

# Enhancing Customer Experience in the Service Industry



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*A Global Perspective*

Edited by

Levent Altınay and Surya Poudel

Enhancing Customer Experience in the Service Industry:  
A Global Perspective

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# INTRODUCTION

## ENHANCING CUSTOMER EXPERIENCE IN THE SERVICE INDUSTRY

SURYA POUDEL AND LEVENT ALTINAY

The service industry includes the sectors that provide services to individual consumers and businesses. The industry does not produce any tangible goods or end products and is considered a tertiary sector of the economy. Though it is virtually impossible to compile an exhaustive list of services, the major sectors are tourism, recreation, hospitality, banking, healthcare, transportation, trade, communication, insurance and education. Once characteristic of the Western world, the service sectors are now omnipresent (Xu 2014). However, the share of the service industry in the economy varies across countries. To illustrate, the estimated contribution of the service sector to GDP in 2013 was 46.1% in China, 56.9% in India, 68.1% in Brazil, 78.9% in the United Kingdom, and 79.4% in the United States (Central Intelligence Agency 2014). The growth of the service industry is promising in both developed and developing countries. For example, the share of the service sector of the GDP of China increased from 39% in 2000 to 45% in 2012 (World Bank 2014). Similarly, the share of the service industry of the GDP of the United Kingdom was 72% in 2000 and 79% in 2012. The service industry is the biggest source of employment in the world and is predicted to grow faster than other industries in the future (Xu 2014).

The growth and expansion of the service industry have prompted academic attention in the last three decades. Research has been conducted on various themes, including growth of the service industry, the factors affecting the growth and service quality (Campbell, Fayman and Heriot 2011; Eichengreen and Gupta 2013; Gohmann, Hobbs and McCrickard 2008; Oliva and Sterman 2001; Rogelio and Sterman 2001; Tarí Heras-Saizarbitoria and Dick 2014). One of the established research topics in the area of service quality is management of customer experience (Dawes and

Rowley 1998; Frow and Payne 2007; Maklan and Klaus 2011; Meyer and Schwager 2007; Palmer 2010; Verhoef et al. 2009). This research has been invaluable for understanding customer expectations, enhancing customer satisfaction, building customer loyalty and improving service quality (Chen and Chen 2010; Deng et al. 2010; Fornell et al. 1996; Mascarenhas, Kesavan and Bernacchi 2006; Rust et al. 1999; Zeithaml, Berry and Parasuraman 1993).

A review of literature shows that most of the past research on service quality in general, and customer experience management in particular, has been conducted in developed countries such as the United States, the United Kingdom and Germany. In addition, there are several theories and methodologies, such as service-dominant (SD) logic (Vargo and Lusch 2004), reverse logistics (Rogers and Tibben-Lembke 2011), the five factor model of personality (Digman 1990), Hofstede's cultural framework (Hofstede 2001), ethnomethodology (Garfinkel 2002), and critical incident technique (Butterfield et al. 2005), which are not adequately utilized in customer experience and service quality research. Further, there are emerging research areas related to service management, including service co-creation, service co-production and value co-creation, which are yet to be researched. This book attempts to address the research gap by chronicling the findings of empirical studies conducted over several developed and developing countries across the world, including the United States, the United Kingdom, Switzerland, the Czech Republic, Turkey, Lebanon, India and Thailand. The chapter authors not only examine various new issues related to the enhancement of customer experience, but also use novel approaches to study established research agendas.

The concept of this book originated at the sixth International Conference on Services Management held in North Cyprus, June 23–26, 2013. Organized by the Oxford School of Hospitality Management and supported by twelve academic journals in the service industry field, the conference attracted more than 160 delegates from 30 countries. The papers presented in the conference were related to virtually all sub-fields of the service industry including tourism, hospitality, banking and transportation. The conference provided a forum to present, discuss and spread not only the recent theoretical advancements related to the service industry but also the results of empirical studies conducted in different settings. Realizing that it was worthwhile to share the conference findings with a larger audience, we decided to publish an edited volume consisting of selected papers from the conference.



This book has an introduction and a conclusion, enclosing twelve chapters in three sections. The first section, Service Co-Creation, includes four papers exploring and comparing the actions/perspectives of hosts and clients in service co-creation and co-production. John Melvin in chapter one investigates the value co-creation process within the context of family visits to Edinburgh Castle—Scotland's most popular paid attraction. Wieslaw Urban in chapter two proposes a quality co-creation model containing service co-creation typology from the host perspective using the critical incident technique. Philip Chowney and Emmanuel Fragnière in chapter three conduct an ethnomethodological inquiry to study tacit knowledge leading to loyalty between banks and their clients in the Swiss private banking sector. Saloomeh Tabari and Hadyn Ingram in chapter four explore the impact of culture in ethnic restaurants, with a Spanish restaurant in London as a case study.

The second section is on Service Management and includes four papers related to the management and enhancement of services from the host perspective. Susan Coultrap-McQuin and Ina Issa in chapter five assess two virtual collaborations between students in Lebanon and the United States aimed to engage students in cross-cultural communication and prepare them for cross-cultural encounters. Alena Klapalová and Radoslav Škapa in chapter six examine the difference in reverse logistics between the service and manufacturing industries in the Czech Republic. Canan Çetin, Melisa Erdilek Karabay, Esra Dinç Özcan and Erkan Taşkıran in chapter seven examine the relationship between employee personality traits and organization silence using the survey data obtained from service industry employees in İstanbul, Turkey. Worarak Sucher and Catherine Cheung in chapter eight explore whether national cultural orientation influences the customer service styles of Thai hotel employees.

Four papers pertaining to client evaluation of different types of services are included in the third section, Service Evaluation. Gurel Cetin in chapter nine explores the dimensions of traditional hospitality in Istanbul, a Turkish urban tourist destination. Alka Sharma and Ankita Nanda in chapter ten analyse the effects of in-store stimuli, emotions and hedonism, and personal factors on impulse buying. Muhammet Kesgin and Aydin Çevirgen in chapter eleven investigate the cultural motivations and experiences of tourists visiting Alanya Castle in Turkey. Gaurav Tripathi and Sandeep Munjal in chapter twelve explore the factors affecting tourist satisfaction in the contexts of heritage sites in India.

We believe that this book is useful for academics and practitioners alike. The chapters present the most recent theoretical advancements and findings of empirical studies in the service industry field. The papers not only document the recent progress but also discuss the research gap in the services management literature. We believe that the cases presented in the book could be used as teaching materials for undergraduate- and graduate-level courses related to tourism, hospitality and other service industries. For practitioners, the book could be an invaluable source to identify the practical solutions for the enhancement of customer service in various sub-fields of the service industry. Since the cases presented are taken from different continents, the book has an international appeal.

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**SECTION ONE:**  
**SERVICE CO-CREATION**

## CHAPTER ONE

# CUSTOMER VALUE FACILITATION: THE SERVICE EXPERIENCE WITHIN A HERITAGE TOURISM CONTEXT

JOHN MELVIN

### **Abstract**

One of the key research endeavours of marketing is to better understand value and its formation. With service-dominant logic emerging as the dominant paradigm in marketing thought, the concept of “value co-creation,” where service users and providers combine resources to create value, has become a key approach to services marketing research. Customers’ new role in the co-creation process is critical to understanding competitiveness and competitive advantage, yet service-dominant logic has largely been neglected in tourism management studies. Through investigating the value creation process within the context of family visits to a heritage visitor attraction, this study contributes to literature on service management and marketing. It advances the conceptual development and understanding of the value creation process, and adds to the limited awareness of the visitor experience within tourism literature. Providing an in-depth understanding of the motivations and interactions of families can assist managers in providing for this key market segment.

**Keywords:** consumer behaviour, services marketing, heritage tourism, value co-creation, family interaction

## Introduction

Marketing is by far the most salient business perspective on tourism, and tourism marketing has become an established field in its own right (Li and Petrick 2008). However, there is a growing realisation within mainstream marketing of the inadequacy of marketing theory developed in previous decades, where product-centred approaches were prevalent (King 2002; Vargo and Lusch 2004). Building on service marketing and relationship marketing theory, the “service-dominant” theories on marketing as proposed by Vargo and Lusch (2004) have attracted significant interest from both within the field of marketing as well as from business management. Since its conception, “service-dominant logic” (S-D logic) has rapidly emerged as the dominant paradigm and the cutting edge in marketing thought (Tynan and McKechnie 2009). Arguing that marketing has moved from exchanges of goods to service provision, S-D logic holds that the value of a service is its “value in use” as defined by customers, rather than embedded “exchange value” decided by sellers. Traditionally, customers were viewed as an “operand” resource, for marketers to examine, analyse and then promote products to. From an applied perspective, organisations operating with this new mindset adopt a more collaborative approach with their customers. Within S-D logic, customers are seen as “operand resources,” producing effects and value that can potentially emerge from user-provider interactions when these resources are utilised.

Rather than being located at the end point of the organisation’s sales and marketing activities, customers instead play a much more active and integrated role (Grönroos 2011; McColl-Kennedy et al. 2012). As co-creators of a service experience, customers are active in co-creating value whilst interacting with service providers. This new mindset obliges organisations to redefine their operations with the aim of facilitating customers’ value creation. Through these interactions with their customers, organisations can achieve their own desired value outcomes; in addition, these processes allow them to increase their own operand resources, a process that enhances their ability to provide customers with solutions (Li and Petrick 2008; Lusch and Vargo 2004; Vargo and Lusch 2006). Customers’ new role in the co-creation process is thus critical to understanding competitiveness and competitive advantage (Shaw, Bailey and Williams 2011).

The academic literature within tourism management studies has been criticised for neglecting key developments in marketing management such

as S-D logic (Shaw, Bailey and Williams 2011). Within service marketing literature, limited critical attention on the definition and meaning of key constructs of S-D logic has hampered its conceptual development and empirical application. Questions regarding when the process starts and ends, what is included in the process, and how different customers perceive value-creating situations in different ways are all relative unknowns awaiting more substantial consideration (Grönroos 2011). In order to address these issues, this study utilises the S-D logic approach to value creation as a lens to examine customer value creation. In doing so it also answers the call of Brodie, Saren and Pels (2011), who identified an urgent need for empirical research that will allow the development of a “middle-range” theory to bridge the gap with the current “grand theory” nature of S-D logic.

The context of this study is family visits to Edinburgh Castle and the investigation of their interactions with each other as well as other customers and the service provider. Despite their importance as a customer segment and many calls for further research, families remain a relatively under-represented group in both management and tourism research. In adopting a family perspective, this study answers calls for their inclusion and follows the recent efforts of authors such as Kerrane, Hogg and Bettany (2012) to refocus research attention and capture the voices of children and their parents.

## **Literature Review**

### **S-D Logic**

S-D logic consists of 10 foundational propositions that have been debated and refined in the decade since its inception (the original propositions can be found in Vargo and Lusch [2004]; after generating considerable debate these were revised and can be found in Vargo and Lusch [2008]). At the heart of S-D logic is the proposal by Vargo and Lusch that service is the basis of economic exchange. Defining service as the application of resources linked to competences (knowledge and skills), they view the interactions between customers and providers as involving the integration of resources to create value (Vargo and Lusch 2004; 2008). It is through this integration process that value emerges for customers and organisations. It is the organisation’s responsibility to facilitate this value creation through the careful and purposeful design of the service provision process. This includes the physical and online service environment and



other channels for providing service, such as the company website, social media sites or call-centres.

At a general level the claims within S-D logic have been widely accepted within the marketing community, though there have been areas of considerable difference as to the interpretation and conceptualisation of some of the foundational propositions. This study challenges the claim in the sixth foundational proposition that value can only be jointly co-created between organisations and customers. Believing that this view is overly simplistic and not representative of the value-creating process in a visitor attraction context, this study empirically investigates what form this takes. This belief follows other authors (e.g. Grönroos 2011; Grönroos and Ravald 2009) who believe that customers can create value through their own activities and without the need to interact with the service provider. Value co-creation between the customer and the provider is possible only where their respective value-creating processes overlap (Grönroos 2011). The aim of this study is to bring a more nuanced understanding of customer interactive processes through empirically investigating how value is created within the service environment. This can reveal how value is created by families through their interactions within the family group, with other customers and with the service provider.

The ninth foundational proposition states that all actors in service encounters are resource integrators. Although progress has been made in advancing conceptualisation of the value-creation process, much work remains to be done and there have been numerous calls for empirical studies that can refine understanding. Of importance here is the contention that this understanding can be developed through consideration of the social context in which service encounters take place. The social drivers associated with the encounter are central in determining actors' value perceptions and how they utilise resources to create value. "This social context implies norms and values that exert a profound influence on both the service exchange and the value co-creation process" (Edvardsson, Tronvoll and Gruber 2011, 329). In considering resources that can facilitate value creation, it is important to consider the characteristics of the two main resource types. Operand resources are physical resources, such as raw materials or products, and are typically static in nature. Operant resources are much more dynamic in nature and include skills, knowledge and competencies that companies and customers can draw upon.

This study can build on some recent articles that have empirically investigated value creation in different service settings (see, in particular

Echeverri and Skålén 2011; McColl-Kennedy et al. 2012). These studies revealed a number of value-creating activities that have improved understanding of the processes involved. The former was one of the earliest works to empirically apply the tenets of S-D logic and established a typology of interactive practices within a public transport context, whilst the latter provided an in-depth analysis of patients' approaches and interactive styles within a healthcare setting.

## **Tourism and the Visitor Experience**

The tourism product—the tourist experience—displays all the characteristics of services: intangibility, inseparability from production and performance to its consumption, lack of heterogeneity and lack of ownership (Prentice, Witt and Hamer 1998; Williams and Soutar 2009). This enables the tourism sector to adopt new marketing theories, such as S-D logic (Li and Petrick 2008). The beneficial experience gained by the visitor is an integral component of the tourism product (Pernecky and Jamal 2010; Prentice, Witt and Hamer 1998). Travel provides a sense of escape and freedom, and affects the emotional, intellectual, spiritual and physical aspects of the individual (Gilbert and Abdullah 2004). Providers should ensure the experiences are as real, compelling and memorable as possible to engage each customer in an inherently personal way (Pine and Gilmore 1998). Whilst there are growing trends for tourism managers to develop ways to utilise customers' operant resources to co-create value (e.g. Shaw Bailey and Williams 2011), the tourism literature has been much slower to investigate the tenets of S-D logic in a tourism context. More work needs to be done to better understand the visitor's role in creating or co-creating value from the experience (Prebensen and Foss 2011), and the organisation's role in facilitating this (Grönroos 2011).

This study aims to contribute to the limited understanding available on the visitor experience, and how interactions at different stages of a visit can add to the value that visitors gain from the experience. In their analysis of operational management within heritage visitor attractions, Sharples, Yeoman and Leask (1999) describe the service delivery process, outlining how such attractions provide a carefully designed "interface" that balances visitor needs with the particular conditions and limitations that the site operates within. As most attractions were not designed to welcome large numbers of visitors, this interface must be designed around the site's physical location and layout. The visitor interface within heritage attractions has three main facets: interpretation, attraction staff and

ancillary services. Interpretation comprises the methods used to tell the story of the site and its significance to the visitor, which can range from operand resources such as leaflets and audio-visual displays to operand resources including the skills and knowledge of guides and costumed re-enactors. The attraction also employs staff to perform duties such as ticketing and stewarding. The ancillary services are those such as cafés and restrooms that are provided to supplement visitors' experiences. The design and upkeep will also compete with other operating costs of the attraction, including the considerable amounts that must be allocated for site operation and conservation. Visitor interactions must be carefully managed so as to not damage the site and preserve its unique atmosphere. As well as having a major role in influencing visitor value perceptions, the design of the interface also has important managerial implications, such as the intentions of visitors to spend money, recommend it or visit it again (Alegre and Garau 2010; Rodriguez del Bosque and Martin 2008).

Within tourism research, the importance of gaining a deeper and truer understanding of under-researched groups of visitors such as families is identified as one of the key areas in helping to better understand tourism (e.g. Edwards, Martinac and Miller 2008). There is a pressing need for deeper insights as existing research on families assumes too much homogeneity and too little disagreement (Bronner and de Hoog 2008). This study aims to help develop a better appreciation of families' experiences at heritage visitor attractions to provide recommendations on service design and delivery to enhance visitors' experience.

## **Methods**

The context of this study's family value creation was Edinburgh Castle, Scotland's most popular paid attraction (VisitScotland 2013). It is run by Historic Scotland, a quasi-governmental organisation, and is its cash cow, raising over £17 million—around 55% of its income. It has consistently been rated as a five-star visitor attraction by VisitScotland, the national organisation tasked with promoting tourism, and in 2013 welcomed over 1.4 million visitors. As well as revenue generation, Historic Scotland must pursue social, cultural and educational goals as part of its operational remit, such as widening access to under-represented groups including local families.

To empirically test the concepts of interactive value formation and value facilitation, I adopted grounded theory methods to analyse the data

generated from family visits to Edinburgh Castle, a heritage attraction of international renown and part of a UNESCO World Heritage Site. Edinburgh Castle is a large and elaborate service environment (Bitner 1992), containing a number of indoor and outdoor areas, including two cafés and three retail outlets. This provides wide and varied opportunities for customers and staff to interact in the process of service provision and consumption.

Two streams of in-depth interviews were conducted, with the aim of investigating both user and provider perspectives on the consumption experience and how the design of the service environment facilitates customer-customer and customer-staff interactions. Initially, I conducted interviews with nine staff at the castle and Historic Scotland head office. Interviewing executive and operational staff allowed me to develop a deeper insight into the management issues they are operating under, and a better understanding of the perceptions of service providers on how value can be realised within the service environment. Challenges included the ordeals in incorporating the needs of a variety of stakeholders ranging from UNESCO to the British Armed Forces (the castle is also an active army base), the difficulties in balancing conservation with access and also the various social, political, cultural and economic factors driving Historic Scotland's policy making.

I then conducted in-depth interviews with 20 local families who were recruited through local schools. Each family was interviewed twice at their home. An initial interview took place prior to their visit to establish family perspectives on the motivations and expectations of their service encounter. A post-visit interview was then conducted to investigate the practices family members had engaged in when attempting to realise value and their assessments. Participating families were mixed in both composition and in their socioeconomic backgrounds. Fourteen out of the 20 families were traditional "nuclear" families, with the others a mixture of single parent and "blended" families, where the adults were living together but were not married. However, the families were purposively selected, in that they contained at least one child between 11 and 17 years. An additional method was employed during the course of the research, as the 10 later families were provided with a video camera to take with them during their visit. This was used to record significant incidents involving interactions within the service environment, as well as aspects of their visit that they wanted to elaborate on. The video clips proved highly enriching, not just in allowing me to view first-hand their interactive value practices

but also aspects of interactions with the service interface, other family members and other customers.

I supplemented the interviews with covert observations of other visitors whilst on-site to become thoroughly familiar with both the service environment and also patterns of visitor behaviour within. I undertook covert field observations on 10 different days to observe first-hand how service users interacted with each other and the service interface to create value. The observations generated extensive field notes and photographs, with each observation session ranging from three to five hours. In line with a grounded theory approach, codes were extracted from observations and the interview transcripts that pertained to the activities and issues discussed with families and provider staff. These led to the development of themes that were then compared and contrasted with codes and themes identified from the other interviews.

## **Results**

Building on the fundamental notion that value in service settings is collaboratively realised through user-provider interactions, intra-group interactions and interactions with other customers were found to play a crucial role in determining user value assessments and value outcomes. This was in addition to interactions with the service interface. The research also supports the conceptualisation of the value creation process made in particular by relationship marketers and the Nordic School that value is not “co-created” but is instead “facilitated” (e.g. Grönroos 2011).

Following the research on value practices and interactions by Echeverri and Skålén (2011) and McColl-Kennedy et al. (2012), 20 value practices that both create and destroy value for family members were induced, and organised into four thematic categories. As shown in Table 1.1 below, these categories are: user decision-making, evaluating, realising and attaining. These conceptual themes emerged from analysis of the interviews and observational data and through developing thematic codes to capture the complexity of the family’s interactions. Guidance was also provided by the previous studies referred to in the literature review (Echeverri and Skålén 2011; McColl-Kennedy et al. 2012). However, as the contexts were considerably different, new thematic codes were created and a large number of new activities were identified.

## Decision Making

A significant amount of intra-family interactions were related to decision-making within the service environment. This was often in relation to what aspect of the attraction to interact with and in what order, in light of the available time and interests of the family members. Situational assessments were made on group and individual levels, and the needs of younger children were given priority. The DE family was a single parent family headed by the mother (DEF) and her two teenage sons, DES1 (aged 17) and DES2 (aged 13). When it came to doing things together they all had very different interests, and it was accepted that as well as the collective outcomes the family hoped to achieve, DES1 had a number of individual anticipated outcomes that he could best achieve by himself. Whilst the family obviously wanted to create memories and have shared experiences from visiting the castle together, DES1 chose to only selectively engage in such group activities. He had a much stronger interest in gaining deeper experiential value than DEF or DES2, and prioritised having deeper and more active interactions with the attraction interface. Physically interacting with the site was supplemented by taking care to learn about different aspects of the castle and its history. This is illustrated by the following extract, where DES1 is answering my question as to how they decided what to do together:

**DES1:** I'll probably have a list of things that I want to do and I'll either take them [DEF and DES2] with me or just go and do them myself.

**DEF:** [laughs] We'll probably follow behind you [DES1] like little sheep until we get really bored and then we'll go to the café.

**DES1:** Yeah, 'cause I'll end up looking at the museum for about 15 minutes and his [DES2's] attention span will just snap.

This short exchange illustrates the coalition building that regularly occurred within the DE family. The mother and her younger son formed a coalition built on shared interests whilst the older son prioritised his own interests, with the family temporarily splitting up to incorporate these diverse interests.

## Evaluating

The evaluating category captures the family members' appraisals of their visit. A significant modifying factor was the understanding that the castle was a unique location and despite being a five-star visitor attraction was

not purpose-built for tourism. Previous experience of visiting attractions along with more general leisure experiences the family had experienced influenced their evaluations. The imagined and real experience of others was also a reference point for comparison and evaluation. There was an interesting expectation that the castle management should provide a service at a level commensurate with its five-star status. This expectation was like an unwritten contract with the service provider, and the families' negative evaluations were often a result of this contract being broken through service failure or poor provision. Whilst this was sometimes due to families' own experiences, this was often when families witnessed other visitors' interactions being impaired as a result of this service failure.

The BC family was a single-parent family, and the mother (BCF) and her two sons (BCS1 and BCS2) were enjoying interacting with costumed re-enactors dressed as WWI soldiers when another visitor affected the family's experience, interrupting it by initiating her own conversation with the actors. BCF said:

So we sort of moved away, cause, em, an American lady came up and spoke to them ... she had a very loud American accent [she then went on to identify an object the WWI re-enactors had brought with them as the lady had recognised it as similar to one she had found in her attic that had belonged to her Scottish grandfather]. You know [she] had a real reason to be in Scotland and the fact that these artefacts were, em, out on the table, and the fact that she was able to speak to somebody about it, oh, it would have been absolutely priceless for her ... it was really, really good.

Despite feeling slightly upset at being displaced by another customer, by observing her interactions the group felt satisfaction and pride that the castle had facilitated such an obviously poignant and meaningful experience. The group also took into consideration her nature as an elderly overseas tourist, particularly when it became apparent she had a very special reason for being in Scotland and for interacting with the WWI re-enactors.

## **Realising**

This category covers the aspects of family visits relating to creating and co-creating value during the process of interacting with the attraction. Children and their parents spoke about learning or expanding their learning and their enjoyment at doing this in such a unique location. There was an appreciation amongst both generations that aspects of the castle visit would not be perfect, and that they would have to endure instances of

service failure, such as interpretation machines not working, long queues or inclement weather conditions. Coping with these was often a source of value for families, with members taking satisfaction in adapting or persevering.

The GR family consisted of the father (GRM), his partner (GRF) and the father's son (GRS), and as the latter was 17 years old they particularly enjoyed connecting with the site on many different levels. As GRS was more mature and thoughtful, both GRM and GRF valued and respected his contribution to the family's collective enjoyment and derived considerable value from this. For the GR family, a key value-creating activity from the overall visit was the intra-group interactions on their individual and collective experiences. The following excerpt involves GRF expressing her delight at how they had been able to discuss the visit and what it had meant on many levels.

Well he enjoyed it, you know. He's not always a grumpy teen, you know, he does have, you know, I think his school course had prepared him for a lot of stuff ... but, em, nonetheless, he could respond to it as a building, as a historic site, as an iconic site ... so it's definitely still interesting for him, even the, you know, the insouciance of teenagerhood [sic] ... it still spoke to him, so, there's something about it that everybody's going to enjoy.

### **Attaining**

This final category relates to the value that families derive from the outcomes of internal and external interactions. The post-visit interviews contained rich descriptions of the value that families had gained from reaffirming ties with one another through spending time and doing joint activities. This related to how the family's operant resources had been enhanced or reinforced through the visit. This also covers the value that parents or children gained through displaying their knowledge or abilities to enhance the group's experience by their interactions.

The JP family were from overseas but had lived in Edinburgh for several years, and their older daughter had been to the castle a few times with her local primary school. Through her visits and through learning about aspects of Edinburgh and Scottish history at school, she was by far the most knowledgeable in the family about the castle and its background. This visit enabled her to reassume her role of expert. Due to her language abilities and her increasing cognitive ability, this was a role she often adopted given the particular situation within the family. She had taken a



lead role in the planning of the visit and her insider knowledge of many aspects of the castle interface significantly enhanced the family's collective affective and cognitive interactions.

**Table 1.1. Visitor interactive categories and activities**

<i>Interactive Category</i>	<i>Value Creating Activity</i>	<i>Description</i>
Decision making	Coalition Building	Forming temporary coalition with other group member(s) in order to strengthen bargaining position and improve chances of desired outcome being adopted by the group.
	Informing	Providing full or selective information to other group member(s) to enhance the likelihood of desired outcomes being attained.
	Negotiating	Adopting various approaches whilst attempting to achieve desired outcomes.
	Priming	Verbal and non-verbal communication designed to influence other group member(s) before and during decision-making.
	Prioritising	Putting the needs of oneself or others first
Evaluating	Accepting	Visitors appreciate the unique circumstances of the service environment and provider when evaluating their experiences.
	Appraising	Visitors evaluating in light of past service consumption experiences, as well as experiences and reviews from friends and other visitors.
	Comparing	Visitors positively and negatively rating their own experiences in relation to the observed and imagined experiences of others.
	Expecting	Expectation that service provider will provide a level of service and experience commensurate with the perceived and actual status of the service environment.
	Sharing	Locals' and regular users' satisfaction in the enjoyment and appreciation of value other customers can derive from the service experience.

Realising	Competing	Visitors attempting to acquire use of and access to desired resources when availability is not guaranteed.
	Connecting	
	Coping	Visitors forming, reaffirming or reassessing affective and cognitive links with the service environment through individual or group interactions with operand and operant resources
	Deviating	Visitors contending with adverse conditions including weather, service or product unavailability and service failures.
	Observing	Visitors ignoring, bending or breaking rules and norms pertinent to the situation. Visitors passively interacting through watching the interactions of other group members and other visitors for learning or entertainment.
Attaining	Achieving	Satisfaction from meeting individual and group goals relating to the service experience.
	Acquiring	Learning, reaffirming and reassessing individual and group knowledge and skills through internal and external interactions and sense making.
	Bonding	Reaffirming and enhancing intra-family bonds through particular aspects and global impressions of the visit.
	Empowering	Visitors enhancing their standing within the group through display and utilisation of individual resources or the ability to successfully integrate external resources.

## Discussion and Conclusions

This study contributes to an enhanced understanding of the interactive value creation process at the heart of the service encounter, and reveals significant insights into the behaviours of the under-researched family group. A range of different roles adopted by family members at different stages of the service experience is identified as well as the iterative processes driving their adoption.

The findings of this study add to the conceptual understanding of customer interactions within a complex service environment. Although interactions are an integrated part of the marketing process, their implications for value

creation have not yet been considered, as S-D logic literature fails to fully grasp their significance (Grönroos 2011). It builds on and extends the conceptualisation of the value creation and co-creation process by revealing the importance of the service provider in facilitating customer value creating activities. Interactions are a key construct in value creation (Grönroos and Ravald 2009) and the heritage visitor attraction service environment provided a revealing context to investigate this. Through identifying interactive categories and activities, this study builds on the limited amount of empirical research using S-D logic and helps reveal more on the processes involved. The results suggest that while the Foundational Premises are a convenient point of reference for the study of services marketing, they are perhaps too general to be equally applicable to all sectors of the service economy. Within a complex service environment such as a visitor attraction where multiple opportunities exist for visitor-visitor, visitor-interface interactions (including the staff), the sixth foundational premise does not hold true as visitors were capable of creating value through the unilateral integration of their own resources. The results may be applicable to other complex service environments, such as hotels and restaurants that offer a number of interactive opportunities. This study has also advanced understanding of the visitor experience within tourism literature, and hopefully more research will be done using S-D logic to investigate other forms of tourism and hospitality.

From a practitioner perspective, it is clear that the service environment should be tailored to both adults and young customers to facilitate family satisfaction and memorable experiences. Opportunities for service users to integrate their resources unilaterally, in collaboration with the service provider, should be developed. In a visitor attraction context, technology offers incredible opportunities to enhance the service experience in this regard. Freeing the service provider from costly renovations to the physical environment (that may not be possible in a protected building such as Edinburgh Castle), technological methods can allow more tailored provision at individual or group level. Through considered design, these can also facilitate interactions between aspects of the interface that they would otherwise not have known about or contemplated.

This study aims to make the value-creation debate more tangible for tourism academics, marketers and policymakers, and show the benefits of considering how organisations can best facilitate customer value for mutual benefit. It is hoped that future studies in similar or different contexts seek to combine user and provider perspectives on the service experience as this has proved an effective method for advancing

practitioner and theoretical understanding. The successful adoption of video footage in better appreciating the service experience is apparent and it is hoped that other researchers can adopt such methods in other settings.

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