the first section comprises of the data from the interviews of the customer and the second consists of data from the interviews of the employees. The interviews from customers are divided into four categories namely service expectation, social interactions, use of previous experience and service encounter, and customer participation and citizenship behavior. Similarly, the information received from employees are categorized into six categories namely general questions, service climate, service quality, interaction and firm competence, work engagement, and customer focused OCBs.

In this thesis, the following four criteria have been drawn from the theoretical concept developed in Chapter two to understand the customer's point of view. These criteria are Service Expectation, Social Interaction, Previous experience and Service Encounter, and Customer Participation and Citizenship behavior.

4.1 Customer's Point of view

4.1.1 Customer A

4.1.1.1 Service Expectations

Customer A goes out to eat at restaurants at least once a week. And his outings mainly depended on his mood. He chooses different restaurants so that he can taste different types of foods. Describing the general services he receives at most of the restaurants he told me that for him the service experience all starts as soon as he enters a restaurant. He generally looks at how the waiters treat him and talk to him. He also said that usually in busy restaurants, he has had to wait for a long time to get his food which he finds very irritating. He visits different types of restaurants to have different types of foods but when he wants to have some specific food then he chooses his restaurants accordingly. He emphasized the hospitality part in describing the service he expects when going to the restaurant. And he wants the waiters to be friendly and hospitable.

For a good service experience, he told me that timing is very important in restaurant business. Being able to provide fast and quality service is important. But when pointing out a bad experience, Customer A noted that he had a bad experience when he visited a restaurant four months ago which was almost fully booked. Customer A had to wait for a very long time to be seated and order his food which he found very irritating. He further mentioned, "*We noticed that the employees were not attentive to us and we really had to wait for a long time before someone actually noticed us which was a very bad experience for me.*"

According to him, a good restaurant service should consist of a good dining environment, layout, and decoration. Also the waiters should be friendly and they should inform the customers what is there in the menu, any special menus, or other things which customers ought to know. He further mentioned that the most important thing for a server is to have knowledge about the food he/she is serving and that they should know how long the food will take to be served. Customer A thinks that servers should be honest with the customers about

how long the food will take before it is ready to be served and sharing of this information to the customers is very important.

Speaking about his experience where his expectations about a restaurant weren't met he described to me a situation where he entered a restaurant which looked very fancy from the outside. But when he entered the restaurant, he couldn't find any people inside and the seats were all empty despite the fact that it was lunch time. When he talked with the employees of that restaurant to give his orders he said that he realized that the employees were new to the work and did not have any sort of trainings or at least they didn't know how to react to customers. Customer A mentioned, *"The new employees did not have idea of how they should treat and react to their customers. As I had high expectations from the restaurant, I was disappointed with this situation and it was a bad experience for me"*. So he preferred to give feedback to the employees about what and how they could improve their services. His only concern with the services of that restaurant was the inexperience level of the employees as the food was not bad as he stated, *"Because the food was not so bad, only thing the restaurant needed was, to train their employees with how they should react to customers. I think the employees were very inexperienced."*

4.1.1.2 Social interactions

Regarding social interaction, Customer A voiced his opinion that the level of interaction between a customer and an employee mainly depended on various factors such as the personality of the employees, their interpersonal skills, the customers or the employees' moods, etc. Nevertheless, Customer A was very enthusiastic about interacting with different people as he wanted to find out new things about the food, the restaurant, the place and so on. He was also interested in interacting with other customers because he thinks that is a good way to find more about the restaurant services. He noted, *"Because interacting with customers also gives out much honest information about the restaurant. They are the real information."*

Regarding the service which varies from restaurant to restaurant, he said that when he was not familiar with the restaurant services he preferred to watch and learn. One incident he shared was that when he visited a restaurant he wasn't familiar with, he missed out on a free salad as he thought he had to pay for it. Since the salad looked expensive he decided not to order it whereas it was free with the main meal. Therefore, he thinks it is necessary that customers seek information about the food and service when interacting with the employees as important information can be gathered from those interactions. He thinks it's good to have some words with the waiters before having or ordering a meal because it is important for waiters to give information like these to the customers.

When asked if he was willing to help other customers who were experiencing difficulties with the service he said he was positive to help other customers who were facing such situations. Because when he sees someone who seems lost in the restaurant service, he prefers to go and help them. But he does not go to every customer trying to help. But based on his own judgment he tries to help. Customers in return thank him and show gratitude. He stated, *"I feel that I should help them because I have often been through the same situation and I know what it feels like to be new and not know about the service. So I want to help them"*.

4.1.1.3 Previous experience and service encounter

Discussing about his previous experience about the service, he told me that he uses it quite often when comparing restaurants especially the timing factor of the food being served. When

he tries to make employees aware of the previous experience he has had, he finds awkward reactions from the employees. He said that employees are more attentive to the customers because they know that the customers are experienced in the service and are expecting more out of the employees.

Narrating about a bad encounter with employees, he noted, *“Some employees treat you in a different way. They try to stereotype you based on your appearance or personality”*. He further mentioned that he had been treated unfairly by an employee when he visited a restaurant where the employee showed different attitudes to him in regard to another guest. He felt that he did not receive equal and fair treatment as the attitude of the employee was not good. He noticed that the employee was very polite and receiving to another customer who looked fancy and decorated but the employee’s attitude was not the same with him. Customer A said he didn’t like that encounter with that employee and stated, *“I really didn’t like that encounter with that employee. The employee’s level of service was not equal to all guests.”*

In such cases, he ignored that employee and preferred not to interact with that employee. He would just eat his food and just leave with a bad experience. But if the situation is too offending to him he said he would talk to the manager of that restaurant.

4.1.1.4 Customer Participation and citizenship behavior

Regarding seeking information about the service of a new restaurant, he replied that he would always look for information about the new services that the restaurant offers. He also emphasized that customers should be vigilant about the new services that the new restaurant provides. He also said that he shares any information that he thinks would be useful to the restaurant. As he noted, *“I communicate with the front-line employees. But it depends on the type of personality of the employees. If they are friendly receiving and open to suggestions, then it is easier for customers to share information.”*

When asked about the responsible action that customer felt towards the firm, he replied that there is one incident where he had to do when receiving service. He stated, *“When going to a restaurant in university canteen after the meal, I take my plates and glasses and put it in the racks which is not an obligatory action that I should do but however I think as a customer it is expected of me. That is also the case in most fast food restaurants here I guess”*. Also when going to another fine dining restaurant, after his meal and paying for the meal, he felt that it was his responsibility to ask for the receipt. He was aware of some people who run their business trying to escape proper government tax. Therefore he thinks it is his responsibility to ask for the receipt so that he can motivate the business owners to pay their tax in a way.

Giving feedback is also an important aspect in restaurants. Customer A always is eager to give feedbacks to the restaurant employees. Because of the different experiences customers are open to, customers are in a good position to provide feedback because they know what services are present in other places and can compare the good and bad service. He also said that about implementing and working on the feedbacks from the customers, he was aware that not all feedbacks from customers could be worked on by the restaurant because there could be so many feedbacks and suggestions which could be too much for the restaurant owner to look into. But according to him, the most urgent and ethical feedbacks should be greeted and worked upon by the restaurants. He said that he even knew of one instance where his feedback was actually acknowledged by a restaurant. In one such restaurant the cashier was not interested in handing the receipts to the customers after they paid for it, so Customer A

noticed that and suggested the cashier and the manager that giving receipts was important and should not be ignored. So when visiting the same restaurant after that time, he noticed that the cashier always asked customer if they wanted receipts or not. Customer A was happy to see that his suggestions were acknowledged.

Another incident where he found his feedbacks were taken seriously was when he went to a very busy restaurant on a weekend and noticed that customers were lining up outside the reception to get their seats as there was only one employee receiving the guests. Customer A was unhappy with that situation and later he complained the manager that they should assign more resources at the door when there are many guests coming in. The manager was quick to react and immediately mobilize few more men to receive the guests. The customers were happy then. Customer A was also open to recommendations of the restaurant to other people he know. He does that because he doesn't want people to be cheated and wants them to have a great time for paying the money. According to him, *"Getting full value for the money you pay and knowing the good and bad aspects of the restaurant is very important for customers."*

4.1.2 Customer B

4.1.2.1 Service Expectation

Customer B is a student at the university. So she said she doesn't go out to restaurant that often. She goes out to eat at restaurants maybe around twice a month with families and sometimes with friends. According to her experience, she generally views the service at restaurants to be very kind, open, friendly, and comfortable. She said, *"The employees notice when customers are wandering and come to ask if you need anything."* Talking about an incident where she felt like she had a good service she said, *"Usually a normal friendly behavior from employees, where they are involved and presenting them in a nice way, welcoming in a nice friendly face is a good service I think."* Talking about a bad experience, she told me that once she felt neglected because the waiter did not take notice of her. She emphasized the fact that bad food was definitely a bad service but apart from that also having to wait a long time for the food is also a bad service experience. She told me that she is a bad complainer and she didn't want to complain as long as the problem was quite extreme.

Speaking about the good restaurant service, she said that the employees of a restaurant should be service minded and should be welcoming and pleasant with their customers. They should be prepared to handle any sorts of situations related to the customers and they should also have very good knowledge about the food they are serving. For example, if someone is a vegetarian then the employees should be able to provide alternative choices of meals for those customers and also should have knowledge about the vegan food as well. She understands that the waiters are not to be blamed for the food, but they should act as a mid-hand between kitchen and the customers. She mentioned, *"Of course the food must be great. Another important thing is the environment factor. You want to be sitting in a nice atmosphere to enjoy your meal. Also you want to have nice and pleasant staffs to interact with."*

When asked about whether her expectations of the service were met or not, she said most of the times her expectations are met, but sometimes when she pays a high price for a meal and expects a lot from the service, she tends to be disappointment. One such incident was that she once received a bad food which was cold and salty. Another incident when she felt that her expectations were not met was when she ordered a high priced meal, she expected it to be a large quantity, but instead it was rather a small portion and her hunger was not fully satisfied

which made her disappointed. In such situation, she told me that she would swallow her disappointment rather than complaining. But one time when her food was too salty and she couldn't finish it, she called the waiter and complained. So the waiter brought a new plate of the meal for her. However, she doesn't want to upset the waiter but at the same time would expect her meal to be good.

4.1.2.2 Social Interactions

Customer said that she regards herself as quite a social person. She is very active to socialize with employees and even with other customers if the other party is interested. She noted, "*If they look like they are open for conversation and looking to have one, then it is easy to have social interaction*". She mentioned that when someone isn't interested to have a conversation or interaction then they show it via their body language or expression. Usually when people are stressed or they don't have enough time then you can see that they are in a hurry. In such cases, she doesn't want to engage in interactions with other customers.

Talking about her own difficulties when visiting a new restaurant where she isn't familiar with the services, she said that it is difficult sometimes to know whether the customer has to wait for the waiter to come and take her order or whether customers have to go and order themselves. She mentioned that usually it was in the case of fancy restaurants that she gets confused with such situations. When I asked her how she handled such situations then she said that she would try to get the attention of the waiter by trying to make eye contact or by waving her hand until someone finally notice her. In addition she mentioned that once the employees see her they are usually friendly and willing to help.

Customer B would be glad to help other customers who are also confused about the service. She looks at the body language and facial expressions to analyze if they are in need of help. She does this because she thinks social interaction is important and we should help each other. Unless the person is drunk or very angry she would be willing to help.

4.1.2.3 Previous experience and service encounter

Customer B said that she often uses her previous experiences when relating it to her current service. She said that most restaurants provided pretty much similar services and that it was easy for her to relate her previous experiences from similar restaurant to the current one. She thinks that the employees are not aware that customers do know about the services from previous encounters. She mentioned that when employees find out that customers have a good knowledge about the service of the restaurant then sometimes some employees react unpleasantly because some employees don't want to hear criticism. But she emphasized the fact that all service employees should be service minded and open to suggestions. She believed that as long as the customer demands are reasonable, the employees should seek to try and fulfill those demands and that management should focus on proper training of employees to make their employees more competent in dealing with situations like this.

When asked about how she handled rude and unpleasant employees, she said that in that case she would not interact with such employees and her overall satisfaction level from that service would also definitely decrease. She was aware of the fact that not all people who work in the service business are service-minded. Narrating one such incident she explained to me that she once met a waiter who had a bad attitude and the way she looked and walked and reacted to her was very rude. When she ordered her meal and the waiter brought the meal to her, the server was very rude and didn't have respect for the customer. Customer B felt very bad about

the encounter. She noted, *“Sometimes I think that the person has had a bad day, but sometimes the person is generally rude. In such situation I really feel bad, and my satisfaction from the restaurant services will surely diminish and the food will not taste so good too. I usually ignore the employee and if the employees are extremely rude then I would even talk to the manager.”*

4.1.2.4 Customer participation and citizenship behavior

Regarding seeking and sharing of information, Customer B said that she is very open to ask for information about the service. If she thinks she needs any information she would definitely engage in interaction. She believes that it is good to interact with the employees of the restaurant as it gives more knowledge about the services, the food, and lot of other stuffs as well. She noted, *“It is always good to engage in interaction. It is good to ask question about the service. Of course it will give you more knowledge.”*

Asked about whether she would share information with the provider, she told that if she had information that could benefit the service provider, then she would share. She emphasized that it would be easier to share if someone she knew worked there and also highlighting the closeness between her and the employees. In her words, *“It also depends on how close I am with the employees and how friendly I am with that person.”*

She would be happy to fulfill her citizenship behavior when she is receiving the service for example when she is finished with the services of the restaurant. She told me that she was keen to help the waiter after she finished her meal by helping the waiter to pick up the plates. She usually passes the plates to the waiter herself but also mentioned that it also depends on the frequency of her visits to that restaurant. If she visits there often then she has a nice and friendly relationship with the waiter then it is easy and comfortable to engage in such behaviors. She wants to make the job easy for the waiters. She thinks such acts could bring a more friendly and satisfying attitudes from employees. She noted, *“Even at MacDonal’s I also put my trays in the racks myself although there are no signs that say customers have to do that nut most customers usually do.”*

She thinks that employees may feel more positive at work if they see customers clean up their own mess. She says, *“If I was an employee working there I would be more open and friendly to those customers”*. She also gives feedbacks to others especially positive ones. She usually is reluctant to give negative feedbacks. But she has friends who are very outspoken and very spot on at giving negative feedbacks. She thinks the restaurants do want to hear the feedbacks from their customers because they want to improve their services.

She is always recommending a good restaurant to others. Even the bad ones she recommends to avoid. She is a food lover and she wants people to enjoy good food and wants people to avoid bad food. She believes that the best marketing tool for good restaurants is the word of mouth as she stated, *“spreading the word is important.”*

4.1.3 Customer C

4.1.3.1 Service Expectation

Customer C goes out to eat at restaurants quite a lot. She said she goes to restaurants at least two to three times a week. Describing the general service she receives at restaurants she told

me that it depends on which restaurant she visits. According to her, some places she visits she finds very nice and welcoming employees whereas at some places the services are not good. She was keen to share her experience when I asked her about a good experience she has had when she visited any restaurant. She told me that in general she receives satisfactory services when she visits a restaurant but sometimes there are occasions where she is not happy with the service or service providers. She gave me an example of her visit to a Chinese restaurant recently when the service employee was very generous and kind to her needs. Since Customer C had a 10 month old baby with her, she is very cautious about the dining environment of the restaurant. This Chinese restaurant was very crowded and she feared that it would disturb her baby who was sleeping. But as soon as she entered the restaurant and the employee noticed that she had a small baby, he arranged a quite dining area for her and the baby. Customer C told me that she was very happy with that gesture and thanked the employee. She further mentioned that due to that her overall satisfaction from the service was heightened as she noted, *“Despite the high price in the restaurant the overall service was very pleasant.”*

Speaking about the bad experience she faced during one of her restaurant visits, she recalled that when she visited a busy and crowded restaurant, after having her meal she wanted a glass of water to drink. But the waiter took a very long time to bring her a glass of water which Customer C said was very annoying and disrespectful concerning the fact that she didn't even get an apology for that. In that case, her satisfaction level dropped although the food was okay. Adding to it, she further mentioned that she was aware of the fact that working in a restaurant business is a difficult task especially for the frontline employees as they have to put in a lot of effort and hard work and also put up a nice and pleasant smile on their face. But she expected the employees to be well capable of handling such situations and put their maximum effort towards customer focused services as they are trained to do so. When employees are sincere and honest, and are courteous towards the customers it creates a happy environment for customers to dine in.

Customer C also asserted the fact that high expectations of service from a restaurant are a major cause for disappointment. She also said that she has been in such situations many times. Talking about one specific incident in a restaurant which although wasn't inside Sweden but still very much relevant in describing the disappointment from high expectations, she described an incident when she went to a very good looking high class restaurant at the Abu Dhabi airport. When she entered the restaurant, the prices of the menu items were very high; hence she expected a very good service there. But instead she found things to be very different inside the restaurant. The food was not so great and also the people serving were grumpy. She didn't like the ambience of the restaurant as well. She really thinks that customers base their expectations of the service largely with relation to the price paid for the service. Therefore, she was very disappointed with that particular experience in that restaurant. From that experience she was very angry with the employee and said that she asked for a complaint letter or form so that she could write feedback to the manager. But the waiter was arrogant and said that they did not have any complaint form or paper to write in. Customer C was very shocked, surprised and not happy with what she encountered. She then just left the restaurant unhappy and later wrote a bad review about that restaurant in the trip advisor blog.

4.1.3.2 Social Interactions

Talking about the level of social interaction she usually have with the employees she said that as the restaurant business is a service based industry apart from eating and drinking, it is also

a place to socialize. She also mentioned that as soon as she entered a restaurant interaction process starts and she is open to interaction with the employees. But she emphasized that the interaction also largely depended on the employee's attitude and behaviors. Usually the interactions that take place are not only about the food and menus, but also about the place and other activities that go around in that place. She also said that employees are also eager to interact with the customers in a friendly and welcoming way because they know that if they are nice and kind to customers they have a good chance of getting handsome tips. But when asked about if she interacts with other customers or not, she told me that she wouldn't do that as she needed a private space for herself. Also if some other customers came to interact with her during her meal, she wouldn't like that as well as she wants her own personal space.

Speaking about the difficult experience she faced she mentioned that when she first came outside of her country and visited a Chinese restaurant; she wasn't familiar with the foods and menus, and the chopsticks. She had a difficult time dealing with the chopsticks and also mentioned that she did not know how the buffet system worked. So she learned it by watching others and describes that she had a new learning experience. In that situation she turned to employees for help. She turned to the employee and asked the employee about the related questions. She says she would ask the employee and not other customers because asking the customer would be embarrassing she says. Asked whether she would help other customer having such difficulties, she wouldn't rather do that. Instead she would call the employee than to help them herself. When asked why she wouldn't do that, she replied, *"Because from where I come from, it's ok to take others help, but some people feel offended by that. So I think it's better if the employees go and help instead of me going to help them myself."*

4.1.3.3 Previous experience and service encounter

When I asked her how often she uses her previous experiences about such services she replied by saying that all restaurants are different in one way or the other and that the services provided by those restaurants can also be different from one another. She said that it is difficult to make a certain perception about one restaurant by comparing to previous experience from another restaurant as they might be completely different from one another. She added that sometimes when you really have a nice experience from a restaurant, then you tend to expect that you will receive the same kind of experience from the new restaurant. Customer C however thinks that comparing bad experiences from a restaurant service and trying to relate it with the present service is not useful and probably nobody wants to do that. She also added by saying, *"Definitely you can have a comparison. If you have a good service experience from another restaurant and then a little bad experience from your current service provider you make a general idea about the restaurant. If it's really bad then I do comment to the employees."*

When asked about how the employees reacted in such situations she replied by saying that employees would feel a little awkward and scared that they are facing a knowledgeable and experienced customer. They might feel that they are not competent enough or fear that their managers might come to know of the incident and then take actions to them. Or with a bit of humor, Customer C said that the employees could just laugh the matter off by giving excuses such as it was their culture of the organization and so on. She also added that in general the employees are happy to talk to customers and try to help them as they know customers are crucial for their business and want to see the customers happy and come back to their restaurants. But occasionally, there are employees who don't have the right attitude at work, who just want to get the job done without showing any respect or regards to the customers'

needs and preferences. Customer C said that she would really be unhappy with such employees and would not go back to such restaurants as she feels that the way employees treat customers is a very crucial thing for the overall satisfaction from the service. According to her, the way in which the employees treat the customers is a huge thing as the employees are the face of the restaurant and they convey the impressions customers have about the restaurant's services. Although Customer C thinks that good food is an important element for a good restaurant service, the overall service delivery is just as important.

Talking about a bad experience she mentioned that most bad experiences are common in fast food restaurants where the direct contact between employees and customers are relatively less than that of the fine dining restaurants. She described to me an incident when she visited a drive*by restaurant and ordered a meal. The meal was cold so she wanted to interact with the employee and complain about the cold food. But the employee's attitude towards her was very ignorant and the employee just asked her to take the food and leave which she says was very rude behavior from the employee. After that incident Customer C decided that she would never visit that restaurant again and the reason for making that decision was because of that particular employee rude behavior. She even went on to tell her friends and family about the incident and urged them not to visit that restaurant.

4.1.3.4 Customer participation and citizenship behavior

Regarding seeking and sharing information she mentioned that these days there were a lot of blogs where you can find information about different restaurants. She said that she reviews different blogs posted by other visitors of the restaurant and after reviewing good reviews she decides on which restaurant to go out to. But she was also aware of the fact that sometimes even with the good reviews; customers can still experience a bad encounter or have a bad experience during their visit to the restaurant. But it is also good to review blogs and find out more information about the restaurants before going to them so that it minimizes the chances of making any bad choices in the first place. She further adds that word of mouth is a very important thing in restaurant businesses. Most feedbacks and recommendations about good or bad restaurants are done through word of mouth. She said although she also uses some blogs to share her experiences to other people, word of mouth still is the most used way to talk about restaurants. She also iterated that if she knew of any information which could benefit the firm to improve their services then she would definitely convey her suggestions and feedbacks to the managers or employees of that restaurant through the suggestion boxes. When I asked her the reason for why she would carry out such behaviors she replied by saying, *"because the next time I come there I would want to see that I get a better service and I get what I want. Everyone looks for a comfort zone."*

Talking about her moral responsibilities to the employee and firm she described that if she is very satisfied with the services she receives and if it makes her happy then she is more than happy to perform such citizenship behaviors such as giving handsome tips to the servers. Although it is not compulsory to give tips to the servers, she mentioned that she gives tips because she is happy and satisfied and that she likes to show appreciation to the employees. Customer C believes that giving such kudos to the firm and employees can really motivate them to focus even more on providing better services to customers. Narrating about an experience she said that, *"In some restaurants I have seen that the dining restaurants have a bell and if you really love the service you ring the bell and everybody claps. You let everyone know that you loved the service. I think that would really motivate the employees"*. She further mentioned that such actions of the customers really made the employees happy and

motivated them to work more and provide a better service to the customers. According to her, this kind of appreciation from the customers is a good way of showing satisfaction from the service they receive as it benefits all the parties involved. She thinks that in this way the workforce inside restaurants can be motivated positively as happy customers react pleasantly which makes employees happy too. When both customers and employees are happy then eventually the firm benefits as the profit increases and it is a win-win situation for everybody.

Apart from appreciation, Customer C also emphasized the importance of feedback as she thinks that giving feedbacks to the service providers gives them a chance to improve their services. She thinks that someone who is doing a great job at work should be appreciated but at the same time those employees who are not doing their job as they are supposed to should be corrected and taken action. Feedbacks can be both positive as well as negative. When Customer C is unhappy with the service usually she asks for a complaints or suggestion form so that the management can take note of it. She also prefers to give feedbacks to the frontline employees who she interacts directly with. But at the same time, she thinks that it is important for management and top-level managers to also know what they are lacking in their employees or the areas where they could improve. She noted, *“I think the managers and top management also needs to know that their employees are doing a fine job. I would like to see some employee feedback forms in each table you know. In that way I really think the person will be more courteous to you.”*

According to Customer C, in a service based business, it is very important for managers to know about their human resources and whom to keep and whom not to keep. Since these front-level employees are the ones who come in direct contact with the customers, they act as a face of the restaurant to the customers. If these employees are not careful in dealing with the customers then the restaurants risk losing their customers which could prove disaster for the restaurant. Therefore, Customer C always recommends any good or bad service she experiences to her friends, family, and colleagues because she wants other people to enjoy the best services and also sometimes she wants them to avoid the bad service experiences which she thinks could save a lot of time, money and energy.

4.2 Employee’s point of view

Similarly, the following six criterions have been drawn from the theoretical concept developed in Chapter two to understand the employees’ point of view. These criterions are General questions, Service Climate, Service Quality, Interaction and firm competence, Empowerment and flexibility, and Customer focused OCBs.

4.2.1 Employee A

4.2.1.1 General questions

Employee A has been working in the restaurant for about 20 months. He is a student in the university and is working in a fast food restaurant in night shifts. He is originally from Ethiopia but has been living in Sweden for three years now. He feels good to be working in the restaurant as he finds it good that he can manage his expenses. The thing he likes about his job is the time schedule of his work. It is important for him as it does not collide with his academic hours. As he works in the evenings he likes to work there and is happy. According to him, the bad aspect of his work is the rude and disrespectful behaviors of the customers

sometimes. He stated, *“Sometimes they are drunk and they act in an indecent way. Customers do not treat the employees properly especially at night shifts when they tend to be drunk. In the day time they are okay.”*

4.2.1.2 Service Climate

When asked about what he expected from his management he replied that he expects good salary from the top management. He expects to get more pay than the day employees because the challenge is more than in the day shift. Employee A also said that most of his colleagues at work also share the same opinion as him as they are not satisfied with the manager and management of their restaurant. The main reason for that is that the manager is not friendly and his leadership is not good. Employee A feels the same way too. He thinks the boss doesn't treat the employees the way the employees want to be treated.

Describing the working climate inside his restaurant he says that the working atmosphere inside his restaurant is very rush especially in the weekends. Employee A also told that sometimes he feels like he is being abused by the organization because the management only gives him the shifts when there are too many customers coming in. Before he used to work in the day shift in which the customers were relatively low and the pressure was not so much. But now, the management only calls him to work in the night shift where there is a rush of customers and the pressure in the workplace is enormous as the demand is high during night shifts especially during the weekends. This is why he feels his services are being abused. However, he thinks that the services offered by his restaurant are customer focused because according to him the restaurant is located at the centre of the town which is relatively a small town. He also thinks his restaurant offers comfortable and supportive services to its customers and because the restaurant is located in the heart of the town it is very much accessible to its customers.

Employee A also thinks that his work is compatible with his nature as he like to meet new people and remain busy most of the time. During his work also, he like to meet new people and have friendly conversations with his customers. This makes him feel really good about his job apart from the usual financial motivation from the work. However, he doesn't feel good because he still thinks he receives less payment according to the amount of work he has to do. Another thing that makes him feel bad about his work is rude and disrespectful customers.

When I asked him about the reward system present in his organization he said that the only reward system that is present in his restaurant is the monetary reward system. He was firm on the fact that his restaurant management did not reward customer focused behaviors from the employees. Before working in this restaurant he worked in other restaurants before. He said that he has eight years experience in this business and in most of his previous jobs he found that such behaviors were rewarded by tips or encouragement. But in this restaurant he found that even if he treats the customers in a good way, there is no encouragement and appreciation from the management. He said that the management in his restaurant is silent on encouraging such behaviors from its employees. He said he did not have any kind of motivation from the management to encourage such behaviors. When asked about why he thinks such situation existed in his present restaurant, he replied by saying that culture of the organization is a big factor for the management in being run this way as he quotes, *“It seems I am working in a culture where people don't expose positive or negative emotions to other people. Encouragement should be either financial or simply positive encouragement. But here the cultural side of the work is turning into the business aspect.”*

Employee A thinks that having performance appraisal incentives could be a very important factor for employees to become positively motivated to perform better services. He thinks that having such performance appraisal incentives motivates employees and makes them feel good about their work. It would also create a good environment within which employees feel happier to provide service to the customers. He explained, *“When we see that our actions and behaviors are being appreciated or rewarded then we are more motivated to carry on our jobs with enthusiasm. It encourages us to do better.”*

4.2.1.3 Service quality

Talking about the customer service, Employee A said that customer should be treated as kings in the restaurant business and their demands should be met in all costs. He mentioned that the main components for a good service should be that the order should be delivered on time to the customers and the environment of the restaurant should be clean and attractive with neat and clean tables and chairs. He also mentioned that having adequate restrooms are also an important thing that determines the overall satisfaction level of the customers. He was not happy with the fact that his restaurant had only one toilet for the customers. When customers are many in weekends they usually have to queue a long while to use the service. He said that this also resulted to the decrease in satisfaction levels of the customers.

He however thinks that his restaurant is well equipped to provide an excellent service to his customers. But still he emphasized that the restaurant should at least add one more toilet so that restaurant customer don't have to wait too long to use the rest room. Also during the rush time customers sometimes have to wait a long time to get their orders. This too should be improved he says. He would want to see more employees working in the front desk to handle such problems. As he quotes, *“The restaurant needs more ‘Serveringar’ who are directly in contact with the customers.* When asked about what he thinks about how his customers' think of the services his restaurant provides, he replied that he thinks the customers are satisfied with the services of the restaurant. He said that most customers give positive feedback about the restaurant's services. Employee A was strong to state that his restaurant's core service (which is the food) is far better than their competitor's food as their customers say so. Employee A also believes that the customers are telling the truth because he himself when acting as a customer likes the food better in his restaurant.

However, when it comes to other areas of service delivery, Employee A admits that there are some problems with the service system and that some customers are not happy with the service. He mentioned that usually during the weekends, there is a large inflow of customers coming to the restaurant to eat. Because of this there is a high demand of orders and employees are in tremendous pressure to deliver prompt service to satisfy all these customers. When customers have to wait a long time to get their orders or to get served then they are complaints. But during the weekdays, when there are fewer customers, there is less demand and less stress. Therefore the employees can work better to satisfy customer needs and deliver timely service. This is why customers are better satisfied during the weekdays.

When asked about the management inside his restaurant, he said that the management does not actually try to support or encourage quality service towards customers. As he quoted, *“There are no evaluations to evaluate the feelings of employees. The behaviors of employees aren't actually appreciated and rewarded.”* But despite this, his behavior towards the customers is indifferent and he tries to provide the quality service as best as he can. However,

the management does try to focus and improve their on-time delivery. For this they have also installed automatic ordering machine installed next to the counter where customers can order themselves when there are many customers.

4.2.1.4 Interaction and firm competence

He enjoys interacting with the customers. He interacts more than anyone in the restaurant. He is really popular in the restaurant. Many customers know him well and share feelings with him. He says the interaction is very casual. He emphasized that he never had any orientation with how to deal and interact with customers, but he interacts with his free will. He doesn't have any pressure from the management to interact in a certain way. He thinks that having strict rules and regulations on how to act and interact would stifle the actual interpersonal relationship between employee and customers. Employees should be able to act and interact with the customers in a professional and yet friendly manner because he thinks this is a good way to develop healthy and long term relationship with the customers. As he stated, *“If there are rules on how to interact and act with customers then you are not being flexible and cannot adapt to the changing demands of the customers. I am always open to help and interact with the customers.”*

Speaking about how closely he interacts with the customers, Employee A mentioned that as a human being, it is his moral principal to be friendly towards people inside or outside the organization. But especially when dealing with customers inside the restaurant he thinks that the responsibility to act more friendly and helping towards the customers is even more. He also mentioned that since he is a marketing student himself, he knows how to deal with customers. He feels he needs to respect people and customers in a way in which they ought to be respected. When sometime customers become very difficult to handle, he simply reacts according to the situation. For example, in one of the days, when he was working some drunk girls came and tried to kiss him and then he tried to skip those girls and told them that it wasn't appropriate but with a nice manner. Because he understands that they are drunk. Some guys also tried to take the chairs outside of the restaurant then he had to stop them. Thus the actions depended on how customer behaved like.

When I asked him about what kind of training he received before he started his work he answered by saying that he never had any kind of on-job training. He said that when he first started working, some colleagues helped him to get familiar with the ways things were supposed to be done within the restaurant but he assured that no formal training were given to him from the management side. He however believed that on-the-job training was crucial for the development of employee's capability and skills and that organization should focus on training their employees for particular work. He wished he had some formal training before starting his work as he believes that customer behaviors are changing from time to time and from situation to situation. If organizations focus on giving more training to its employees then the employees can be equipped with more skills to provide better services to its customers.

Speaking about the infrastructural competencies of his restaurant he thinks that his restaurant currently lacks enough restrooms for guests as the restaurant only has one restroom that guests can use. This creates problems when there is large number of customers who come to eat and drink in the restaurant and want to use the restroom. Those customers have to wait for a long time to use the restroom. This results in more complaints and decreased satisfaction from the service of the restaurant. According to Employee A, *“Unless the organizational is*

well equipped with the infrastructure and resources it is likely that customers will not receive the full value of the service.” Also he thinks that lacking in organizational resources do tend to affect on the employees working in the restaurant because when the firm lacks some basic or important infrastructure then the employees cannot do anything to provide superior service. And this affects the psychology of the employees. According to him, *“Employees will eventually begin to think that their organization is not the best and with increasing customer complaints the working atmosphere will only decrease.”*

4.2.1.5 Empowerment and flexibility

When asked about how much freedom do the front level employees have to participate in the service related decisions, Employee A replied that the management in his restaurant did not allow employees to participate freely in the service related decisions. Even those problems which could be solved by the front level staffs should be reported to the manager first. The line of reporting was strict and very limited to the employees. Employee A never had any moment where he could participate or provide ideas on how the service should look like or how the service delivery could be improved. He thinks employees need to be given the freedom to adapt according to the needs of the customers because customers should be treated as kings and their feelings should be considered with respect. He thinks that the actions of the firm and its employees should be governed by the feelings and needs of the customers rather than the interest of the management especially in the service business such as restaurants. To some extent, he has that freedom but he thinks it is very minimal and thinks he should be given more freedom. Giving an example, he said, *“When customers like some more ketchup or water, or they would like me to clean the tables, I can do that. But when they want the lights to be dimmer or the music to be softer or if they would want to alter some menus then I don’t have that freedom to decide myself. I have to ask my manager.”* He thinks if he was given some more freedom to react and respond to customers on his own then that would definitely make the customer satisfied and the employee himself would also be satisfied because he would feel that his capabilities and willingness to help customers are respected. He thinks it is good to have a certain amount of freedom because as front-level employees are the ones who interact with the customers directly, they have to make quick decisions and cannot always rely on the manager’s word as it will delay the service provided to the customers.

When asked about how his restaurant handles the feedbacks from the customers, strangely the employee said he never had any experience where he found that the company listened to any feedback from the customers. According to him, most customers they directly come to him to complain about something or suggest any improvements for the firm, and it is usually the front-level staffs who deliver this message to the managers. The customers have different kinds of feedback according to the employee. He opined that the feedbacks from any customer depend on the experience of that customer with similar services before. For some the service might be perfect and you might not complain about anything, but for some customer who has had a very good experience in other restaurant might have complains about the very smallest thing which is not a big deal. But nevertheless, Employee A thinks that his management has not been keen to act or provide prompt responses according to the feedbacks from its customers. Employee A also noted that *“since there are no suggestion boxes in the company, most customers directly interact with the employees to suggest or report complaints and employees delivers that message to the managers. Although the managers do listen to all the feedbacks and suggestion the employees tell him he doesn’t react to any of them.”*

4.2.1.6 Customer focused OCBs

When asked about how often he engages in OCBs focused towards customers, he said that he sometimes engages in OCBs. He described to me that during the weekends, there are many customers who come drunk to the restaurants. And when he felt like someone is very drunk and is almost unable to sit straight, he would sometimes bring water to them to drink and some napkins because he felt that they need some water or some tissues to clean up. Also because he knew most of the customers well and have close customer-employee relationship with them, most of them treated him as friends and he said he was happy to help them. Also sometimes when customers forget their belonging in the restaurant he picks them up and keeps it inside the restaurant safely so that when the customers come back they can have the stuffs. This also makes the customer feel very happy and also provides satisfaction to the employees as well for a job well done.

The reason why he carries out such activities is because according to him, *“The main essence of Confucianism is not to treat other people as you don’t want to be treated by others. When you take that religious spectrum to business spectrum you act in that way.”* He wants to give the same type of service to customer just like he want to be treated when he is a customer. He doesn’t want to see agitated and irritated customer who lost his belongingness in his restaurant. Even if he is not satisfied with his work and working condition he emphasized that he would not change his morals and he would still carry out such behaviors because he is guided by his own moral principles. He thinks acting on such morals definitely has an effect in the working environment despite the organizations minimal commitment towards customer service because if the employees are sincere and honest towards providing better service then customer will be more satisfied.

4.2.2 Employee B

4.2.2.1 General questions

Employee B started working in this restaurant about 15 months ago as a full-time employee. He is originally from Nepal but has been living in Sweden for two years now. He works in a fine dining restaurant. He feels happy to be a part of this restaurant. He works in a fine dining restaurant. He says he enjoys his work and he interacts a lot with his customers. He enjoys his job because he likes to meet new people and loves to interact with them. He says, *“It’s quite good to know different kind of people with different views and so on. It is interesting and my personal hobby to meet and interact with new people.”*

4.2.2.2 Service Climate

As an employee, he expects good environment to work in from his management. He thinks that there should not be any pressure inside the working atmosphere of a restaurant. He was also firm on the opinion that instead of strict rules and formalities, he would rather like to see some flexibility in the working environment regarding the employee’s say in the service decisions. Employee B thinks that in a restaurant business, customers are unpredictable and we can never be sure what type of customers will come and how they will react. So employees should be given reasonable freedom to make their own decisions so that they can adapt to such situations and are able to see what the customers are looking for from the service. He iterated, *“After having a short interaction we can find out what the customer needs and wants and then we try to work to best satisfy their needs.”* Speaking about the

working atmosphere about the restaurant he mentioned that he and other colleagues pretty much agree that the working environment is pleasant to work. The management is flexible and is treating the employees well. He emphasized that in overall the employees are happy inside his restaurant.

He also mentioned that the working climate in the restaurant is highly customer focused as they focus on individual care. He described to me that when families came to the restaurant with small babies, they made sure that they provide them with special baby chairs. The management inside his restaurant really focuses on giving individual care and attention to their customers. He added that this customer focused service motive was handed to them from the top management as the manager and top level bosses highly emphasize customer focused service. Because of this the working atmosphere is very comfortable to work in. As he noted, *“Our organization’s first priority is customer satisfaction and for that management makes the working environment very positive for us. Then we are motivated more to provide better service to customers. And this eventually increases the profit of the company as well.”* When asked about what makes him happy at work, he replied by saying that when his boss praises him and appreciates his work he feels good and happy. Also, when customers are satisfied from the service and gives him good tips he is happy. He added that the management organizes weekly meetings inside the restaurant and they discuss about their weekly targets. When these targets are met, Employee B feels satisfied and happy. Similarly, talking about the bad aspects about his work, he said that sometimes when customers’ pre-book tables and meals and they don’t show up it makes him feel bad because they have to make preparations for the meal and organize tables which takes some effort. When customers don’t come then the employees effort are wasted in vain and also those tables could have been booked by other customers who want to dine.

Speaking about the reward system he stated that the restaurant management does have monetary reward system which is very popular. But he said that the reward systems also depend on the managers and how they want to reward their employees. For example, his previous manager used to divide the monetary incentive (tips) equally to all the employees when there was a good sale which made everybody happy. But his current manager prefers to reward the best employee according to their performance which is also good he says. He noted, *“He emphasize on individual skills and ability. Whoever works hard and provides a fine service he or she receives the maximum tip.”* He thinks management does have to look into the employee’s willingness to provide better service to the customers. Such behaviors should be motivated and appreciated by all managers in order to improve the level of service. If you have an employee who is very good at interpersonal and communication skills when interacting with the customers then of course he or she will be the key employee of that restaurant who is appreciated by the customers and should also be praised by the manager of that company. According to Employee B, *“When our performance are praised and appreciated we are motivated to serve our guest with more zeal and enthusiasm. If we provide better service to customers we know that those actions are appreciated and rewarded by the management. So we will be motivated even more. It is also a kind of performance appraisal incentive.”*

4.2.2.3 Service Quality

Commenting on the prerequisites of customer service that is essential for a good customer service he replied that first the atmosphere inside the restaurant should be good and comfortable. He also thinks that the restaurant should have adequate facilities to provide

supreme services to the customers. As he mentioned, *“Although you are willing to give very good service sometimes because of the lack of proper infrastructure, it is very hard to provide the best service to the customer. Resources are very important.”*

Talking about his own restaurant, he thinks his restaurant lacks such infrastructures in order to provide maximum customer service experience. Currently in his restaurant they have a very limited space for hanging jackets. Because of this many customers face problems regarding where to keep their jackets. Also he mentions that there is a lack of a few extra tables because the tables are usually booked most of the time and when it is fully booked and customers are still coming in, it feels bad to see them return. If there were some more tables it would be better. Another problem he faces is that some customers tend to sit and gossip for a very long time even after they have finished their meal. Because of this, other customers who are waiting to get a table have to wait for a long time and especially during the weekends these problems are common he said. This is also the reason why he thinks the restaurant must expand its space to set up some more tables to accommodate more customers.

He thinks the customers are satisfied with the services of the restaurant. He said that during the weekdays customers are very satisfied with the service as there is not much rush and the customers can be attended to with more care. But during the weekends when there are more customers and the restaurant is crowded it becomes hard to satisfy all the customers as the services tend to get a little slower and because some customers don't find seats. Because of this some customers are disappointed. But overall, Employee B thinks that customers are happy with the service that his restaurant provides them with as customers' convey their satisfaction personally to the front line staffs and also give them huge tips when they are satisfied. He adds, *“Because many customers tell me that personally and hug me and give us good tips, I know that they are satisfied with the service.”*

According to Employee B, the management inside his restaurant supports and encourages close customer relationships and they emphasize good bonding between customers and employees. They give information about what events are coming up, what kinds of food they are serving for the week and also give out plenty of information from in and around the city so that the customers feel more comfortable. As Employee B states, *“Of course food is the main thing but apart from that we also focus on other things such as the ambience, environment, and decoration to make the customer feel more comfortable.”*

4.2.2.4 Interaction and firm competence

Speaking about interaction between employees and customers he said that having loyal customers is the base for the key success of his restaurant. He thinks all the employees should be aware that in order to make loyal customers first we have to know our customers very well. We have to know what they like and what they are looking for. Therefore, Employee B said that all staffs at the restaurant tries to have interaction with the customers to get to know them and they not only discuss about the food and drinks but also discuss other things such as talking about the city, and sometimes their interests too. He also emphasized the role of management in encouraging having positive and healthy interactions between the customers and employees. As he mentions, *“Even the management focuses on sound interaction with the customers because loyal customers will convey a good message to other customers through word of mouth. The interaction is casual but we try to be very nice and friendly conversation so that they are satisfied.”*

He also added that sometimes they had to deal with unpleasant and very demanding customers as well. In such situations the employees are not happy with the guest. However, Employee B said that they try to provide the best service they can and try to meet the customers demand and try to solve their problem. If the demands are out of the front level staffs hands, then they take the problem to the manager and the manager handles the customers. Sometimes even the manager can't satisfy the customer's unreasonable demands and in that case we just tell the customer that we don't provide such services. *As Employee B states, "Different customers have different opinions and expectations and we are also not perfect. So sometimes we do face such problems where we cannot satisfy all the customers' demands."*

When asked about what kind of job training he has, he replied that the management did provide him with on the job training. Practical training at work was given and training and classes on how to serve the customers and how to react to different situations were also given. Employee B thinks it is good to receive such trainings before starting the work as it helps employees to be prepared for different kinds of situations and also shows the management's commitment towards providing customer focused services. He noted, *"The management here is very sensitive to such things as they focus on customer services very much"*.

Commenting on the lack of resources in his organization he thinks that the restaurant lacks enough spaces to hang the jackets of the customers and wants that area to be looked into by the management as soon as possible. He thinks that such things could hamper the overall impression that customers have towards the restaurant and management should try to think of every detail that could relate to provide maximum satisfaction to customers. He also mentioned that because the restaurant lacks adequate space for hanging the jackets, employees have to put in extra time and effort to manage that situation because of which the attention to others areas will be affected. This will in turn affect the overall working environment of the restaurant. As Employee B puts it, *"Lack of resources means we have to put more effort to manage that jacket situation which means we are losing time in giving more attention to our customers which is the first theme of our restaurant service apart from great food. So it definitely hampers the environment in which we work."*

4.2.2.5 Empowerment and flexibility

Speaking about the level of work engagement of employees, he mentioned that he is given partial freedom to give services to the customers. He said that it depends on the level of services that they carry out. The employees are given responsibility to deal with customers at the frontline service but for higher level decisions that include management intervention they are not allowed to make their own decisions. Giving an example he said, *"For example when serving wine to the customers, the bottle slipped and fell and broke. I have to serve another wine to the customers, but for that I have to ask the manager whether I could do that or not which I think is not needed. I could do that on my own"*. He further mentioned that the more interaction he has with the customers, the more chances he gets to learn from the customers about new things which are new to the firm as well. This benefits the firm in numerous ways. During such interactions, when employee get new information from the customers which they think would benefit the firm, then they take those matters to the weekly meetings and discuss them with their managers. The managers then evaluate the suggestions and if he thinks that is good for the restaurant then he takes steps to implement them. In this way employee B thinks that the learning new things from the customers can also benefit the firm, thus highlighting the importance of close interactions with the customers.

Employee B further mentioned that his restaurant's management is very open to suggestions and feedbacks from the customers as they see it as a chance to improve their services. His manager is also open to suggestions and ideas put forward by the employees and listens to the feedbacks from the employees and evaluates them in group meetings to decide whether to implement it or not. But in general most feedbacks come to the front-level employees who work on the floor from the customers as they are in direct interactions with them. Employee B stated that sometimes, the manager himself also came to the floor to help and serve the customers which is really nice to see he says. Once incident where Employee B described to me where the management took rapid response to customer complaints was when a customer complained about the broken sink in the toilet. Then the manager asked one of the employee to fix the problem and after the work was over that day, the manager called a meeting where it was decided that it was every employee's responsibility to check the restroom at regular times to see if everything was alright or not.

4.2.2.6 Customer focused OCBs

When asked about how often he engages in behaviors which is not required of him outside his work, he replied by saying that such kinds of OCBs were a part of the employee moral responsibilities. He said that while working in the restaurants, there would be many customers who come to eat and then forget to take their belongings and leave it at the restaurants. Employee B said that it was the employee's moral responsibility to take care of any belongings that customers leave at the restaurant. If he found something that customers leave in the restaurant, he said he keeps them at the restaurant office and when customer come back looking for it, he would give them back their things. When asked about the customer's reaction to that he added that the customers would be very happy and grateful to find their belongings safe at the restaurant because sometimes the customers forget very important things such as their passports, phones, laptops, etc.

When asked what motivated such behaviors he said that the working culture of the company and the restaurant plays a significant role in motivating employees to perform such behaviors. If the culture inside the restaurant facilitates and encourages such behaviors, then employees know what is expected of them although those behaviors are out of their work duties. So employees feel that they can contribute to the working environment by engaging in such behaviors. But Employee B also said that it also depends on the individuals' personal character, his/her values, and moral sense. Narrating his own incident he described, "*Once I found 2500 kroner in the restaurant. I took it and gave it to the manager. The manager was very impressed with me because he knew that I could have kept the money but I gave it to him. So he gave me kudos and gave me 500 SEK as my reward which was pleasing too. So overall the working culture and working environment also plays a role in motivating such behaviors I would say*". He noted that when customers are friendly to the employees it automatically generates more good service from the employees because when employees meet friendly and curious customers, then according to him, the employees are motivated to help the customers even more. He stated that a healthy environment can lead to positive interaction between customers and employees which will contribute to the overall working atmosphere in the restaurant as well as more satisfaction level for the customers. He also added that when he engages in such behaviors, his work colleagues will also be motivated to conduct such behaviors by looking at his behavior because such behaviors can be transferred to others when others see it and they learn from it. He emphasized that by saying, "*As I said before, it is a*

working culture of the organization and everybody should be involved and immersed into the organizational culture.”

4.2.3 Employee C

4.2.3.1 General questions

Employee C has been working in the restaurant business for 3 years. He works in a fine dining restaurant and he is a full time employee. He is originally from Bangladesh but has been living in Sweden for the last four years. He says his boss really likes him for his loyalty, hard work and activeness and has been generous to him by providing him full time work permit. Speaking about how he feels to be a part of the restaurant, he said that he never feel like he is an employee in the restaurant. He feels that everyone inside the restaurant work as a family and the working environment within the restaurant is very easy and dedicated and all the employees treat the business as their own. He said that the restaurant he is now working in is a new branch of his parent restaurant. His main responsibility at the parent was to work as assistant to the chef, and also communicate with the customers, but now he is promoted to supervisor in the current restaurant which has been open for 7 months now. Speaking about the bad aspect of his work he said that he didn't have any such bad aspect about his current job but mentioned that in overall getting a proper job with respect to his academic qualification is difficult in Sweden. So because of this he decided to work in the restaurant business and he is happy working here as it gives him freedom and he can work and communicate with the customers as he enjoys his work.

4.2.3.2 Service Climate

When asked about his expectations from the management, Employee C explained that he expects his management to trust his abilities to perform his duties. As he is the supervisor in the current restaurant, he treats his colleagues well and is polite towards his employees. He told me that the restaurant has in total eight people and he oversees all of them. He treats everyone as his friends. He said that all the employees were happy to work with him. He also said that his boss was a very kind man and influences the entire working environment within the restaurant with his positive attitude. The salary level of all employees is good and makes everybody happy. But he also stressed that it is not only the salary factor that makes employees happy but the way the employees are treated by the boss, the behavior of colleagues, as well as financial factor they contribute to the overall satisfaction of the employees. Employee C also explained that the services of his restaurant are dedicated towards providing better customer service. This is highlighted by many customer compliments from the customers themselves. He said that the customers say the restaurant has good food, good service, and also the price is lower than that of other places. The restaurant focuses on good and fast service delivery which has been appreciated by the customers. He emphasized the service and customized system of the restaurant as being an important factor for such feedbacks from customers. He states, *“Customer satisfaction is the most effective tool for our business.”*

He said that the main threat to his restaurant is the competition factor from other restaurants as they are always looking for leakage where they can capitalize. He said he always takes suggestions from customers to improve the service provided by the restaurant as the aim of

the business is not a short term plan but a long term business. If customers say something, they note it down and discuss with the management and try to follow the customer's suggestions. For example he said that a customer suggested that when serving buffet, the customer (as he was a Muslim) suggested that 'halal' meat should be kept in the front so that when serving it will not be mixed with other foods. This suggestion was followed by the restaurant instantly. So Employee C stressed that they really have a rapid response system through which decisions are made quickly to adapt to customers demands which results into the customer being really happy and loyal towards the restaurant. Talking about the reward system inside the restaurant, he said that whenever they cross the record sales, then the boss comes and gathers everybody and appreciates the work done by the employees. Everybody claps and congratulates each other and then the boss also gives monetary rewards for the job well done. Similarly during festive seasons, the boss also gives various gifts and perks to the employees to make them feel appreciated. Employee C also said that his boss regards all employees as shareholders of the business and also distributes some part of the annual profit to the employees. He also said that the management also encourages customer oriented services and is always overlooking the activities of his employees to meet the highest standards. According to him, *"Business will be ruined if the management is not good. Business will profit if the employees are active and loyal and management must make sure that employees are happy."*

Employee C also mentioned that the restaurant has a diverse workforce from different countries and sometimes it is a challenge to manage different people from different cultures. But nevertheless, when hiring employees, he and his boss review the application and resumes and then interview the potential candidates before recruiting. They make sure that the employees have a good team spirit and are focused on quality service before recruiting them.

4.2.3.3 Service Quality

In his opinion, the most essential things for a good customer service in restaurant business are the perfect timing to serve food, quality of food service, and of course the price. He mentioned that if the food quality is good, customers will come back for more. He also added that the timing is also very important as it is a promise to the customers that their food will be delivered in a certain time. When customers do not get their food in time, then they don't usually like that. Talking about the resources of the restaurant, he added that the restaurant needs to add a few more tables and chairs as the number of customers are increasing every week. The restaurant has a small place and needs to add more space. The management is also trying to find new place to expand the number of tables so to accommodate more customers. When asked about how he thinks the customers view the services of the restaurant, Employee C said that customers are very happy with the restaurant services as they really appreciate the services and convey their appreciation personally and through feedbacks in the website. He mentioned that the restaurant also has a website through which customers can know the menu for the day and any upcoming specials for the week. Through the website, customers can have information about the different foods and delicacies available at the restaurant. The restaurant also posts important information and upcoming events or specials on their 'facebook' page through which customers can get updates.

He said that every day the customers are increasing and the main reason of that increase in number of customers is the word of mouth. As the advertising done by the restaurant is very less, the word of mouth is the most effective way to spread good word about the restaurant and it is done by the customers of the restaurant. He said that if the restaurant can make one

customer happy, it means that customer will tell to his/her friends and families about the service and convince them to come to try the restaurant. And if the restaurant makes them happy too, they will tell others and that is how the restaurant customers keep increasing.

He emphasized that quality service is the main secret to the success of the restaurant business. He said that even if a restaurant has a good quality food and drinks, but the employees of that restaurant do not behave well or are impolite to the customers, then it gives a bad impression to the customers about the overall service. Talking about how he motivates his staffs' every day, Employee C said that every morning before starting work, he gathers all his staff and assigns them their respective work areas. But during the busy work hours, he also makes sure that all the employees help each other and support their colleagues. As a supervisor, Employee B mentioned that whenever he felt that employees are very busy in carrying out their field duties and when they need some help, he readily gives them a hand and also sometimes does their work. This attitude certainly motivates and encourages the employees as they see that the pressure is not only on them but on all employees and getting some help is also very encouraging.

4.2.3.4 Interaction and firm competence

Speaking on the interaction level with the customers, Employee C said that he is always willing to interact with the customers. He also said that as the customers come to order take-away lunch, they see him make their lunch ready as he talks and interacts with the customers. Many customers treat Employee C as their friends because he is very friendly with his customers. The interaction with the customers is friendly but at the same time, the service is very professional according to Employee C. Speaking about the management's view on the interaction level of employees with the customers, Employee C noted that his boss has given him the responsibility to run this current branch. So he is responsible to make sure that all the customers are attended to with care and quality service is provided to all customers. When I asked him if he wanted to see his employees engage in more interaction with the customers or not, he said that the employees usually are busy in their work, and have less time to interact with customers. He also told me that his employees usually are given freedom to work freely within their job duties, but since their job responsibilities are predefined they tend to stick to that. When customers really have something to say or some complaints then it was Employee C who dealt with the customers. When dealing with customers, Employee C made sure that the customer complaints and demands were dealt with wisely. He emphasized, "*The main goal is to make customers satisfied.*"

He also said that there was no denying that some customers are rude and impolite and such kinds of customers exist everywhere. In such cases, he really tries to understand what is making the customer unsatisfied and asks the customer what he expects from the service. He said that people are different and not all people have the same mentality. Being able to read the customers mind and understand what they want is important to deliver services that can satisfy them. He also stressed that sometimes employees are inexperienced and cannot handle such arrogant customers. In such cases, he tries to help the employees deal with such customers by stepping in. When I asked him about what kind of job training he had before joining the restaurant he said that he had training as an assistant to the head chef from his previous jobs. He feels that it is important that employees need some sort of training before joining the work. According to him employees without training are less effective at their work. Currently, the restaurant provides around 1-2 weeks training before hiring the

employees permanently. He stated, *“Without training, employees tend to be less active in their work because they have less idea of what they should do.”*

Employee C agreed that due to the lack of adequate tables and chairs, the restaurant has been operating below its full capacity. He said that the restaurant is capable of serving more customers than they are currently serving but due to the small space they are forced to serve only limited customers. However, he doesn't agree that such lack of space hampers the working environment within the restaurant. Of course, he thinks that although when the restaurant is full and customers have to wait long time to order, it is not up to the employees to change that situation. The employees always try to keep the customers happy and satisfied as the restaurant aims to provide quality services. But due to the limited seats, there is a competition between customers to come and be seated early.

4.2.3.5 Empowerment and flexibility

As a supervisor at the restaurant, he gives freedom to his employees to make their decisions at the floor level. This decision is also granted to him from his boss as he is given the freedom to manage the restaurant on his own. The manager usually comes and checks with Employee C about the restaurant operations and the responsibility to oversee other employees is handed to Employee C. He is very friendly and co-operative with his fellow employees listening to their problems and also helps them with suggestions regarding work as well as other matters. He said that minor problems at the floor level are usually expected to be solved by the employees themselves whereas when there are bigger issues, employees have to report it to him. He stated that, he usually goes out to the tables where the customers are seated to ask more about the food and the service to get feedbacks and suggestions. When customers give them suggestions and feedbacks, the management notes them and then the suggestions are discussed with the management. After the management decides if the changes are necessary then the suggestions are implemented. Employee C emphasized that getting feedbacks and suggestions from the customers are very important to improve the services of the restaurant. He states, *“We are doing business with the customers. If the customers are not happy then the business cannot grow. If they are thinking for the betterment of us and the restaurant, then of course we have to listen to them.”*

4.2.3.6 Customer focused OCBs

When I asked him how often he engages in organizational citizenship behaviors, he replied by saying that it is a part of his job. Although such kind of behaviors is not required to conduct, management expects employees to perform up to a certain standard. In such cases, he replied that the management is always ready to help the customers and their employees in and outside of their work as well. For example, every week so many customers forget their belongings at the restaurant, but employee C thinks that it is the responsibility of the restaurant to take care of those belongings and hand it to the customers to whom it belongs. They usually call the customers or just keep it until someone comes to claim them. Another example employee C gave me was that when a customer orders through a telephone, if the customers are nearby then employee C asks one of the employees to deliver it to the customer depending on the busyness of the restaurant which is not actually required of the restaurant. But Employee C said that as the restaurant is committed towards providing full satisfaction to the customers; such activities are often carried out by the organization as a whole.

When asked what motivated him to carry out such citizenship behaviors, Employee C replied that it was the moral responsibility as a person and as a responsible service provider that

should motivate all employees and service providers to engage in such behaviors. He also said that the working culture of the organization also acts as a factor to motivate and encourage such behaviors from the employees working inside those organizations. As supervisors and managers focus and encourage such behaviors employees feel that such behaviors are expected of them from the management thus motivating them to perform such behaviors. This in turn will also improve the overall working atmosphere within the organization. He described, *“When the management emphasizes on such behaviors, employees feel that they are expected to perform such behaviors.”*

5. Analysis and Discussion

In this section, I will develop a discussion of the empirical results with reference to earlier research and literature presented in chapter two. This chapter will also analyze the empirical findings and discuss what and how customers will help in creating the overall service climate of the restaurant firm, thus trying to answer the research question for this paper.

In the conceptual framework developed in Section 2.10, I have discussed how customers are at the center of value co-creation of service delivery process. As I mentioned earlier that the role of customer in helping to create a positive service climate inside a firm has not been researched enough given its significance in the service marketing research. Therefore, here I will try to connect what I have found from the empirical data with the different literatures discussed in order to find out how customer can actually influence the service climate inside restaurant firms. In order to analyze the findings from the empirical data, I have categorized the themes that were used in the empirical chapter into four major categories. The analysis and discussion are done on the basis of these four main categories in order to answer our research question.

5.1 Service Environment as a platform

It is important to understand that the quality of service that customers experiences do stem from the comparison of the customers' expectations of the service and the actual service performance they are provided with by the service providers during their stay at the restaurants (Chin and Tsai, 2013, p.1163). The results from the empirical findings suggest that customers do have prior expectations about the service they are going to receive from their service provider. These expectations about the restaurant service mainly come from prior experiences about similar services in other restaurants. All the customers interviewed admitted that they had predetermined expectations of the service they are about to receive which was based on some sort of predetermined attributes. These attributes mainly was found to be the customers memories of previous standards of food, their experience with interacting and assessing the employees service and the overall environment and services cape of the restaurants.

The empirical findings also showed that customers regarded good food as being important for good service along with socially friendly employees and also the overall dining environment of the restaurant. Service minded employee with extra attentiveness towards customers needs did make the customers happy and satisfied from the service along with a pleasant dining environment thus asserting the fact that core service, social interaction and environment was indeed important drivers for their positive experience from the service received (Walter et al., 2010, p.248-49). However, besides these factors, all the three customer respondents also acknowledged that the waiting time for the ordered food was a big factor from which they base their service experience from the service as they emphasized the fact that being served on time is crucial for a supreme experience from the service. The fact that all the employee respondents also emphasized that the timing to serve food is crucial for a good customer service in restaurants makes me believe that along with the core services of the restaurant, physical layout and dining environment, the food delivery time is an important factor with which customers judge the quality of the service.

Also the findings from empirical data showed that customers expected employees to be well trained at handling the customers in a proper way and that they have knowledge about the food services well which was regarded as being important for the good service. From the employees' viewpoint the empirical findings suggested that of the three employees interviewed, two of the employee respondents did have training whereas the other said he did not have any sort of training in his job. However, all the employees emphasized the importance of on the job training as they thought that giving necessary trainings to employees could equip them with better knowledge and skills by which they can be more capable to serve their customers better. All three employees were open to friendly conversations with their customers, but employee A, however was not particularly happy with his management. Employee A noted that the reason for his dissatisfaction from the management was because he feels like his services are being abused as the management only gives him the hardest and toughest time of the service which is the evening and night shifts especially during the weekends. Nevertheless, he said that, despite his dissatisfaction with the management, he continues having a good relationship with his customers and would treat them and serve them his best because of his nature and also his moral values. Employee A expects to be treated well by the management and appreciated for his job.

Employee B and Employee C however, was found to be content with their management's efforts towards customer focused service delivery and treatment of the employees. Both Employee B and C said that they expected their management to provide them with flexibility in the working condition and trust their abilities to perform their duties which also shows that these factors are important for keeping the employees motivated and happy. The differences in opinion between Employee A with regards to Employee B and C about the management of their respective restaurants could largely be because of the leadership within the organizations. Accordingly, the culture embedded in organizations is largely a result of the leadership behavior displayed by the leaders in that firm (cited in Schneider et al., 2005, p.1018). As evident from the empirical findings, Employee A expressed that the working culture in his restaurant was not focused on encouraging the employees because the management there expressed very little emotions to his employees. Whereas, in the case of Employee B and C, their management was seen to support and encourage customer focused services by customizing the system of the restaurant according to the customer demands.

The empirical results suggested that all the employee respondents expected to get praise and some sort of encouragement from the management for their efforts to satisfy the customer's needs which was not present as in the case of Employee A's restaurant. It was seen that employees needed to be trusted in their abilities to perform their duties. Entrusting employees with trust and encouraging them to perform better by providing appreciation and praise motivated the employees to perform better. However, as we saw in the case of Employee A, despite the lack of performance appraisal and encouragement from the leaders and management in his restaurant, he was still keen to provide his best services to the customers because of his moral values that customers should always be treated as kings and they should deserve the value for their money. Thus, it could also be argued that with only support and encouragement from the management, employee motivation cannot be guaranteed. The moral values and identity of individuals also shapes the behavior of that person despite other circumstances. Employees are motivated to provide better services to customers because of their moral identity despite the occasional customer negative events, and not because they receive only benefits from the management for such activities (Chi et al., 2013, p.298).

5.2 Social Interaction as a process

According to the S-D logic posited by Vargo & Lusch (2004), it is through interaction that the opportunity to integrate and exchange the different operand resources is created. Customers can influence the processes of the service provider through the exchange of operand resources at their disposal. Empirical results supports this as all of the customer respondents believed that the use of previous experience and having knowledge about the service does help them expect more from the service being provided. Empirical results also shows that customers tend to initiate social interactions when they have knowledge about the service they are being provided. It was evident that customers looked to interact with employees with any queries or just to order food. Customer A believed that through interaction with the employees, more information can be shared and the overall dining and service experience can be made positive. When trying to interact with the employees, customer B said that she looked at the body language and eye contact with the employees to see how willing they are to help because she thinks the interaction can be positive only if the employees are actually willing to interact. For Customer C the interaction begins as soon as the customer enters the restaurant and depends on the personality of the person serving the customers. She believes social interaction is not only about the service but it is something that builds close customer-firm relationship and employees play a huge role in that matter. In all cases, social interaction was regarded as an important process through which customers and employees share resources (operand or operand) between them. When customers interact with the employees and other actors within the restaurant, they initiate interaction and co-creation of services by transfer of knowledge and information between the two parties (Edvardsson et al. 2011, p.332).

However, the results from the empirical findings also suggest that there are a variety of factors that affect the social interaction process between employees and customers. Our empirical findings mainly suggested that the personality of the employees could be a vital element which could initiate or drop interactions among customers and employees. Customers reported that their level of interaction was largely dependent on the personality type and nature of the employee. Customer B and C in particular mentioned that the personality of the employees is a crucial aspect from which customers determine the outcome of the service experience. Employees who lack service oriented personalities or who are not good at interpersonal skills might find it difficult to adapt to the demands of the restaurant business. This supports the view that employees who lack service-focused personality finds it difficult to provide quality service and customer satisfaction (Auh et al., 2011, p.439). However, it can also be argued that with adequate training and personality development programs provided by the restaurants, managers can instill the required skills and competencies into their employees to better handle customers. Therefore, it is important for the managers of the restaurant to provide training and education to foster and instill such personalities into their workforce.

Customers are the creators of value themselves and they do so by using their knowledge and skills on the resources that are offered to them by the restaurant to fulfill their needs and have a positive experience (Vargo and Lusch, 2004, p.13). As employees are also a part of the restaurants' resources, from our empirical results, it was found that customers were seen to be using their previous knowledge and experience about the service to determine value from their present service. The findings also showed that the employees reacted with surprise with some paying extra attention to the customer's needs while others just trying to ignore the customers' knowledge by saying that it was the culture of the organization and so on. But whatever the case, it was found that unpleasant encounters usually occurred when employees were not aware of the customers' knowledge about the service or because the attitude of the

employee was not good. The importance of social interaction in the process of co-creation of service inside restaurant firms indeed was vital as it decided whether the encounter is favorable or not. It shows the direction to customers and employees as well as other actors to create value out of the service (Edvardsson et al., 2011, p.332). The empirical findings suggest that through interaction, customers articulate their motives to obtain their desired outcomes by providing explanation of similar practices carried out in other organizations. Such initiation of interaction also depended on the level of closeness of the customers with the employees as expressed by Customer B. It was also found that the outcome of interaction depended on how the employees reacted to the customers opinions and how absorbing the employees were to the suggestions and criticism of the customers. Sometimes, unpleasant encounters occurred between customers and employees as a result of customer's operant resource which did have a negative impact on the overall experience of the customers from the service. In such cases, the customer respondents were really strong to pin their opinion that rude and unpleasant encounters with employees would definitely make them stop visiting that place again. They even said they would recommend their friends and colleagues not to visit that restaurant which could result in a bad reputation for the restaurant.

Therefore, it is vital for employees to understand that customers are in a better position to have more knowledge on the services that the restaurant provides and that employees should try and give their customers the best possible service. It is important for employees inside restaurant firms to understand the customer's value creation so that the supplier can not only act as a facilitator of value but also become a co-creator of value (Gronroos & Voima, 2013, p.134). As the empirical findings suggests, interaction provides an opportunity for the customers and employees to gain more knowledge and learn new things from each other. Thus the process of social interaction is a two way process and both parties can learn from each other. This can eventually be a very useful way for the employees to understand the customer's value creation process as they can have a broader insight about the service and accordingly improve on their service to give customers more pleasant experiences (Lindgren, 2013, p.41). At the same time, customers also do have a chance to know more about the service that the restaurant provides through interaction. As suggested from the empirical findings, both the employee as well as customer respondents agreed that through social interaction, information could be exchanged between customer and service providers. Customers were happy to know more about the restaurant meals and the city sometimes whereas employees used social interactions to gain feedback and suggestions to improve their service.

5.3 Employee Empowerment

The service climate of any firm should focus on the effort of its employees and their competencies to deliver quality services to its customers so that customer has positive experiences about the service delivered (Schneider et al., 1998, p.150). It is of utmost importance that management firms should focus on keeping its employees happy and focus on developing the skills of the employees to better provide them with opportunities to perform better in their work. The empirical findings suggest that all the employees interviewed agreed that having more flexibility on their work decisions would eventually improve their work performance. Employee A in particular was not happy with the amount of freedom with which he has to carry on his responsibilities. He wanted the management to give him more freedom to participate in the service delivery rather than adhering to strict rules of the firm. Whereas in case of Employee B and C, the employees were pretty happy with the amount of

freedom they are allowed to work with. As the empirical results suggest that when employees are given more freedom to act on their own when interacting with the customers, they felt that they had more responsibility towards their customers to provide them with better service as the management trusts the abilities of the employees. In a restaurant and hotel environments, service oriented OCBs of employees makes the service delivery process more effective providing better service quality. Through this a much friendly interaction with the customers can be initiated and a greater customer satisfaction can be achieved (Tang & Tang, 2012, p.885). Restaurant managers need to understand that employees are a mediator between the restaurant and the customers.

Findings from the empirical suggest that employees expect fair treatment from their management. As in the case of Employee A, it was found that he was not happy because he felt that he was being used and not paid according to his strenuous amount of work. Employee B and Employee C were happy with their management's efforts towards treating its employees. They were happier and content with their management as it allowed them freedom in their work decisions and also provided various incentives and good salaries. By treating their employees fairly they can promote the services of the restaurant as happy employees are more willing to provide better services (Tang & Tang, 2012, p.886). The findings suggests that when management supports employees willingness to provide better service to customers with rewards such as monetary or performance appraisal, then employees are motivated and become more passionate about their work as both Employee B and C described that their management motivated and encouraged employees who performed better through various incentives and rewards. It was also seen that in case of Employee C, the management also provided bonuses, gifts, and even share of the profits to keep its employees happy and satisfied.

It was found that all the employees admitted that their restaurants were lacking in resources with which they could have provided full value to the customers. As Employee B mentioned that in his restaurant there were very limited space to hang the jackets and Employee A said that his restaurant needed to add one more toilet because the number of customers had to queue a long while to use the only toilet they have. Similarly, Employee C said that his restaurant needed more tables and chairs. Although employees A and B agreed that due to the lack of physical resources it became difficult to attend to all the needs of the customers which ultimately affected the customers' satisfaction levels and also the employees psyche, Employee C declined that due to the lack of resources the working environment inside the restaurant was hampered. He instead claimed that due to limited tables and chairs, customers competed for the tables by coming in early. Nevertheless, he agreed that if there would have been more tables and chairs then the restaurant could satisfy more customers through which the restaurant could benefit even more. But as employee A and B suggested, lack of resources does indeed hamper the psyche of employees and makes them feel that their organization is not the best. It was also found that because extra time would be needed to manage the problems created by the lack of resources, employees would lose time and efficiency in delivering proper quality services. The findings also highlighted the fact that lack of proper resources hampered the overall psychology of the employees and made their morale low and that led to decrease in the overall working climate of that firm.

5.4 Customer participation and citizenship behavior

As suggested from the empirical findings, seeking and sharing of information was found to be a common factor which all the customers admitted to performing. Customer A noted that customers should be aware of the new services that the restaurant offers and the best way to keep up to date with the information is to seek information through interaction. All the customers agreed that seeking new information through interaction give more knowledge about the service and saves a lot of time and energy and money as well. However, seeking and sharing information was also found to be dependent on the level of closeness the customer feels with the employees as suggested by customer B. It was also found that when customers engaged in participation and citizenship behaviors, it gave a sense of satisfaction and fulfillment to the customers not to mention the increased level of motivation and friendly attitudes displayed by the employees. This finding was in correlation to the view that through participation in the service delivery, customers sought satisfaction and fulfillment of their personal needs by actively co-creating values with the service providers (Dong et al., 2008, p.124). Customer C also noted that customers and employees both feel satisfied and motivated when the service is appreciated. As Zeithaml and Bitner (2003) argued, customers are more committed and motivated to co-create service with providers as their level of participation in the service delivery increases, thus resulting in higher perceived value from the service obtained. The dining experience for the customers is heightened and the overall working atmosphere for employees is improved when customers are involved in appreciating the employees for their good service as explained by the ringing bell example.

The findings also highlighted the importance of feedback and recommendation as being crucial factors through which customer's gets satisfaction and employees getting motivated. All the customers agreed that giving positive feedbacks about the restaurant can spread through word of mouth and it lets other customers enjoy good rated restaurants while negative feedbacks give firm and employees a second chance to improve their services. Customer C particularly was keen to acknowledge that through feedbacks, the role of employee and management can be made more succinct. Organizations that design and manage their service climates with customer-focused approach will create higher level of employee satisfaction and their commitment to the firm. This will also motivate the behaviors of employees to better serve and facilitate the creation of positive customer satisfaction and their perception of service quality (cited in Paulin, Ferguson, & Bergeron, 2006, p.906). Empirical results suggest that restaurants where the management emphasized on customer focused approach to service and encouraged its employees to perform such activities increased to employees overall motivation level and satisfaction from the work. In the absence of such customer focused practices and employee encouragement, employees felt dissatisfied and discontent with the management. However, it was interesting to see that Employee A was still motivated to perform such OCBs because of his moral values and identity.

In service co-creation, customers have an important role as they have vast information about the services which can be unknown to employees or where employees may not be aware of it. Through social interaction, this information is shared with the frontline employees inside restaurants where the service is co-created by the two actors. The positive affective tone that a customer transfers to the employees makes them more motivated and passionate about their work. The attitudes of the employees are partly influenced by the attitudes and behavioral display of the customers through the emotional contagion process (Pugh, 2001, p.1025). The customers also have an opportunity to learn through information search by interacting with the employees. Moreover, when customer performs citizenship and participation behaviors

then customers get satisfaction from it as well. During such interactions, customers might misinterpret some of the statements made by the restaurant offerings where employees or the service providers have the opportunity to correct the customer understanding of the problem or situation as seen in the case of Employee C. When a customer reacts unpleasantly or has misunderstanding of the services offered by the restaurant, employee C looked to understand what the customer finds bad with the service. Once he can figure that out through interaction then he has a chance to rectify that problem. As Employee C suggested, the main goal of restaurant business should be to satisfy its customers by adapting the services to their demands. In case of some negative customer events, employees should not be sabotaging the services as it only hampers the restaurants in terms of profit and goodwill.

Our empirical findings suggests that when employees interact with customers they receive extra knowledge from interaction with the customers since customers are in a good position to have more knowledge about the service as they recollect past experiences from previous services. When customers engage in citizenship behaviors such as providing feedbacks and sharing of valuable knowledge with the employees of the restaurant then the employees become aware of such information which could benefit their firm and they can spread the message to their co-workers and management throughout the firm (Yi et al., 2010, p.90). The employees then shared this information with their colleagues and managers depending on how much they are committed towards their organization. When the management of the restaurant takes note of the issues then they have an opportunity to act on it. The action to implement or ignore was found to be dependent on the leadership of the management as in case of Employee A, the manager was not keen to address any issues whereas in Employee B's and Employee C's case, the managers was determined to act on most urgent complaints and feedbacks that his employees thought was important. This highlights the influence of leaders' contribution in sharing the motivation and affective responses from its employees inside firms (George, 2000 cited in Salanova et al., 2005, p.1218). It is imperative that leaders inside the restaurants should be focused more on delivering customer focused services. Especially in the restaurant business, a much service oriented leadership is required to motivate and develop a sense of positive attitudes among the employees towards the work, fellow employees and the customers. This corresponds to the view of Hong et al. (2013) that service oriented leadership had stronger relationships with service climate than the usual generic forms of leadership. Also customers are involved in appreciation of employees work. The findings from our empirical data revealed that this plays a major role in lifting the employee's motivation and self belief.

5.5 The Suggested Framework

To investigate the influence of customer behaviors on co-creation of service climates within restaurant firms, following analysis presents a suggested framework which is revised from the conceptual framework presented in the literature review (section 2.10). From the analysis of the empirical findings, a framework is suggested in figure 3 which shows how customers can influence the service climate within restaurant settings. The process based mechanism shows the four categories that have been identified from the literature review and includes several factors that have been identified from the empirical findings which affect the overall process of the co-creation of service climates in restaurants.

In order to define the model as a mechanism, fig. 3 identifies "service environment" as a platform through which customers and employees meet and have the chance to influence each

other. This is where the customers make perceptions about how the restaurant is and their expectations are generated which are based on their previous experiences from similar services. Customers were found to have memories of the previous standards of food and services, their experience of interaction with employees and assessment of the overall service which they used as a foundation to compare their current service. When customers enter the restaurant setting, they have predetermined expectations about the service they are to receive which is a result of their previous experience about similar experiences in other restaurants. Customers usually look at the core services of the restaurants (food and beverages), the physical layout of the restaurant, and the atmosphere inside the restaurant. But however, apart from these main factors, the empirical also suggested that the waiting time for the food to be served was considered as an important factor for a good service experience as all the customers as well as the employees emphasized its importance in the overall service satisfaction.

From the perspective of value co-creation logic, customers should be able to integrate the resources that they acquire from the firm in a value creating way which also means that the firms/service providers acts as a facilitator of such resources in which customers are involved (Gronroos, 2011, p.286). Thus, as suggested by the empirical results, the customer uses their operant knowledge about the services to develop predetermined expectations by integrating the resources made available to them by the restaurant in the form of the core services of the restaurant, the layout, decorations, lightning, etc. (Walter et al., 2010, p.248-249). However, besides these factors, other factors such as the waiting time of food and the readiness and awareness of the employees were also identified as being important factors by which customers compared the services with their previous experiences. All the six respondents agreed that waiting time for food was a crucial factor to determine positive experience from the customers. Whereas all customer respondents suggested that they expected employees to have good knowledge about the food services and also expected them to be prepared and competent to perform their duties. Therefore, in the suggested model, I have identified the factors which are included inside service environment of the restaurant firm which are customer expectations based on previous memories, the core services (food and beverages) of the restaurant, the layout and decoration, food waiting time, and the readiness of employees to receive customers (see fig.3). The service environment thus serves as a platform for the customers to initiate interactions with the employees of that restaurant.

Direct interactions between customers and service providers provides the opportunities for service providers to gain access and form an understanding of the customers' value creation process through which service representatives can move from being value facilitators to value co-creators (Gronroos and Voima, 2013, p.134). By engaging in the process of direct interaction with the customers, the service providers gain opportunities to gain insights about the customer's usage of products and services, thereby giving service providers an opportunity to make necessary improvements to enrich the overall customer experiences during usage. However, engaging in direct interaction does not always result in positive influence of customer's value creation as also suggested from the empirical findings. Empirical results showed that sometimes customers may experience unpleasant encounters with employees and sometimes employees also are faced with unpleasant and rude customers. The findings from the empirical showed that some factors have more influence to determine the positive outcome from direct interactions. These factors were identified as the personality of the employees, level of closeness with employees, knowledge of service, and use of previous experiences. The social interactions between the customers and the employees depend on the personality of the frontline employees and also their level of closeness between

each other. If the employees were very friendly and easy to talk to then customers would feel more eager to interact with the employees. Also sometime the interactions depended on how close the customer is with the employee meaning that how friendly the relationship between the employee and the customer is. As customers use their previous knowledge to compare the

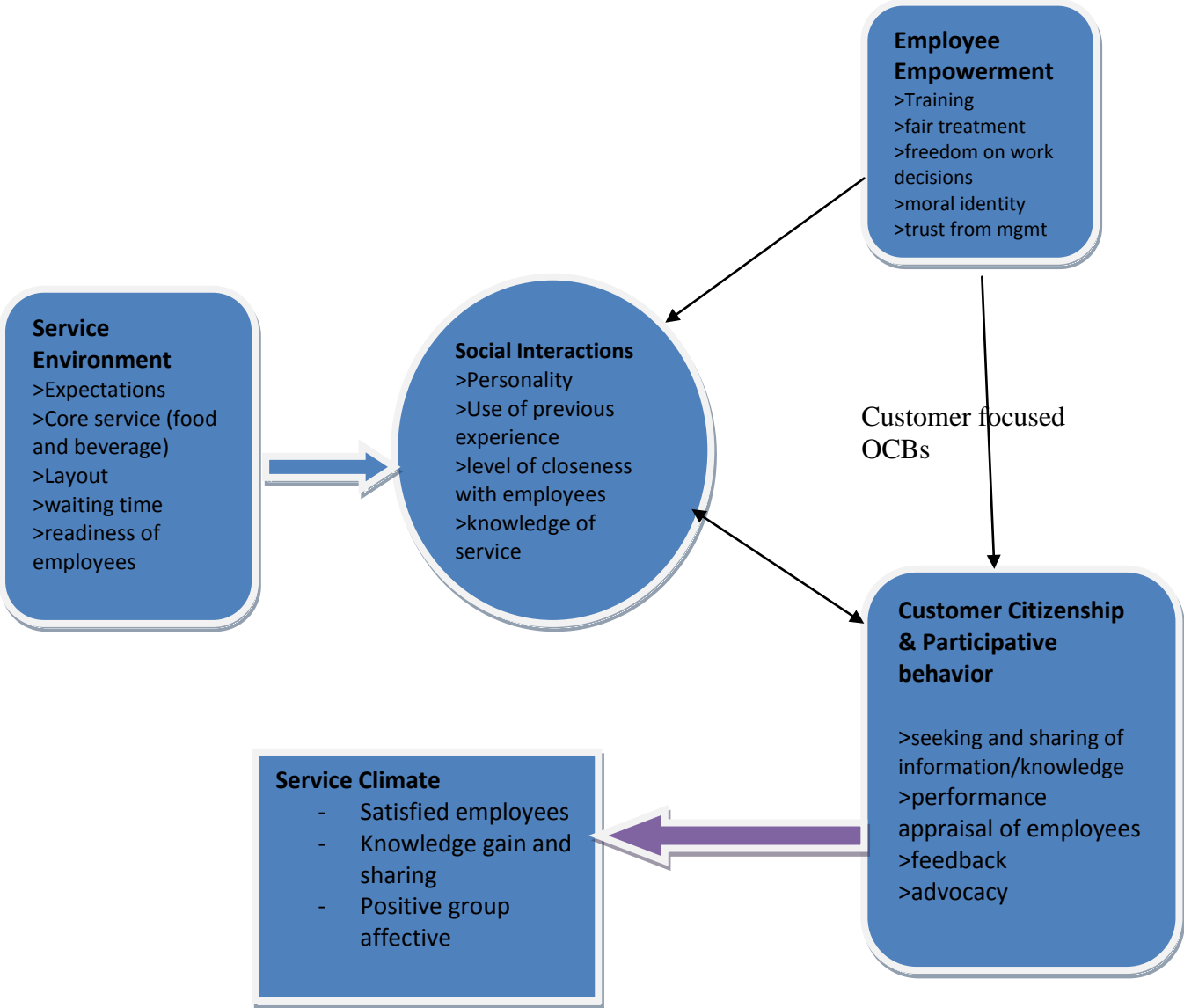


Figure 3: Suggested framework showing the role of customers in positive service climate creation in restaurants

service, it was also seen that previous knowledge of service was also an important factor for initiating interactions.

The third block in the suggested model is of “employee empowerment” (see fig.3). Although, customers tend to seek interacting with employees when they first enter the restaurant, it was also seen that management itself could also be responsible for facilitating its employees with

skills to better communicate with the customers. The empirical results showed that if management provided adequate training to the employees then employees were better equipped with the necessary knowledge and skills to comprehend the customers' description of practices. Employees could improve their skills and knowledge through training and development workshops which also motivated them to perform better. Another important factor that was important for employees to be motivated was seen to be fair treatment from the management and relative freedom to perform freely in their work. When employees felt that they were not treated fairly or when they were restricted to strict rules and regulation without much freedom to work freely then it was seen that they were not happy with the management thus having less motivation in their job. However, it was also seen that sometimes employees also are motivated solely by their moral identities and norms to provide better services to the customers as was shown by Employee A. therefore, I have also listed the moral identity of employees as a factor under "employee empowerment" although it is something out of management's control over employee because it motivates employees to provide better service to customers. Another important factor was also found to be the trust that management has on its employees to perform their duties which also made employees more responsible. When all these factors are provided to the employees from their management it was found that employees were more focused on providing customer focused services engaging in customer focused OCBs thus delivering better service quality. This in turn creates an atmosphere for friendly interaction with the customers through which customers could experience better service quality as well (Tang & Tang, 2012, p.885).

The fourth box in figure 3 represents the "customer citizenship and participative behavior". If restaurant management provided their employees with necessary training, fair treatment, and freedom to make front level decisions directing their services towards customers through customer focused OCBs, then that was seen to encourage more customer participation and citizenship behaviors from the customers as the empirical results suggest. Through direct interaction with employees, customers shared information and knowledge which could benefit the restaurant and its employees. This sharing of information is also acknowledged by the employees and findings also show that it made employees more customer focused. Also, citizenship behaviors of customers like providing feedbacks and spreading the name through word of mouth, and performance appraisal of the employees was seen to make employees feel valued and responsible to provide better services. Such behaviors displayed by customers make employees feel appreciated and aware of new knowledge and information through which their restaurants could benefit and employees share this information with their management and co-workers (Yi et al., 2010, p.90). However, results from empirical findings suggest that the customer participative and citizenship behaviors also largely depended on the level of social interactions that take place during interaction between the customers and employees. It was also found that when customers had close and friendly relationships with the employees of the restaurants, customers displayed such behaviors often as seen evident with Customer B. But, customers were found to engage in such citizenship and participative behaviors largely because it gave them a sense of fulfillment and satisfaction (Dong et al., 2008, p.124). But nevertheless, the behaviors of customers such seeking and sharing of information and new knowledge, performance appreciation of employees, feedback, and advocacy were identified through which customers impact employees' work environment and motivation in general.

Such customer behaviors made employees happy and appreciated, thus contributing to the satisfaction of employees from their work. Moreover, when employees gained new knowledge from customers, they shared the knowledge with the management through which

the restaurant had an opportunity to take actions in improving their services. Also, when employees are appreciated for their work by customers, it sends a positive attitude to all other employees as well. This positive attitude at work was spread across other employees throughout the restaurant through affective group contagion mechanism (Pugh, 2001, p.1025-26), thus resulting in positive working climate inside the restaurant firms. However, it was noted that customer citizenship and participative behavior alone cannot assure positive working environment within restaurants. The leadership aspect also plays a vital role in creating a positive working atmosphere inside restaurants as was also suggested from the empirical findings. If the managers or leaders inside restaurants are not service focused or service oriented then it becomes very hard for employees to motivate themselves to provide customer focused services despite some indications that show employees using their own moral identity to provide better services. From this view, the influence of leaders' contribution in sharing motivation and affective responses from his/her employees cannot be undermined (George, 2000 cited in Salanova et al., 2005, p.1218). But it can still be argued that while customers share interactions with the managers then the managers can also be induced in the same mechanism as the employees to create a positive working climate. This facet of the study has also been discussed in the limitations and future research of this study.

As the empirical results suggested that management acted on the feedbacks and complaints that were reported by the customers in case of Employee B and C's case which lead me to believe that customer plays an active role in the operations of the restaurant activity. However, this was not evident in Employee A's case as the leadership of that restaurant wasn't interested on acting on the comments and feedback from its customers. I think the reason for this difference is because of the different styles and personality of the two leaders in those restaurants. Another reason could also be because Employee A worked in a fast food restaurant whereas Employee B and C worked in a fine dining restaurant. The service styles are different in these two types of restaurants where fine dining restaurant commands a more interactive encounter than that of a fast food restaurant. Also the difference between the culturally enriched working environments between the two types of restaurant could be a factor between differences in such perception of the employees.

6. Conclusion and Further Recommendations

In this chapter I conclude my study's main findings gathered from the empirical data which has been analyzed with the relevant literatures discussed in chapter two to answer the research question. I further recommend areas for future research and discuss the theoretical and practical implications of the findings at the end of this chapter.

6.1 Final Conclusions

RQ. How do customers contribute to the co-creation of service climates inside restaurant firms where co-creation of services occurs as a social context?

It is customers who create value in service delivery and firms act as facilitators through which they have opportunities to co-create value with the customers in the service delivery process. Customers themselves can only fully understand and recognize all the elements of their behaviors of the value-in-use. Service providers can only form some sort of understanding of the processes that are involved during and within this process through direct interactions that take place between the customers and employees. 'Service encounters' in restaurants represents these direct interactions between the customers and the employees where exchange of resources (operand and operant) takes place between the two actors.

Following the literature review, we understand that when customers and service providers engage in direct interactions, it leads to a merging of the processes of the two actors allowing each to influence the process of the other. It is through this process that value is co-created. With support from the theoretical review and the empirical findings, this study has investigated the role of customers in co-creating the working climate inside restaurant firms. In restaurants, the service delivery process is possible only through direct encounters between the service employees and customers. During the direct interaction process, the customers are likely to share valuable information with the employees that could benefit the firm. Also customers themselves engage in participative and citizenship behaviors during the actual service delivery from which they were found to receive satisfaction and sense of fulfillment. This behavior of the customers indeed was found to have a profound effect on the employee's attitude as customers acted as a substitute labor for the frontline service employees. It was also found that when customers engage in behaviors such as employee's work appreciation, sharing and seeking of information, giving feedbacks, and advocacy to the firm, then employee felt that they were treated well and displayed more positive attitude for their work.

As suggested by the study, the customers form predetermined expectations about the service they are going to receive when they enter a restaurant which is primarily based on their previous experience of similar service, assessment of the interactions with employees and the overall service environment as they recall from their memories. Additionally, this study also found that most customers consider waiting time for food and the readiness of the employees to respond to customer demands as a comparing factor between the services of the past and present restaurant experiences. Accordingly, the customer develops an understanding of the service environment of the restaurant which serves as a platform to ensure further interaction between the customers and the employees of that restaurant.

In addition, the study suggests that customers' understanding of the service environment leads to the next process which is the social interaction between employees and customers. This

process is dependent on factors such as the personality of the employees, previous experience of similar services from customers, level of closeness with employees and customer's knowledge of services. These factors were identified from the findings through which sharing of operant resources between customer and employees are initiated. However, there is no guarantee that all service encounters will be value creating as some can also be insignificant or rather value destructive. As suggested by the study, employees may misinterpret some statements of the customer or customer may sometimes act rudely. However, restaurants can provide opportunities for its employees to engage in supporting the processes of the customers through empowering them and making the employees competent enough to comprehend the processes of the customers' value creation. If restaurants provide adequate training to its employees making them competent and provide fair treatment to its employees, results showed that employees were happy and motivated to provide better customer focused services. Giving relative freedom at work decisions proved vital to employees to initiate more friendly interactions with the customers making it possible for a highly positive interactive outcome. Apart from these, factors such as, the moral identity of the employees and the trust from the management also was seen to play important role in motivating employees and facilitating them in more friendly social interactions with customers.

With support from the literature review, customers engage themselves in participative and citizenship behavior for self fulfillment and satisfaction from the value creation process. But as the study suggest, such behaviors of customers do have an impact on the employees' psychological and operational efficiency as well. Through information seeking and sharing, customers transfer the new knowledge to the employees of the restaurant through social interaction process. This along with other citizenship behaviors such as performance appreciation and appraisal of employees, feedbacks, and advocacy serves as a positive emotional incentive to employees working inside the restaurants as employees feel that their work is appreciated and praised. Therefore, they are more motivated and happy to serve customers even better and focus on customer focused service delivery. This positive attitude is then transferred to other employees and co-workers as information was shared between the employees and their management. Also the affective group tone is positive when the rest of the employees look and follows how one employee interacts and how customer reacts to them. Employees were seen to share these experiences with their co-workers and fellow employees and thus by doing so the overall working climate could be influenced positively. This positive attitude of the employees at work was found to develop satisfaction and commitment of the employees to that restaurant. However, the findings from the study also showed strong indication of the influence of leadership in determining the level of motivation between employees as failure of managers and leaders to focus the restaurants' service to customer focused services meant that it was difficult to motivate employees and foster a positive service climate within restaurants.

From these findings, I argue that the feedbacks, knowledge sharing and customer's participative and citizenship behaviors do help employees and firms to function ethically and in an efficient way. These behaviors reinforce good organizational practices inside the restaurants and foster a healthy service climate among its employees. When customers are well aware of the services that should be provided at restaurants, then they are in a good position to evaluate the service they are receiving. Therefore, when they engage in direct interaction with the frontline employees, they share information that they think would be beneficial to the restaurant in the form of feedbacks and comments. It was also noted that for an effective transfer of explicit knowledge, personal contact and shared experiences and closeness between employee and customer was required. Customers participative and

citizenship behaviors were found to trigger a sense of obligation from the employees to reciprocate with positive and more attentive behaviors which was then transferred to other colleagues through group affective tone making the work environment more positive. Although our findings showed that customers sometimes even shared information with other customer, it is not the case for all customers. This could be because of the different cultural background of the customer respondents as well as the personality of the respondents which also leaves areas for further research.

6.2 Theoretical Contributions

This study has made valuable contributions in the field of service marketing by contributing to the lack of research in understanding the role of customers in service climate creation. Empirical results from the study have provided added knowledge on how customers can influence working environments inside a high contact service setting like restaurants thereby minimizing the gap that existed in the literature of service marketing regarding the role of customers in the co-creation of service climate inside high contact firms such as restaurants., thus adding to the literature of service marketing. Moreover, future scholars and researchers could use the findings of this study as a base to construct an even detailed study within this topic.

6.3 Practical and Managerial implications

This study also provides several practical implications. In service organizations such as restaurants where high contact services occur between customers and employees, managers should understand that customers are a major player in the overall value creation process. From the findings of this study, managers can direct the services of the restaurant to customer focus and can strive to work to satisfy customer needs and preferences more efficiently and effectively. By understanding the role of customers in creating a positive working environment inside their firms, managers can actually deploy the employees effectively by identifying the personality traits of high-contact and low-contact employees in the firm when interacting with the customers. The results and findings from this study not only provides valuable information to managers of restaurant firms about the role of customers in positive service climate creation, it also helps managers to understand how important it is for the employees to be service oriented towards its customers. Furthermore, this result could also be helpful for customers in general in understanding their roles in the overall service co-creation and how they can help to create good working environments inside restaurants. The society as a whole could be benefited with the results of this paper as restaurant goes as well as employees could understand each other role more clearly in the service co-creation process and move forward in harmony.

6.4 Societal Implications

With considerable support from the theories and the empirical evidence, this study has provided insights into the co-creation of service climates inside restaurant firms as being a social activity which involves the interactions between the customers and the employees of the firm. Therefore, during such encounters between the customers and the employees, a platform is developed to merge the processes and activities from the actors involved to co-create a positive climate creation. The findings from this study help customers to understand the purpose of these encounters through which they can be able to assist in the overall co-creation of service climates and sometimes also avoid any efforts that could inhibit such co-

creation processes. Thus, this study has contributed to the society by facilitating an appropriate platform for the employees and the customers inside restaurant firms to congregate, thus encouraging efforts to co-create positive working atmosphere within the restaurant firms making the dining experience good. Every member of the society could be benefited with the findings of this study as it makes people aware of the influence of direct interactions during social interactions on helping to co-create positive work climates.

6.5 Limitations

This study is limited to Umeå city because the author is a student at the Umeå Universitet and it is easy for the author to collect data and information from the respondents in Umeå. Also because of the limited availability of time for this 15 credit master thesis, it is only practical to get the research done within this city as carrying out research in other cities would take a lot of time and resources. The amount of experience of the employee respondents also delimits the study as the experience of employees is only between 1-3 years of work experience. But, however, employees had previous work experience at other restaurants before working in their current restaurants. So they have considerable knowledge about their field of work. Another limitation could be that I have only considered the interactions between the customers and employees while not incorporating the interactions between the customers with the managers of the restaurants. But however, as this study's main focus was to focus on investigating the role and influence of customers in co-creating positive work climates where employees benefit from interactions with the customers, the interactions between customers and employees acts as an important platform to do so. But, nevertheless the role of senior management in creating service climate within firms cannot be denied. But this is one of the delimitations of this study. However, I have suggested this in my future research where future scholars could include managers as well to conduct a more detailed study. Other important delimitation was the number of respondents considered for the study. Due to the busy schedule of employees, it was difficult for me to interview more employees. The findings of this study could have been better if more surveys can be conducted.

6.5 Further Research

There are a number of research areas where researchers could further investigate by keeping the findings of this study as a starting point. Further investigation can be done to investigate the influence of cultural backgrounds of customers and employees and its impact on the co-creation of service climates inside restaurants. It could also be interesting to look into how the negative events in direct interaction affect the working climate of employees inside restaurant firms. Further research could also be done using both the quantitative as well as qualitative approaches to collect data. Quantitative methods of data collection could be used to collect data from customers to investigate the influence of customer behaviors in restaurant firms and the data from employees could be collected through qualitative methods to encompass a detailed and more comprehensive study by taking more participants into consideration to make the findings more generalizable and applicable. It would also be interesting to conduct studies by taking the managers of the restaurants along with employees and customers so that a much broader and discrete relationship could be found of the role of customers in co-creating the restaurants' work climate. Also, this research could not only be extended to restaurants from other cities but also to other business environment settings in the future.

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Appendix 1: Interview Guide for Customers

Customer's Questionnaire

Service expectation

1. How often do you go out to eat in restaurants? How do you describe the service you generally receive at the restaurant?
2. Can you tell me about a time when you particularly felt that you received a good service?
3. Now, can you tell me about a bad service experience you have felt? Why was the service experience bad?
4. How do you think a restaurant service facility should perform? What do you look into when you enter a restaurant?
5. Does the service performed actually meet your expectations? Tell me about an incident where you felt your expectations were not met and why?
6. What do you do when your expectation of the service provided by the restaurant do not meet your standard?

Social interactions

7. How often do you engage in social interactions with the employees or with other customers? When?
8. Have you ever had difficulties in understanding the way in which the service is carried out? Who do you turn to when you have difficulties in coping with the service delivery? Have you ever had such difficulties? Please narrate.
9. Do you help other customers who have similar difficulties in getting the service? Why?

Use of previous experience and service encounter

10. How often do you use your previous experiences about the service when interacting and relating to the present service you are receiving? How do the employees react to such situations?
11. When interacting with the employees, what are the general responses from the employees? What do you do if they react unpleasantly?
12. Can you tell me one incident where you have had a bad encounter with an employee or another customer while you were getting service that you could not tolerate? What did you do then?

Customer participation and citizenship behavior

13. How often do you seek information regarding the service you receive? Why?
14. Do you share any new information related to the service you receive with your service provider that you think would benefit them? How often and why?
15. Do you feel that you have some sort of responsibility (non-obligatory) towards the firm you are receiving service from? Can you tell me something that you have done that made you feel that it was your responsibility (out of choice) to give back to the firm?
16. How often do you give feedbacks to the firm/employees? Do you think the restaurant acknowledges the feedbacks you give and actually reacts to it? Can you tell me of an incident where your feedbacks and suggestions were implemented in the restaurant?
17. How often do you recommend about a restaurant to others? Why/why not you do so?

Appendix 2: Interview Guide for Employees

Employee's Questionnaire

General questions

1. When did you start working in this restaurant?
2. How do you feel being a part of this organization? Why do you or do you not like working here?

Service climate

3. What do you expect from your management? What do most of your colleagues' think of the ways that management treats its staff in your restaurant? Is that the way you feel too?
4. Can you describe the working atmosphere of your organization? Do you think the service climate is customer focused? Why do you think so?
5. What makes you feel good or bad about your work?
6. What kind of reward systems is present in your organization? Are customer focused behaviors rewarded?
7. Does having performance appraisal increase your attention towards the customers? How?

Service quality

8. What comes to your mind when you think of customer service? What do you think are the components that make up an excellent service in your restaurant?
9. Do you think your restaurant has all the things that are required to provide a good service? What would you like to see more in your restaurant?
10. How do you think your customers view your restaurant services? What makes you feel so?
11. Do you think the customers are happy with the quality of service of this restaurant? Why or why not?
12. Do you think your restaurant supports, encourages, and rewards high quality services aimed towards customers? Why do you think so? How does this affect your behavior towards your customers?

Interaction and firm competence

13. How closely do you interact with the customers? Is it strictly professional or casual? How does your manager want you to act and interact with the customers?
14. Has there been an instance when your customers are sometimes very unpleasant or demanding? What do you do in such situations?
15. Are you happy with the amount of on-the-job training you have received? Were you provided with any training or mentoring related to providing quality services? What do you think of that?
16. Have you ever felt that you were not able to provide good service to the customers because of the lack of resources in your organization? Tell me about one such incident where you thought you were not able to provide good services.
17. Do you think such lack of resources provide obstacles in your working atmosphere? How?

Empowerment and flexibility

18. Do your managers allow employees to participate freely in service related decisions? Do you have freedom to customize and adapt services according to customer demands or not? What do you think of that?
19. Do you think that such engagement with customers contribute to the working atmosphere in your restaurant? How?
20. How often does your restaurant management listen to the feedbacks and suggestions provided by the customers? Who does the customer report these feedbacks to?
21. Does the restaurant manager actually follow through and make necessary changes according to the feedbacks? Can you give me one example where the restaurant actually made changes according to the suggestions or feedback of the customers?

Customer focused OCBs

22. How often do you engage in organizational citizenship behavior? Have you ever done any thing that was not formally required of you in the organization that provided extra service or value to your customers? Can you narrate to me of such one incident?
23. What motivates you to carry out such citizenship behaviors?
24. Do you think such behaviors improve the working climate of your organization? How?