Enhancing Value Creation Through Social Interaction in Service Management

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"Believe in yourself and all that you are.
Know that there is something inside you
that is greater than any obstacle."
(Christian D. Larson)

FOREWORD

It was with great pleasure and deep respect that I supervised and supported Ms Kullak's scientific work. Her dissertation is an impressive achievement, characterised not only by its outstanding scientific quality and practical relevance, but also by the personality of the author. Ms Kullak has proven that she is able to penetrate complex issues, process them in a theoretically sound manner and identify practice-oriented solutions.

The dissertation comprises several central contributions to economics, which are groundbreaking in their depth and methodology. Her findings on social interactions in retail, the transfer of the buying centre concept to consumers and the analysis of business models of social organisations mark new perspectives in research and practice. Ms Kullak's ability to combine seemingly disparate subject areas and thus develop innovative approaches is evident throughout.

This academic strength is complemented by an extraordinary degree of thoroughness and reflection. Ms Kullak devotes herself to every detail of her work with dedication and precision. Her willingness to accept criticism and incorporate it into improving her work has made her an excellent scientist who never chooses the easiest path, but always the best. As her supervisor, it has been a pleasure for me to witness her development – even if it occasionally took patience to bring her hyper-complex thought processes down to a level suitable for everyday life. Fortunately, Ms Kullak has the wonderful gift of laughing at herself, which often took the severity out of our discussions.

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Ms Kullak's personality is characterised by a strong social and ecological awareness as well as a pronounced sense of duty. Her pursuit of perfection is impressive, and yet she manages to face challenges with humour. Her ability to approach conflicts in a balanced and solution-oriented way is just as remarkable as her deep sense of justice and her honesty. In difficult phases – such as the revision of reviews – she has repeatedly shown that she has admirable stamina and resilience.

Ms Kullak is not only an extremely intelligent and inquisitive scientist, but also a person who impresses with her helpfulness, empathy and team spirit. She has managed to combine her scientific excellence with an open and cooperative nature, which makes both her work and working with her special to me.

In conclusion, I would like to emphasise that Ms Kullak's dissertation not only makes a significant contribution to science, but also offers practical suggestions for various industries and organisations if one thoroughly internalises her work. With her work, she has embarked on a path that extends far beyond the dissertation and will certainly provide many more fruitful impulses. It has been an honour for me to accompany Ms Kullak on her journey, and I look forward to her future career with great confidence. I wish her all the best in both her professional and personal life and hope that she occasionally dares to take a 'good enough' approach to her next project – because while perfection may be desirable, sometimes the imperfect brings the most beautiful surprises.

Bayreuth, 24 November 2024, Prof. Dr. Herbert Woratschek

VORWORT

Mit großer Freude und tiefem Respekt habe ich die wissenschaftliche Arbeit von Frau Kullak betreut und begleitet. Ihre Dissertation ist eine beeindruckende Leistung, die nicht nur durch ihre herausragende wissenschaftliche Qualität und ihren Praxisbezug, sondern auch durch die Persönlichkeit der Verfasserin geprägt ist. Frau Kullak hat bewiesen, dass sie in der Lage ist, komplexe Sachverhalte zu durchdringen, theoretisch fundiert aufzuarbeiten und praxisorientierte Lösungen aufzuzeigen.

Die Dissertation umfasst mehrere zentrale Beiträge zur Wirtschaftswissenschaft, die in ihrer Tiefe und Methodik wegweisend sind. Insbesondere ihre Erkenntnisse zu sozialen Interaktionen im Handel, der Übertragung des Buying-Center-Konzepts auf Konsumenten und die Analyse von Geschäftsmodellen sozialer Organisationen markieren neue Perspektiven in Forschung und Praxis. Dabei zeigt sich immer wieder Frau Kullaks besondere Fähigkeit, scheinbar disparate Themenbereiche miteinander zu verbinden und so innovative Ansätze zu entwickeln.

Diese akademische Stärke wird ergänzt durch ein außerordentliches Maß an Gründlichkeit und Reflexionsvermögen. Frau Kullak widmet sich jedem Detail ihrer Arbeit mit Hingabe und Präzision. Ihre Bereitschaft, Kritik aufzunehmen und in die Verbesserung ihrer Arbeit einzubringen, hat sie zu einer exzellenten Wissenschaftlerin gemacht, die niemals den einfachsten Weg wählt, sondern stets den besten. Es war für mich als Betreuer eine Freude, ihre Entwicklung mitzuerleben – auch, wenn es hin und wieder Geduld brauchte, ihre hyperkomplexen Gedankengänge auf eine alltagstaugliche Ebene zu bringen. Zum Glück hat Frau Kullak die

wunderbare Gabe, über sich selbst zu lachen, was unseren Diskursen oft die Schwere nahm.

Die Persönlichkeit von Frau Kullak ist geprägt von einem starken sozialen und ökologischen Bewusstsein sowie einem ausgeprägten Pflichtbewusstsein. Ihr Streben nach Perfektion ist beeindruckend, und dennoch gelingt es ihr, Herausforderungen mit Humor zu begegnen. Ihre Fähigkeit, Konflikte ausgleichend und lösungsorientiert anzugehen, ist ebenso bemerkenswert wie ihr tiefes Gerechtigkeitsgefühl und ihre Ehrlichkeit. In schwierigen Phasen – etwa bei der Überarbeitung von Reviews – hat sie immer wieder gezeigt, dass sie über eine bewundernswerte Ausdauer und Resilienz verfügt.

Frau Kullak ist nicht nur eine äußerst intelligente und wissbegierige Wissenschaftlerin, sondern auch ein Mensch, der durch Hilfsbereitschaft, Empathie und Teamgeist überzeugt. Sie hat es geschafft, ihre wissenschaftliche Exzellenz mit einem offenen und kooperativen Wesen zu verbinden, was sowohl ihre Arbeit als auch die Zusammenarbeit mit ihr zu etwas Besonderem für mich macht.

Abschließend möchte ich betonen, dass Frau Kullaks Dissertation nicht nur einen bedeutenden Beitrag zur Wissenschaft leistet, sondern auch praktische Anregungen für verschiedene Branchen und Organisationen bietet, wenn man ihr Werk gründlich verinnerlicht. Mit ihrer Arbeit hat sie einen Weg eingeschlagen, der weit über die Dissertation hinausreicht und sicherlich noch viele fruchtbare Impulse liefern wird. Es ist mir eine Ehre, Frau Kullak auf ihrem Weg begleitet zu haben, und ich blicke mit großer Zuversicht auf ihre weitere Karriere. Ich wünsche ihr sowohl in beruflicher als auch in privater Hinsicht alles Gute und hoffe, dass sie sich bei ihrem

nächsten Projekt gelegentlich auch traut, einen Schritt „nur gut genug" zu machen – denn Perfektion mag erstrebenswert sein, aber manchmal bringt das Unvollkommene die schönsten Überraschungen.

Bayreuth, 24.11.2024, Prof. Dr. Herbert Woratschek

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"The Journey is the Destination" (Konfuzius)

My time as a PhD candidate has been an inspiring scientific journey fueled by my thirst for knowledge and curiosity to discover something new and create something that lasts. More importantly, it has been my personal journey full of learning and development for which I am beyond thankful. This dissertation is the outcome of a rewarding and invaluable years-long 'pilgrimage' as a PhD candidate and research assistant at the Chair of Marketing & Service Management at the University of Bayreuth, Germany. Along the way, I was fortunate enough to explore the bright side of academia – creating my scientific legacy, working toward and celebrating publication successes, engaging in countless intellectual discussions, participating in inspiring international conferences and gaining rewarding teaching experiences. Similarly, I experienced some instructive, challenging valley trails that equipped me with valuable competencies and let me become who I am today. Without question, my PhD 'pilgrimage' became especially meaningful because of all my companions – besides the people who have continuously been by my side before my PhD, every person I met along the way had an impact on my personal, professional and scientific development.

First, I would like to express my deep gratitude to *Prof. Dr. Herbert Woratschek* for being my PhD supervisor, although this term does not do him justice: As an honest and inspirational mentor throughout my PhD, you enabled and encouraged me to grow professionally and personally to navigate and find my way in academia and beyond. Thank you for always believing in me, for providing trustful guidance, encouraging and

motivating advice and having been open to new research topics and ideas. Your often critical and challenging, yet encouraging questions and comments pushed me out of my comfort zone and led to a refinement of my research projects. You therefore taught me invaluable competencies for my future endeavours. I will keep your strong ability to jointly decomplex multi-layered issues from "cloud cuckoo land" and translate them into an appropriate and understandable way in good memories. Furthermore, you remain a role model in leadership to me as you always had an open ear no matter how busy you were, showed and expressed appreciation toward your employees, proved how to show your back with convincing arguments and keep a cool head even in turbulent times. Most importantly, I appreciate that you not only saw the PhD candidate but also appreciated the human being behind it.

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Most importantly, I would like to dedicate my deepest and heartfelt gratitude to my parents: *Roswitha Maria Balthes-Kullak* and *Karl-Peter Kullak*. Yet, there are not enough words to express my gratefulness to you. You gave me roots in having always supported me no matter what and gave me wings in having encouraged me to pursue my dreams while giving me the confidence and liberty to find and follow my own (educational) path. Thank you from the bottom of my heart for your unconditional support and especially for letting me become who I am today: *Papa*, for all your fruitful advice and for often being my compass and, *Mama,* for being my anchor and for always being there for me with all your love and dedication. You two always taught me to gain education for myself and not on behalf of someone else: If this dissertation had been dedicated to someone, it would be the two of you!

Franziska Sophie Kullak

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„Der Weg ist das Ziel" (Konfuzius)

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ABSTRACT

Evolving and ongoing humanitarian, climate, and political crises require an urge for for-profit and not-for-profit organizations to rethink and reconfigure their existing value creation processes or create even new ones to survive and stay competitive. Social interaction among dyads (e.g., firm and customer), triads (e.g., firm, customer, other customers) or collectives (e.g., movement of social entrepreneurs) can be a pivotal driver for enhancing value creation processes. However, to date, how exactly different constellations of actor groups can improve, reconfigure and innovate value creation processes, especially in a not-for-profit organization context, yielding positive social change in changing service environments, lacks scholarly attention. Therefore, the overarching research question guiding this dissertation is: *How can actor's social interaction enhance value creation processes in for-profit and not-for-profit organizations?* This dissertation aims to close this research gap by drawing on two complementary value creation perspectives: service-dominant logic (Vargo & Lusch, 2004) and jobs-to-be-done (JTBD) theory (Christensen, Anthony, Berstell, & Nitterhouse, 2007). The first scientific paper examines customer needs in a fashion retailing context through the JTBD theory. Scientific paper two offers an extended conceptualization of consumer journeys and analyzes the influence of shopping companions' roles in offline fashion retailing. Scientific paper three provides an answer to how social purpose organizations can survive economic crises despite limited resources. Further, scientific paper four shows how a market for social entrepreneurship can be shaped to foster positive social change. Finally, the fifth scientific paper conceptualizes 'service ecosystem

(fr)agility'. The results of this dissertation spark a more fine-grained and holistic understanding of social interaction: A solid investigation of customer needs based on the JTBD theory can enhance value creation among dyads. Furthermore, efficient interaction between economic and social actors - enabled and wanted by the management - can lead to business model innovations or even market innovations. From a theoretical perspective, this dissertation contributes to the literature triangle of service management, innovation management and marketing. In the same vein, it provides valuable practical insights for for-profit-organizations (e.g., offline and online fashion retailing) and not-for-profit organizations (e.g., cultural music organizations, social enterprises).

ZUSAMMENFASSUNG

Sich entwickelnde und anhaltende humanitäre, klimatische und politische Krisen erfordern, dass gewinnorientierte und gemeinnützige Unternehmen ihre bestehenden Wertschöpfungsprozesse überdenken, neu konfigurieren oder sogar neu erschaffen, um zu überleben und wettbewerbsfähig zu bleiben. Soziale Interaktion zwischen Dyaden (z. B. Unternehmen und Kunde), Triaden (z. B. Unternehmen, Kunde, andere Kunden) oder einem Kollektiv (z. B. Zusammenschluss aus Sozialunternehmern) kann dabei ein entscheidender Treiber für die Verbesserung von Wertschöpfungsprozessen sein. Wie genau unterschiedliche Konstellationen von Akteursgruppen Wertschöpfungsprozesse verbessern, neugestalten und innovieren können, um positive soziale Veränderung in sich verändernden Dienstleistungskontexten herbeizuführen, ist jedoch bislang, besonders im Kontext gemeinnütziger Unternehmen, noch nicht hinreichend wissenschaftlich erforscht. Daher lautet die übergeordnete Forschungsfrage, die dieser Dissertation zugrunde liegt: *Wie kann soziale Interaktion zwischen Akteuren die Wertschöpfungsprozesse in gewinnorientierten und gemeinnützigen Unternehmen verbessern?* Zur Schließung dieser Forschungslücke greift diese Dissertation auf zwei komplementäre Perspektiven der Wertkreation zurück: Service-dominant logic (Vargo & Lusch, 2004) und Jobs-to-be-done (JTBD)-Theorie (Christensen, Anthony, Berstell & Nitterhouse, 2007). Das erste Forschungsprojekt untersucht Kundenbedürfnisse im Kontext des Modeeinzelhandels anhand der JTBD-Theorie. Das zweite Forschungsprojekt bietet eine erweiterte Konzeptualisierung von Konsumentenreisen und analysiert den Einfluss der Rolle von

Einkaufsbegleitern im offline Modeeinzelhandel. Das dritte Forschungsprojekt liefert eine Antwort darauf, wie gemeinnützige Organisationen trotz begrenzter Ressourcen Wirtschaftskrisen überstehen können. Darüber hinaus zeigt Forschungsprojekt vier, wie ein Markt für soziales Unternehmertum so gestaltet werden kann, dass er einen positiven sozialen Wandel fördert. Schließlich wird in dem fünften Forschungsprojekt der Begriff ‚(Fr)Agilität eines Service-Ökosystems' konzeptualisiert. Die Ergebnisse dieser Dissertation führen zu einem detaillierteren und ganzheitlicheren Verständnis sozialer Interaktion: Eine fundierte Untersuchung der Kundenbedürfnisse auf der Grundlage der JTBD-Theorie kann die Wertschöpfung zwischen einer Dyade steigern. Darüber hinaus kann eine effiziente Interaktion zwischen wirtschaftlichen und sozialen Akteuren – ermöglicht und gewollt durch das Management – zu Geschäftsmodellinnovationen oder sogar Marktinnovationen führen. Aus theoretischer Sicht leistet diese Dissertation einen Beitrag zum Service Management, Innovationsmanagement und Marketing. Gleichzeitig liefert diese Dissertation wertvolle praktische Erkenntnisse für gewinnorientierte (z. B. Offline- und Online-Modehandel) und gemeinnützige Unternehmen (z. B. kulturelle Musikorganisationen, Sozialunternehmen).

Contents

CHAPTER 1: INTRODUCTION

1.1 MOTIVATION AND RESEARCH AIM

Evolving and ongoing humanitarian, climate, as well as political crises, drastically show that the world is facing change, thereby impacting the well-being of individuals, service organizations, and the society at large and influencing their value creation processes (Club of Rome, n.d.). Consequently, turbulent times require an urge for for-profit and not-for-profit organizations to rethink and reconfigure existing - or innovate even new - value creation processes to survive and stay competitive. In this complex, dynamically changing world, the number of involved actor groups is increasing and so is their level of social interaction. Social interaction among dyads (e.g., firm, customer, peers, non-profit organization), triads (e.g., firm, customer, other customers), collectives (e.g., movement of social entrepreneurs) or society at large manifests, for example, in actor's verbal language, general communication or routinized practices (Edvardsson, Tronvoll, & Gruber, 2011). Knoblich, Butterfill, and Sebanz (2011) define social interaction as joint activity "whereby two individuals coordinate their actions in space and time to bring about a change in the environment" (p. 60). Marketing and service management offers an extensive and rapidly growing knowledge repository to address and tackle the complexities present in contemporary service environments (Möller, Nenonen, & Storbacka, 2020). Thus, understanding social interactions as marketing and service management objective gains of importance because it can be a driver for enhanced value creation: As actors engage in social interaction, value "emerges and morphs over time"

(Flint, 2006, p. 356). This points to the actor's pivotal role in having the clout of engaging in and enhancing value creation processes through social interaction to bring about positive social change – not only for individuals and service organizations but also for society at large. However, to date, how exactly different constellations of actor groups can enhance, reconfigure and innovate value creation processes, especially in a not-for-profit organization context, lacks scholarly attention.

Value creation can be analyzed through various theoretical lenses. In service management, the meta-theory of service-dominant logic (Vargo & Lusch, 2004), specifically the logic of value co-creation (Woratschek, 2020; Vargo & Lusch, 2016), offers fertile ground to explore how value creation processes unfold between various actors. In this logic, value is not statically "produced" by the firm and "consumed" by the customer but rather co-created through mutual resource exchange (such as skills, competencies, knowledge) between the firm and the customer (Chandler & Vargo, 2011; Vargo & Lusch, 2004). In their updated conceptualization Lusch and Vargo (2016) extend the dyadic view toward an actor-to-actor perspective encompassing value co-creation by versatile market actors (e.g., customers, firms, suppliers, politicians, not-for-profit organizations, accompanying persons, media, policymaker, volunteers), always including the beneficiary. The logic of value co-creation aids in better understanding social interaction. Reciprocal resource exchange and integration of two or more actors can be viewed as the maturing of social interaction.

Notably, co-created value is always value-in-context defined as a "unique set of actors and the unique reciprocal links among them" (Chandler & Vargo 2011, p. 41; Vargo & Lush, 2008). By extension, Edvardsson et al. (2011) theorize that social forces (e.g., social others such

as accompanying persons in a shopping situation or spectators accompanying persons in a stadium) also impact or even actively engage in value co-creation. Consequently, the scholars argue for the consideration of these social forces and broaden the term to "value-in-social-context" - emphasizing the collective and intersubjective dimension of value. According to Woratschek (2020), a holistic application of the logic of value co-creation and a thorough analysis includes the explicit consideration of these social forces. Although social forces are not directly tied to the product or service, they can have an influence on the customer regarding the purchase and use of the product or service (e.g., Kaiser, Ströbel, Woratschek, & Durchholz, 2019; Lindsey-Mullikin & Munger, 2011). Thus, "it is necessary to break down the context in order to enable empirical research" (Woratschek, 2020, p. 3).

Market actors' value co-creation can be facilitated through engagement platforms. These access-based platforms consist of physical or virtual touchpoints that provide the structure and serve as a junction for interactions and resource exchange (e.g., sharing knowledge) between multiple market actors. Importantly, physical engagement platforms (e.g., festivals, workshops, exhibitions) and digital engagement platforms (e.g., social media, online communities) are interconnectedly embedded in a broader system of networks - a service ecosystem (Breidbach, Bordie, & Hollebeek, 2014).

Adopting a systemic perspective of value co-creation, service ecosystems comprise specific institutions (e.g., norms, beliefs, rules, laws) and thus, offer the institutional structure for value co-creation processes to unfold. Building on that, market actors can influence value co-creation by reconfiguring institutional arrangements (Vargo & Lusch, 2016; Vink et

al., 2021). More precisely, actor's social interaction can be performed through routinized (market) practices in which "market actors exercise their agency to influence market formation and transformation" (Nenonen, Fehrer, & Brodie, 2021, p. 236; Storbacka & Nenonen, 2011), coined as market-shaping (Flaig, Kindström, & Ottosson, 2021; Kjellberg, Azimont, & Reid, 2015; Nenonen, Storbacka, & Windahl, 2019). This shows that market actors can have the clout to jointly foster value creation processes, reflected in, for example, the creation of new or reconfiguration of existing business models or even market systems including innovating markets for improved outcomes (Nenonen, Fehrer, & Brodie, 2021; Vargo, Wieland, & Akaka, 2015).

The jobs-to-be-done (JTBD) theory (Christensen, Anthony, Berstell, & Nitterhouse, 2007), originating from innovation management literature, offers another, yet complementary perspective on value creation. Here, value creation emerges with an analysis of the customer's 'job' - "a fundamental problem a customer needs to resolve in a given situation" (Christensen et al., 2007, p. 38). The analysis of one or several customer's jobs allows a catering to customer needs. In this sense, products and services function as vehicle to fulfill customers' jobs. Hence, the JTBD theory provides a starting point for organizations to unleash further innovation potential and generate solutions to customer problems – both of which have been identified as essential to tackling emerging challenges in a changing service environment. By extension, from a service management perspective, the JTBD theory elaborates on the question of what service can be provided to support customers in (better) getting their job done as opposed to adding features to a particular service (Bettencourt, Lusch, & Vargo, 2014).

Applying and combining the logic of value co-creation and job-based problem-solving gains particular significance when considering service environments faced with crises. While crises are commonly associated with negative connotations, recent literature also acknowledges their positive aspects. For example, Nenonen and Storbacka (2020) argue that firms should utilize crises to create new business opportunities. In a similar vein, crises can serve as catalysts for innovation processes but similarly, can impact the ability of service ecosystems to adapt and self-adjust, diminishing ecosystem functionality and service continuity (Frow, McColl-Kennedy, Payne, Govind, 2019; Wei Wei, Laud, & Chou, 2019). Hence, service ecosystems' functionality depends on an ecosystem's ability to adapt to changing situations (Finsterwalder & Kuppelwieser, 2020; Kuppelwieser & Finsterwalder, 2016).

While previous literature generally agrees on the beneficial impact of social interaction on value creation (e.g., Edvardsson et al., 2011; Neghina, Caniëls, Bloemer, & Van Birgelen, 2015), there remain some under-researched aspects worth investigation. More broadly, Edvardsson et al. (2011) claim that "more empirical studies are required on how service structures and systems form the basis for value co-creation in different social contexts, both at the collective and individual level" (p. 334). More precisely:

- On a micro level, extant research is sparse on how service providers can support consumers in better fulfilling their needs and accordingly, how exactly social others (e.g., shopping companions) can influence consumer fulfillment (e.g., through performing different roles in consumer journeys) (e.g., Gielens, 2023; Hamilton & Price, 2019; Hankammer, Brenk, Fabry, Nordemann,

& Piller, 2019; Lindsey-Mullikin & Munger, 2011; Scholz, Pagel, & Henseler, 2023).

- On a meso-and macro-level, building on, for example, Olofsson, Hoveskog, and Halila (2018), Faruque Aly, Mason, and Onyas (2021) and Ottosson, Magnusson, and Andersson (2020), there is still a need for more research to especially investigate social market actors' practices and their roles in their effort to collectively shape social systems for improved societal and environmental outcomes, reflected in, for example, business models (e.g., Olofsson et al., 2018; Weerawardena, Sullivan-Mort, Salunke & Haigh, 2021) or even market systems (Nenonen, Storbacka, & Windahl, 2019).

- Across all levels of aggregation (micro-, meso-, and macro-level), due to the increased advent of different complex types of crises, service management and marketing literature set out several calls for investigating how these crises impact value creation processes (e.g., Flaig et al., 2021; Nenonen & Storbacka, 2020). For example, Field et al. (2021) call to prioritize the question of understanding how service ecosystems can embrace the agility to withstand or recover from turbulent events as a top service research priority.

In sum, more empirical evidence and conceptual development is needed on how value co-creation processes can collectively be enhanced through social interaction to embrace the complex and systemic nature of contemporary, changing business environments. Correspondingly, this dissertation aims to address some of these research gaps and calls to nurture the understanding of how constellations of various actors (dyads, triads, collectives) can enhance value creation processes through social interaction exceeding economic growth and thus, yielding positive social

change in changing service environments. In more depth, it focuses on the reconfiguration of existing and the configuration of new, sustainable value creation processes of for-profit and not-for-profit organizations. Hence, the dissertation's overarching research question is as follows:

How can actor's social interaction enhance value creation processes in for-profit and not-for-profit organizations?

To holistically elaborate on the posed research opportunities and gaps, the author explicitly draws on a range of service industry contexts, namely: fashion stationary and online retailing, cultural sector, and social entrepreneurship. All three sectors are particularly prone to impacts from externally induced, sudden, often unpredictable, and turbulent events. For example, on a micro-level, in-store fashion retailing has been faced with an increase in e-commerce possibilities resulting in shrinking sales numbers, the constant fear of being outperformed by e-commerce, and similarly, adjusted, temporary (shopping) restrictions due to the COVID-19 pandemic leading to a "new normal" shopping environment for customers (e.g., Handelsblatt, 2022; Roggeveen & Sethuraman, 2020; Statistisches Bundesamt, 2022). The cultural sector, traditionally chronically employee-related and financially ill-equipped, is deemed appropriate for investigation because it experienced a complete "shut down" during COVID-19 (e.g., Royce, 2007) but similarly, had to ensure ongoing value creation processes to survive. Third, on a macro-level, social entrepreneurship in emerging economies, considered a miracle weapon to tackle some of the pressing environmental and societal problems, lacks governmental support and legitimacy. Consequently, this

slows down value creation processes on the one hand but similarly, opens avenues for other market actors to shape a market system for societal change on the other hand (e.g., British Council, 2016; 2020). Lastly, in this dissertation illustrative service management contexts (hospitality industry, transportation industry, healthcare industry) facilitate and round off further conceptual development of service ecosystems faced with turbulent events.

The results of this dissertation foster a more fine-grained and holistic understanding of social interaction. From a theoretical perspective, the results are embedded in and contribute to the literature triangle of service management, innovation management and marketing research, specifically, to consumer journeys, business models, engagement platforms, and market-shaping. In the same vein, this dissertation covers practical relevance. In doing so, it provides valuable insights for but is not limited to, for-profit-organizations (e.g., offline and online fashion retailing). For example, why is it worthwhile to explore and fulfill customer needs through a problem-solving approach? In the same vein, the findings are of interest for not-for-profit organizations (e.g., cultural music organizations, social enterprises) as they shed light, for example, on the aspect how to survive economic crises despite limited resources.

The remainder of the dissertation is organized as follows. This introductory chapter proceeds with the presentation of the research framework, the linkage of its research projects and the author's contribution. As a theoretical foundation, chapter two depicts the gist of the main utilized theories: service-dominant logic and jobs-to-be-done theory. The research projects are thematically embedded in chapters three, four, and five in which the overarching research question will be

addressed. The dissertation ends with closing remarks and avenues for future research (chapter six).

1.2 STRUCTURE OF THE DISSERTATION

To answer the above overarching research question, this cumulative dissertation proceeds with four chapters that conceptually and empirically investigate how value creation in for-profit and not-for-profit organizations can be enhanced through social interaction. Table 1, the research framework, gives an overview of the arrangement and linkages of the research projects. In doing so, the dissertation comprises scientific papers (marked numerically, 1-5), which are, by the time of submission of this dissertation, published in or are currently in preparation for submission at international, peer-reviewed journals. These scientific papers are complemented by transfer papers (marked alphabetically, A-G) that aim at transferring the generated theoretical knowledge into implications for the management of for-profit and not-for-profit organizations.

In doing so, this dissertation responds to and blends the need for more conceptual and empirical research on real-world phenomena in order to efficiently "address some of the complexity in contemporary marketing environments" (Fehrer, 2020, p. 179). Key, Clark, Ferrell, Stewart, and Pitt (2020) call for more diversity in research methods to defy the complex, multi-layered nature of contemporary business environments. Correspondingly, this dissertation draws from different qualitative and quantitative methods as well as literature-based conceptual development. Furthermore, this includes and goes in line with the assurance and accessibility of research findings not only for scientists around the globe but also for the broader society through a comprehensive language that does not require solid scientific knowledge (Möller, Nenonen, & Storbacka, 2020). The University of Bayreuth builds, embeds, and

vitalizes this thinking in their posed *Third Mission* strategy "understood as a mutual and continual exchange of knowledge" targeted at promoting and spreading research results beyond university borders to industry but also to the society at large "to achieve social, ecological and economic innovations" (University of Bayreuth, 2022, p. 7). The author contributes to this university's strategic direction in two ways: first, this dissertation provides seven transfer papers building on the research findings of the five scientific papers. These transfer papers build the bridge from 'research in the ivory tower' toward the practical applicability of the research findings. Second, the university's Third Mission is represented in the author's contribution toward several scientific national and international (peer-reviewed) conferences and workshops, (international) PhD seminars, and Third Mission presentations. Appendices A and B provide a list of the author's contributions.

1.2.1   RESEARCH FRAMEWORK

Table 1 depicts the research framework divided into for-profit and not-for-profit-organization. All scientific and transfer papers, covering a spectrum from empirical methods (quantitative and qualitative) to conceptual approaches, have been classified accordingly into the two quadrants of the research framework.

As the name indicates, for-profit organizations' main objective lies in profit-making and its subsequent distribution to shareholders. Somewhat in contrast, not-for-profit organizations have a dual purpose: the achievement of both economic and social value creation (Alter, 2007; Emerson, 2003; Nicholls, 2009) aiming at being self-sustaining on the one hand, while delivering its purpose on the other hand, a fact which marks

the major difference to for-profit organizations. Organizations with this hybrid purpose include traditional nonprofit organizations that rely exclusively on public funding and philanthropy, nonprofits that engage in commercial activities to generate earned income to supplement public and philanthropic funds, and for-profit social enterprises (Alter, 2007; Defourny & Nyssens, 2008; Weerawardena, Salunke, Haigh, & Sullivan Mort, 2021). Weerawardena, Salunke, Haigh, and Sullivan Mort (2021) unify the aforementioned types of not-for-profit organizations under the umbrella term "social purpose organizations" (SPOs). Accordingly, this dissertation draws on their conceptualization, summing up the three organization types featuring a hybrid purpose as SPOs. For many SPOs, subsidies or public funding are often essential for survival, but the acquisition of steady income streams can be challenging (Cooney, 2011).

Value creation can be analysed at various levels of aggregation (micro, meso, and macro level) (e.g., Breidbach & Brodie, 2017; Taillard, Peters, Pels, & Mele, 2016). The micro level of aggregation encompasses dyadic relationships (two actors; typically, firm and customer) that mutually co-create value through social interaction (e.g., mutual resource exchange) (Lusch & Vargo, 2014). Hence, through interactive resource exchange and integration within dyadic relationships, value co-creation processes among actor groups can unfold leading to enhanced value creation. Therefore, the micro level serves as a basis for the meso and macro levels to emerge (Taillard et al., 2016). Scientific papers 1 and 2 and transfer papers A, B, C and D draw on this micro level dimension building on and analysing observed social phenomena in for-profit organizations.

Engagement platforms (Breidbach, Bordie, & Hollebeek 2014) fall into the meso level of aggregation (Breidbach & Brodie, 2017). This level allows for the investigation beyond dyadic relationships, broadening the scope toward the investigation of triadic relationships and even multiple actors of different networks. Scientific paper 3 and transfer papers E and F address how value can be enhanced through platform business models and engagement platforms in for-profit and not-for-profit organizations.

The macro level, the topmost level of aggregation, comprises the investigation of one or more interrelated service ecosystems, complex networks or the society at large (Chandler & Vargo, 2011; Vargo & Lusch, 2015). As such, this view can include governmental entities as well as interrelated engagement platforms nested within one or more interconnected service ecosystems. Service ecosystems are shaped by higher-level institutional arrangements. In contrast to the micro level, the macro level allows for capturing the holistic and more dynamic nature of value creation (Vargo & Lusch, 2016). Scientific paper 4 and transfer paper G contribute to the understanding of value creation processes on the macro level in not-for-profit organizations. Scientific paper 5 complements the discussion as it diffuses through all three levels of aggregation. Notably, the number of involved actors typically rises from the micro to the macro level.

Different layouts of scientific and transfer articles have been adjusted to the layout of this dissertation to ensure conformity.

For-profit organizations

1 — Kullak, F. S., Baier, D., & Woratschek, H. (2023). How do Customers Meet their Needs in In-Store and Online Fashion Shopping? A Comparative Study based on the Jobs-to-be-done Theory. *Journal of Retailing and Consumer Services*

A — Kullak, F. S., Baier, D. & Woratschek, H. (2023). Jobs-To-Be-Done Theory and Application. *SMAB Relevant Management Insights*

B — Kullak, F. S., Baier, D. & Woratschek, H. (2022). Fashion Shopping as a Job-to-be-done. *SMAB Relevant Management Insights*

2 — Kullak, F. S., Woratschek, H. & Baier, D. (202x). Understanding Shopping Companion's Roles and Their Influence in Social Consumer Job Journeys. *Journal of Retailing*

C — Kullak, F. S., Woratschek, H. & Baier, D. (2023). Unpacking the Potential of Social Consumer Job Journeys. *SMAB Relevant Management Insights*

D — Kullak, F. S., Woratschek, H. & Baier, D. (2023). The Role of Shopping Companions. *SMAB Relevant Management Insights*

E — Fehrer, J. A., Kullak, F. S. & Woratschek, H. (2020). Platform Business Models in the Logic of Value Co-Creation. *SMAB Relevant Management Insights*

5 — Raki, A., Burggraf, S. L., Kullak, F. S., Peine, L., Kabadayi, S., & Myrden, S. (202x). Service Ecosystem (Fr)agility in the Face of Turbulent Events. *AMS Review*

Not-for-profit organizations

3 — Kullak, F. S., Baier, J. J., & Woratschek, H. (2021). Enhancing Value Creation in Social Purpose Organizations: Business Models that Leverage Networks. *Journal of Business Research*

F — Kullak, F. S., Baier, J. J. & Woratschek, H. (2022). How to Survive Economic Crises in Social Purpose Organizations. *SMAB Relevant Management Insights*

4 — Kullak, F. S., Fehrer, J. A., Baker, J. J., Woratschek, H., & Sam-Cobbah, J. (2022). Shaping Market Systems for Social Change in Emerging Economies. *Industrial Marketing Management*

G — Kullak, F. S. & Woratschek, H. (2024). Market Innovation to Foster Social Change in Ghana. *SMAB Relevant Management Insights*

Legend:
- Scientific papers
- Transfer papers

Table 1. Research framework "Enhancing Value Creation Through Social Interaction in Service Management"

1.2.2 LINKAGE OF RESEARCH PROJECTS

Companies can enhance value creation through profoundly understanding and addressing customer needs. However, extant literature still devotes the exploration of customer needs in relation to a specific product (e.g., a garment) (e.g., Bennur & Jin, 2012; Le, Kohda, & Huynh, 2019) often resulting in failing or not fully grasping how customer needs can be met. Scientific paper one (*How do customers meet their needs in in-store and online fashion shopping? A comparative study based on the jobs-to-be-done theory*) fills this research gap. The JTBD theory lends itself well to explore customer needs in depth through a problem-solving approach shedding light on the questions what jobs (problems) customers have and how customers can be supported in getting their jobs done. The author team is among the first to conceptualize how the JTBD theory can be linked to customer needs in in-store and online fashion retailing to later investigate customers' personal and social needs in a shopping situation and how these needs can be fulfilled.

The results of a qualitative study (n=14) show that customer needs can be met *beyond* a garment purchase. As such, social others (e.g., shopping companions and technological actors, such as smart dressing room robots) can be an essential vehicle in fulfilling personal and social customer needs in in-store fashion retailing. This finding advances the understanding that value creation can emerge through social others and not only through the purchase of a product or a service and points at the important role of social others. In broad terms, it shows that one way to enhance value creation in a changing service environment can be undertaken through a profound problem-solving analysis of customer

needs and based on that the provision of tailored service to fulfil these needs.

Particularly, the finding that social others play a focal role in fulfilling customers' social needs raised the author's interest combined with a lack in current literature investigating the role of social others in a shopping process. That being said, extant literature fails to holistically, that is in the pre-, purchase- and post-purchase phase, explore social other's (shopping companion's) roles. Additionally, current research remains fragmented regarding the various roles shopping companions can perform. Therefore, scientific paper two *(Understanding Shopping Companion's Roles and Their Influence in Social Consumer Job Journeys)* first provides an extended conceptualization of consumer journeys - a social consumer job journey (SCJJ) - explicitly integrating social others (here: shopping companions). Second, it delves deeper into quantitatively (two survey studies; dataset 1 (student sample) n= 170 and dataset 2 (representative sample) n=355) exploring shopping companions' roles, in comparison to consumer's roles, and their influence on consumer satisfaction throughout SCJJs. The offline fashion retailing context deemed suitable because it is marked by a high level of social interaction among customers and shopping companions (including salespersons). Findings revealed that under certain conditions, various shopping companion's roles (decider, gatekeeper, influencer) positively influence consumer satisfaction within SCJJs. Scientific paper two specifically provides a holistic understanding regarding the roles of shopping companions in consumer journeys and sheds much needed light on how (through what roles) shopping companions can foster value creation processes.

However, to understand and cope with changing and complex service environments increasingly requires a systems perspective which goes beyond a dyadic firm-customer or triadic (firm-customer-third party, e.g., shopping companion) relationship. Social purpose organizations typically suffer from a chronical lack of external financial and human resources (e.g., Royce, 2007). This 'ill-equipment' can be the death to these organizations as it often obstructs efficient value creation or, at worst, leads to failure of the entire business model. Hence, more research is needed on how social purpose organizations can successfully overcome these resource constraints. Therefore, the third scientific paper (*Enhancing Value Creation in Social Purpose Organizations: Business Models that leverage Networks*) contributes to a systemic understanding of how value creation processes can be enhanced in an offline social purpose organization faced with unforeseen, often external changes (e.g., limited financial resources). The author team uses a single case study - the Festival of Young Artists Bayreuth – as unit of analysis, and first elaborates on the antecedents to social purpose organization business model innovation. Then, by analysing the festival's business model through primary data (interviews, n=32, observation and notes and videography) and secondary data including 70 years of history (concert brochures, annual reports, newspaper article, Festival of Young Artists Bayreuth website and facebook page), the author shows how the business model of the festival has been constantly innovated over decades despite financial constraints, leading to the unfolding of value creation processes.

In more detail, the identified antecedents to social purpose organization business model innovation are financial bottlenecks that caused a change of the business model. However, despite limited

resources, the Festival of Young Artists Bayreuth was able to grow even in turbulent times. This is due to a network-based approach reflected in an engagement platform that allows for value co-creation of versatile actors in and outside the network. As a prerequisite, the management of the social purpose organization has to adapt a manager's mindset evolving from a value chain logic to a value co-creation logic.

Scientific paper four (*Shaping market systems for social change in emerging economies*) further delves into this systemic view focusing on a market system perspective. More specifically, the author team draws on a market-shaping perspective considering market systems not as stable, but as dynamic in which market actors (single actors and/or collectives) have the power to deliberately change, modify or even shape (new) market systems – referred to as market-shaping (Flaig et al., 2021; Kjellberg et al., 2015; Nenonen et al., 2019). A market system perspective is of special importance in emerging economies, which are often characterized by limited financial capital, high unemployment rates, limited community infrastructures and a unique structure in which non-governmental actors often must compensate for the lack of governmental support. Social Enterprise Ghana (SE Ghana) and its surrounding network provides a rich embedded case study to illustrate how a market for social entrepreneurship has been shaped despite lacking government support. Through analyzing primary (two rounds of in total 17 semi-structured in-depth expert interviews and email correspondence) and secondary data (reports, books, conference papers, theses, newspaper articles, and SE Ghana's membership database) the author team identified five market-shaping patterns that delineate the deliberate action by versatile actors to shape and transform a market system for (positive) social change and show how a

market for social entrepreneurship in Ghana emerged. While most market-shaping literature focuses on economic outcomes; this research contributes to the emerging stream on improved social and environmental outcomes in the market-shaping literature. Furthermore, in contributes to the social entrepreneurship literature where 'markets', to date, have been conceptualized as stable and not dynamic.

Different types of crises, herein referred to as turbulent events, together with growingly interconnected and complex service networks, have exposed the fragility of many service organizations. Turbulent events can impair the ability of service ecosystems to adapt and self-adjust appropriately (Kabadayi, O'Connor, & Tuzovic, 2020; Vredenburg, Kapitan, & Jang, 2023). Hence, understanding how service ecosystems can embrace the agility to withstand or recover from such events is imperative, yet under-researched in the extant scholarly debate. Scientific paper five (*Service Ecosystem (Fr)agility in the Face of Turbulent Events*) zooms into this research gap by conceptually defining service ecosystem agility and its three interrelated dimensions (frontline employee agility, service organization agility, and systemic agility) as well as three outcome categories that service organizations may encounter following a turbulent event (service disturbance, service disruption, and service disaster). In doing so, the author team employs contingency theory to develop a framework, including three propositions, premised on the idea that aligning service ecosystem agility dimensions with outcome-based categorization of turbulent events categories facilitates effective and efficient crisis management. This paper concludes with an extensive research agenda for each level of service ecosystem agility to move the nascent research field forward.

1.2.3 AUTHOR'S CONTRIBUTION TO RESEARCH PROJECTS

The author of this dissertation was the lead author of scientific paper one (*How do customers meet their needs in in-store and online fashion shopping? A comparative study based on the jobs-to-be-done theory*). In doing so, she was responsible for and carried out the theoretical conceptualization, data collection, data analysis, reporting of results and its discussion and the writing of the draft for the initial paper submission as well as the revision process and eventually, led the research project to publication. Throughout the conceptualization, writing and revision process, Daniel Baier and Herbert Woratschek contributed to the research project through fruitful discussions resulting in further refinement and positioning of the first draft and revised article.

The author of this dissertation initiated and led the scientific paper two (*Understanding Shopping Companion's Roles and Their Influence in Social Consumer Job Journeys*). She was responsible for and carried out the theoretical conceptualization, data collection, data analysis, reporting of results and its discussion, and the writing and positioning of the first paper draft. The author further developed and refined the research idea in conjunction with Herbert Woratschek and Daniel Baier during several fruitful and stimulating discussions, especially regarding survey design, modelling and data analysis.

Jonathan J. Baker and Herbert Woratschek initiated the idea for research project three (*Enhancing Value Creation in Social Purpose Organizations: Business Models that leverage Networks*). The bulk of the theoretical and empirical work was handled by the author, including theoretical conceptualization, data collection, data analysis, reporting of results, and discussion. The author wrote the first draft of the manuscript.

Jonathan J. Baker participated during theoretical conceptualization and revision of the initial draft. The revision process was carried out by the author in conjunction with Jonathan J. Baker. Throughout the research process, Jonathan J. Baker and Herbert Woratschek frequently engaged in stimulating and insightful discussions which refined the research project in terms of positioning and clarity.

The research idea for scientific paper four (*Shaping market systems for social change in emerging economies*) and its initiation came from Julia A. Fehrer. Julia A. Fehrer and the author contributed equally to the development of this research paper. The author was responsible for and carried out the data collection process, data curation and analysis as well as the writing of methodology, findings and discussion (original draft). Furthermore, the author revised the manuscript in the first and second round before handing it over to Julia A. Fehrer. Julia A. Fehrer and Jonathan J. Baker contributed to the theoretical foundation (original draft). Furthermore, Jonathan J. Baker engaged in fruitful discussions to further develop the paper and edited the paper. Herbert Woratschek provided conceptual advice and engaged in valuable discussions. Joana Sam-Cobbah carried out the data collection (first round) and granted access to the network for the second round of interviews.

This research project (*Service Ecosystem (Fr)agility in the Face of Turbulent Events*) commenced during the 'Lets Talk About Service' (LTAS) Conference 2022 at Hasselt University, Belgium. During the conference, the author team of emerging young service scholars (Louisa Peine, Roberta Di Palma, Amir Raki, Stefan Burggraf, and the author) initiated, developed and presented a first research idea based on the conference theme "service agility: moving the discipline forward" under

the guidance of three experienced academic coaches (Bart Lariviere, Susan Myrden and Sertan Kabadayi). After the conference, the author team, comprised of Sertan Kabadayi and Susan Myrden, Louisa Peine, Amir Raki, Stefan Burggraf and the author, continued working on the research project.

The author team regularly met and engaged in valuable discussions to develop and further refine the research project. Amir Raki led the research project in terms of streamlining and positioning (initial draft). As academic coaches, Sertan Kabadayi and Susan Myrden supervised the research project and provided fruitful and constructive guidance and feedback. Furthermore, the two scholars wrote a draft of the introduction and major parts of the discussion section (initial draft). Amir Raki and Stefan Burggraf conceptualized and wrote the section on the categorization of turbulent events (initial draft). Louisa Peine and the author conceptualized and wrote the section on service ecosystem agility (initial draft). Amir Raki, Louisa Peine, Stefan Burggraf, and the author all contributed to the writing of the conceptual framework. In addition, the author revised the managerial implications of the discussion section (initial draft). All authors of this research project equally contributed to the future research agenda on service ecosystem agility at the end of the paper.

The transfer papers A-G (Table 1), that is the *SMAB Relevant Management Insights*, were led and predominantly developed by the respective first author and refined and revised through collaboration with co-authors.

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CHAPTER 2: TWO THEORETICAL PERSPECTIVES ON VALUE CREATION

2.1 THEORETICAL BACKGROUND

Value creation has been approached and investigated from different theoretical perspectives. This dissertation draws on the theory of service-dominant logic (Vargo & Lusch, 2004) and jobs-to-be-done (JTBD) (Christensen, Anthony, Berstell, & Nitterhouse, 2007) deliberately chosen to address and answer the overall research aim of how value creation can be enhanced through dyadic, triadic and multiple social interaction. While both theories follow their logic of how value creation unfolds, they provide complementary perspectives that foster the understanding of value creation processes on all levels of aggregation (Bettencourt, Lusch, & Vargo, 2014). For example, synthesizing both theories, the scholars argue that versatile market actors can co-create value to get the job done. Chapter 2.1.1 and 2.1.2 explain the gist of both theories.

2.1.1 SERVICE MANAGEMENT PERSPECTIVE

In 2004, Vargo and Lusch introduced the service-dominant logic as a new paradigm in service management. Service-dominant logic shifts the focus from a goods-dominant logic where value is embedded in products (operand resources), solely produced by the firm and consumed and used up by the customer toward the exchange of service, that is "the application of specialized skills and knowledge" (operant resources) (Vargo & Lusch, 2004, p. 6). This view poses that value cannot be created by the firm in isolation but instead emerges in conjunction with the customer (Prahalad & Ramaswamy, 2004; Vargo & Lusch, 2004). Hence, value is jointly co-

created through the integration of operant resources (firm's products and services) and customer's operand resources (skills, abilities, and knowledge) of which products and services can serve as a vehicle for value co-creation to occur (Vargo, Koskela-Huotari, & Vink, 2020). Thus, the customer does not only engage in monetary exchange for a product (Woratschek, 2020). Firms, however, cannot deliver value per se but only offer a value proposition, referring to "invitations from actors to one another to engage in service" (Chandler & Lusch, 2015, p. 8; Vargo & Lusch, 2008). As a result, value is co-created through the actor's dyadic (the firm and the customer) interaction.

Later, the dyadic conceptualization of value co-creation has been extended to actor-to-actor (A2A) value co-creation, whereby all – economic and social - market actors are resource integrators and jointly co-create value through social interaction (Vargo & Lusch, 2008). Regardless of dyadic value co-creation or beyond, it is imperative to note that "value is always uniquely and phenomenologically determined by the beneficiary" (Vargo & Lusch, 2008, p. 7). Put differently, value is always dependent on how actors perceive, accept and use the offered value proposition. Thus, perceived value is subjective.

In addition, value is value-in-use which means that it can only emerge when a product or service is used and thus, it is subjective because not every individual perceives it the same (Vargo & Lusch, 2004; Woratschek, 2020) (e.g., the usage of a garment as opposed to the exclusive lingering of a garment in the wardrobe). Moreover, it is determined by the context, especially the social context, reflected in the role and influence of other actors. Consequently, social interaction influences each actor's value perception (Chandler & Vargo, 2011;

Edvardsson et al., 2011; Woratschek, 2020). Notably, value comprises not only financial value but also social, contextual, meaning-laden, and experiential value (Vargo & Lusch, 2008). To sum it up, through social interaction resource-integrating market actors can co-create experiences – and these experiences, in turn, can contribute to value creation.

Value co-creation occurs within social systems in which versatile actors adopt certain social positions and roles through social interaction and thereby influence and perpetuate social structures (Edvardsson et al., 2011). As such, it is embedded in service ecosystems, which are "a relatively self-contained, self-adjusting system of resource-integrating actors connected by shared institutional arrangements and mutual value creation through service exchange" (Lusch & Vargo, 2014, p. 161). Service ecosystems are shaped by institutions and institutional arrangements, such as norms, beliefs, rules, and laws (Vargo & Lusch, 2016). Resource-integrating actors constrain and coordinate themselves through institutional arrangements (Vargo & Lusch, 2016).

Market actors no matter what level of aggregation theoretically possess the ability to shape institutions (Scott, 2013; Vargo & Lusch, 2016) resulting in new products, services or even markets.Various theories (e.g., practice theory (Schatzki, 1996) or institutional work theory (Lawrence & Suddaby, 2006) delineate the practices market actors can engage in and perform to bring about change emphasizing that actors have the clout to individually and/or collectively enhance, reconfigure and modify value co-creation processes. For example, from a market-shaping perspective, as market systems are social constructions – dynamic, not static and continuously in the making - they can be shaped through the deliberate actions of versatile actors leading to changes of existing or even

the creation of a completely new market system (Araujo, Kjellberg, & Spencer, 2008; Kjellberg, Azimont, & Reid, 2015; Kjellberg et al., 2012; Möller, Nenonen, & Storbacka, 2020). The result of a market-shaping process is considered a market innovation (Vargo, Wieland, & Akaka, 2015) if it introduces significant changes in the market structure (new market devices and agents) or new market practices (Kjellberg et al., 2015).

2.1.2 INNOVATION MANAGEMENT PERSPECTIVE

In contrast to the meta-theory service-dominant logic, the jobs-to-be-done (JTBD) *theory* views problem-solving as the source of value creation. Originally, the JTBD theory was anchored in innovation management and was applied to derive (product) innovation potential (e.g., Christensen et al., 2007; Kavanagh, Walther, & Nicolai, 2010). In this sense, a *job* is defined as "a fundamental problem a customer needs to resolve in a given situation" (Christensen et al., 2007, p. 38). Correspondingly, the theory holds that customers do not simply buy a product or a service but instead "hire" it to get a job done (Christensen, Cook, & Hall, 2005). Customers often draw on multiple products and/or services to complete a series of sub-goals or job steps (Bettencourt, Brown, & Sirianni, 2013). Hence, a job as a unit of analysis (as opposed to the customer) can be accomplished by an array of solutions (Christensen et al., 2007). This means that customers choose those solutions (products or services) that best aid in fulfilling the job, which simultaneously indicates that products or services are mainly interchangeable means to an end for the customer (Bettencourt & Ulwick, 2008). Depending on the situation (e.g., whether they are shopping alone or accompanied by companions), customers aim to

accomplish different jobs (Anthony, Johnson, Sinfield, & Altman, 2008; Anthony & Sinfield, 2007). Jobs can be categorized into three types: functional, personal, and social (Christensen et al., 2005). *Functional* jobs relate to the task a customer aims to accomplish, for example, cleaning the body. *Personal* jobs comprise how customers feel and think about themselves, for example, feeling fresh. *Social* jobs depict how customers want to be perceived by social others, for example, as smelling fresh (Anthony et al., 2008; Silverstein, Samuel, & DeCarlo, 2009). The original definition provided by Christensen et al. (2007) has been extended by Bettencourt, Harmeling, Bhagwat-Rana, & Houston (2021) in that the term "job" encompasses an action-oriented goal a consumer can achieve through resource integration and consumption. By extension, a job can be a higher or lower-order goal. A lower-order job or "what" goal is related to a consumption process whereas a higher-order job or "why" goal may include a more abstract dimension not related to consumption (e.g., a transformative journey toward a sober life) (Bettencourt et al., 2021; Becker, Jaakkola, & Halinen, 2020).

Importantly, the extant discourse on JTBD only sparsely differentiates between JTBD as a theory and JTBD as a method, the latter referring to how customer's jobs can be explored. The method focuses on how questions during an in-depth interview are asked. In doing so, questions of not only what but also why become the focal point of analysis to explore customer's jobs through qualitative methods such as brainstorming, in-depth interviews, focus groups, or observations (Anthony et al., 2008). The JTBD method is usually applied in idea-generating and problem-solving for product and service innovation and improvement (e.g., Silverstein et al., 2009).

Unsurprisingly thus, extant research on the JTBD theory exhibits a focus on product innovation (e.g., Christensen et al., 2007; Kavanagh et al., 2010). To date, the JTBD theory is rarely applied to arrive at deeper understanding of service management. However, more recently, the JTBD theory has been expanded toward and applied to explain consumer journeys (Bettencourt et al. 2021). In a consumer job journey, consumers take on an active role in acquiring and integrating different types of resources along a series of sequential steps that must be achieved to get a job done (Bettencourt et al., 2014).

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CHAPTER 3: VALUE CREATION IN FOR-PROFIT-ORGANIZATIONS

3.1 HOW DO CUSTOMERS MEET THEIR NEEDS IN IN-STORE AND ONLINE FASHION SHOPPING? A COMPARATIVE STUDY BASED ON THE JOBS-TO-BE-DONE THEORY (SCIENTIFIC PAPER 1)

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ABSTRACT

Understanding customer needs is key for fashion retailers to stay competitive and innovative. Surprisingly, however, extant literature mainly explores customer needs in terms of a garment and its attributes rather than viewing shopping as a problem-solving process to meet customer needs. Moreover, these studies fail to address how customers meet their needs in-store (ISFR) and online fashion retailing (OFR). To fill this research gap, we empirically investigate customers' personal and social needs and how they can be met through the jobs-to-be done theory. Findings reveal that, beyond the purchase of a garment, customer needs can be fulfilled through different ways, such as smart technology or a person's high interaction with social others in ISFR and the online shop experience or a social linkage without social interaction in OFR.

Additionally, our findings offer potential service innovations for fashion retailing managers.

3.1.1 INTRODUCTION

Shopping is a complex human behavior triggered by various types of (unfulfilled) customer needs (Davis and Hodges, 2012). Extant literature (e.g., Timoshenko and Hauser, 2019) affords great importance to the fulfillment of customer needs, especially in terms of understanding how fashion retailers meet these needs (Kim et al., 2002), and achieving this fulfillment serves as a fundamental principle of marketing theory and its application (Otieno et al., 2005).

Surprisingly, however, studies to date on customer needs in fashion retailing mainly explore these needs in terms of a garment and its attributes (e.g., Bennur and Jin, 2012; Birtwistle et al., 1998; Khitous et al., 2022; Le et al., 2019) featuring a product-centered approach to explore customer needs. For example, Kim et al. (2012) show that delivering high-quality products facilitates satisfying customer needs. Furthermore, the extant debate focuses on the retailer's in-store technology (e.g., Landmark and Sjøbakk, 2017), salespersons and their interpersonal role with customers (e.g., Hui and Yee, 2015) and, customer values (e.g., personal values) (Sarabia-Sanchez et al., 2012).

Still, studies such as Hui and Yee (2015) and Kim and Kim (2014) imply that customer needs are within the control of the company, thereby underestimating the vital role of the customer (Ulwick, 2002). Kim et al. (2002) are among the few scholars investigating the core of customer needs in a fashion retailing context arguing that customer needs should be analyzed separately from garment attributes before the purchase decision. In addition, since fashion retailing can be considered a sector in which the investigation of customer needs is often uncertain (Chan et al., 2019), fashion retailers typically do not know a priori what their customers need.

Consequently, many firms still follow the mindset of developing products based on "anticipated" customer needs (Kandampully and Duddy, 1999; Rintamäki et al., 2007) rather than first exploring customer needs through qualitative studies which are rarely the focus of the academic debate (e.g., Hui and Yee, 2015; Kim et al., 2002; Landmark and Sjøbakk, 2017; Le et al., 2019).

We argue this extant literature mainly explores how firms can enable the fulfillment of customer needs (e.g., through in-store salespersons), thus focusing on a firm-induced completion of customer needs during the shopping process. Put simply, this view implies that the fulfillment of customer needs can only be completed by firms. Hence, in broader terms, it falls short in holistically addressing *how* customers meet their needs in in-store (ISFR) and online fashion retailing (OFR). By extension, little research revolves around the idea that if customers want to meet their needs, they must overcome the *problem* of how to do it. This problem-solving process is described as a "job" in the jobs-to-be-done (JTBD) theory (Christensen et al., 2007): a job describes the process of how customers meet their needs. Therefore, an identified job can be used to draw conclusions about customer needs. In the fashion retailing context, jobs can be as varied as reasons to go shopping, from finding an outfit for an upcoming wedding to simply having a nice day with friends and talking about bargains found. In short, drawing on the JTBD theory (a) offers the linking piece to holistically conceptualize the exploration of customer needs as a problem-solving process, (b) widens the view for marketers in that it outlines what service fashion retailers should provide so that customers can fulfill their needs.

Prior research on the JTBD theory has fruitfully addressed the modification and development of products (e.g., Christensen et al., 2007; Kavanagh et al., 2010) and services (Norton & Pine II, 2009) that serve as a means to an end to fulfill the job(s). Put differently, these studies mainly investigate jobs customers aim to fulfill as a basis for product modification (e.g., through product attributes). However, most of these studies fall short in relating the identification and fulfillment of jobs to customer needs. Exceptions are Hankammer et al. (2019) and Bettencourt (2009). Hankammer et al. (2019) equate a job with a customer need, whereas Bettencourt (2009) defines customer needs around the job the customer is trying to accomplish, emphasizing a difference between the two terms. We subscribe to the latter view because Hankammer et al.'s definition is an oversimplification of the relationships, and we view the job as a means to meet customer needs. Still, how the terms relate is unclear and has received scant definitional development. More importantly, and in summary, literature dealing with *how* jobs meet customer needs during the shopping process is (better) achieved remains scarce. To advance the field, this research aims to investigate customer needs by focusing on the job as understood in the JTBD theory. Therefore, the research questions guiding this article are as follows:

1. What customer needs can be identified through jobs in ISFR and OFR?
2. How can customer needs be met in ISFR and OFR?
3. What aspects hinder fulfillment of these customer needs?

To answer these questions, we apply the JTBD method (Anthony and Sinfield, 2007), an empirical implementation of the JBTD theory. At its core is the inquiry of the underlying problem that should be solved (the

"job to be done"). The unit of analysis is the job in combination with the customer needs to be analyzed, and we determine these jobs by questioning why the interviewee hires the product or services (Christensen et al., 2007; Wunker et al., 2017). In addition, we identify the flaws, problems, and gaps that hinder the fulfilment of customer needs. To this end, we conducted in-depth interviews for both ISFR and OFR and asked interviewees to describe the whole shopping process using a chosen transacted garment purchase. The comparative nature of fashion retailing is well suited because, for both OFR and ISFR, the key to remaining competitive is successfully understanding and addressing customer needs, which have become a matter of survival for fashion retailers of all sizes (e.g., Donnell et al., 2012).

This research makes four important contributions. First, drawing on the JTBD theory (Christensen et al., 2005), we fill a research gap in the fashion retailing literature by conceptualizing shopping as a job – a problem-solving process – in which the identification of customer needs is embedded, rather than as a need derived based on a garment as stated in the predominant fashion retailing literature. In the same vein, we shed light on and bring more clarity to the linkage between customer needs and jobs. Second, to the best of our knowledge, ours is the first study to identify and classify types of needs customers aim to fulfill when shopping in ISFR and OFR and specifically shows different ways to complete these needs. Third, we extend the understanding and definition of customers' social needs in ISFR. Fourth, we show how customer needs can be (better) fulfilled in ISFR and OFR.

The remainder of this paper is organized as follows. First, we provide a literature review on customer needs in fashion retailing before

we present the JTBD theory as a lens through which customer needs can be more expediently understood. Next, we introduce our research design, detail the data collection and analysis process, and present major results. We conclude by outlining the theoretical contributions and managerial implications of our study, identifying its limitations, and offering avenues for future research.

3.1.2 THEORETICAL BACKGROUND

3.1.2.1 Customer needs in fashion retailing

The fashion retailing industry is highly dynamic, characterized by a continuously changing environment (e.g., a wide assortment of products, short product life cycles, high seasonality and volatility, impulse purchasing; Christopher et al., 2004; Pedersen et al., 2018). This increasing trend toward "fast fashion" is reinforced by customers who constantly change and adapt their consumption behavior (Pantano et al., 2022; Sands and Ferraro, 2010), which makes predicting purchases difficult for fashion retailers (Beheshti-Kashi et al., 2015; Sull and Turconi, 2008).

Faced with these challenges, fashion retailers must continuously improve their market position by re-evaluating and adapting their product and service provision and investing in new innovative marketing strategies in-store (Birtwistle et al., 1998; Pantano and Vannucci, 2019) and online via multichannel activities (e.g., Baier and Rese, 2020; McCormick et al., 2014) aimed at meeting the demands of the market (Lewis and Hawksley, 1990). By accurately detecting, targeting, understanding, and fulfilling their customers' needs, fashion retailers can gain a competitive advantage and even increase their competitiveness (Landmark and Sjøbakk, 2017;

Moore and Fairhurst, 2003). Griffin and Hauser (1993: 4) define "customer needs" from a marketing perspective as "a description, in the customer's own words, of the benefits that he, she or they want to fulfill by the product or service". For example, Khitous et al. (2022) state that these benefits (which can be economic, pragmatic, cognitive, personal, hedonic, or societal) can be reached through engaging in product service systems (Tukker, 2004). Customer needs are long-term in nature (Mello, 2003), and they change and evolve over time; thus, they are comprised of current and anticipated customer needs (Kandampully and Duddy, 1999; Slater and Narver, 1994). Over decades, customer needs have become more diverse, which calls for more tailored and innovative methods, instead of "one size fits all" approaches to capture them (Hjort et al., 2013; Parniangtong, 2017).

Tauber's (1972) early work argues that in addition to the functional need to obtain a product or service, social and personal needs also motivate customers to shop (Puccinelli et al., 2009). In a fashion retailing context, social needs may relate to social image (e.g., social approval, personal expression) (Kim et al., 2002). Experiential needs encompass customers' needs for novelty, variety, or pleasure (Park et al., 1986). The fulfillment of both customer need types is directly related to a garment. In a related vein, Khitous et al. (2022) link the benefits customers expect to reach to a garment, highlighting not only the individual benefits (e.g., uniqueness) but also societal benefits (e.g., reducing ecological harm) a garment should fulfill. Although existing literature widely acknowledges that customer insights are key to retailing (Grewal et al., 2009) and understanding customer needs has become a matter of survival for fashion retailers (e.g., Donnell et al., 2012), surprisingly, investigation of these topics has still

been "ignored completely" (Newman and Foxall, 2003: 592) for a long time. For example, Siddiqui et al. (2003) find that fashion retailers are satisfied with their online product offer but that their understanding of consumer needs is lacking.

Customer needs in fashion retailing can be explored from several angles, as depicted in Table 1. First, understanding customer satisfaction is important for fashion retailers to meet consumers' needs (e.g., Otieno et al., 2005), which involves delivering quality products that fulfill these needs. Therefore, customer needs can be identified by focusing on the *product attributes* of a garment. The investigation of customer needs is often based on and related to specific product attributes, which can be captured through the exploration of these attributes (Le et al., 2019). Similarly, Birtwistle et al. (1998) show how store attributes (e.g., store design) influence the purchase decision of menswear fashion garments. Bennur and Jin (2012) develop an integrated approach of Kano's model and quality function deployment that helps identify customer needs. Drawing on more contemporary approaches such as artificial intelligence techniques in fashion e-commerce, Pereira et al.'s (2022) systematic literature review addresses the question of how customer models could be personalized so that they better address customer needs. The scholars identify five categories of features to build fashion customers' personalized models and found that product features are an integral part of modeling efforts. However, we note that in all these studies, customer needs are closely connected to the product or store attributes; they do not analyze customer needs independent from such attributes prior to the purchase decision. Furthermore, such variables rarely provide enough insight into how customers behave (Hollywood et al., 2007) because

demographic variables fail to fully capture consumer information regarding preferences (Hollywood et al., 2007; Walsh et al., 2001).

Second, customer needs have been investigated using retailer's *in-store technology* (e.g., Choi et al., 2015; Landmark and Sjøbakk, 2017), such as camera-based observation (e.g., Dodd et al., 1998; Newman et al., 2002), image/video analysis (Garaus et al., 2021), and radio frequency identification (Choi et al., 2015). These methods allow the retailer to tailor a marketing message to their customers' needs (Landmark and Sjøbakk, 2017), primarily based on age, gender, or emotional condition (Garaus et al., 2021). However, some scholars argue that methods such as cameras or radio frequency identification do not necessarily give a clear impression of what happens during the shopping trip beyond the customer's movement and shopping behavior. Although in-store observations can help retailers understand what the customer does in the store (Applebaum, 1951), we argue that this approach falls short if customers are only observed but not explicitly asked about their needs.

Third, *salespersons* can serve the role of identifying customer needs through *their interpersonal relationships with customers.* Hui and Yee (2015) emphasize the pivotal role of salespersons as a vehicle to explore customer needs during the in-store purchase decision. For example, salespersons may provide superior quality service to meet customer needs and expectations. In more detail, customers who perceive a trustful relationship with the salesperson are more likely to share their needs with their frontline employees (Hui and Yee, 2015). Furthermore, Kim and Kim (2014) suggest that salespersons should take on the task of investigating psychological needs during an in-store purchasing situation. However, we note that, in line with the two previously mentioned

perspectives, the investigation of true customer needs falls short, and the perspectives still imply that customer needs can be controlled and managed by the fashion retailer, thereby underestimating the customer's central role.

Fourth, customer needs can be analyzed according to *customer values* (e.g., personal values) (Sarabia-Sanchez et al., 2012), which involves viewing the customer as the unit of analysis. The scholars establish a linkage between personal values, consumer segments, and shopping styles and recognize the role of personal values as a consumer segmentation tool. According to Mortimer (2012), typology-based studies facilitate the further examination of customer needs concerning, for example, shopping motivations or attitudes. However, while this approach signals a shift in focus toward the consumer and the inner values that influence the purchase decisions as opposed to purchase decisions directly related to a product, the exploration fails to grasp individual customer needs. We argue that customer needs are not directly related to a specific purchase decision or product itself, as customer needs are relatively long-time in nature and stable (Mello, 2003).

Fifth, Kim et al. (2002) are among the few scholars exploring the *core of customer needs* in a fashion retailing context. They identify three types of needs (experiential, social, and functional) as satisfiable through garment purchases. However, and more importantly, the scholars advocate for the identification of consumer needs before the purchase decision and expanding the understanding of consumer needs and their influence on purchase behavior.

Last, an extant literature stream discusses the *value customers gain when shopping* (e.g., Babin et al., 1994; Davis and Hodges, 2012;

Rintamäki et al., 2007). A shopping experience can evoke value through task accomplishment (e.g., the purchase of a garment; i.e., utilitarian value) and by offering consumers specific benefits from retail stores (e. g., fun, entertainment; i.e., hedonic value) (Babin et al., 1994). However, Rintamäki et al. (2007) claim that shopping value goes beyond the utilitarian and hedonic dimensions in that consumers may gain a social value by purchasing a product. Hence, the scholars extend this view by highlighting symbolic/social value as a third category deriving from a shopping experience. Davis and Hodges (2012) draw on these conceptualizations and synthesize consumer shopping value with the fulfillment of customer's needs, which results in two types of consumer shopping value: in-store shopping value, referring to retail elements that foster the shopping experience, and shopping trip value, referring to the accomplishment of a consumer shopping motivation.

In summary, the majority of the literature has concluded that the identification of customer needs in fashion retailing occurs related to a garment and its attributes, mainly through quantitative studies. Even studies such as those of Kim et al. (2002) that explicitly explore customer needs still conceptualize them as satisfiable through a garment purchase. This is problematic because a garment and its attributes often do not reflect true customer needs. Interestingly, and most importantly, extant literature fails to holistically address *how* customer needs can be fulfilled. Put differently, and yet under-researched, customers must overcome problems in their efforts to meet customer needs during the shopping process. The JTBD theory, presented next, lends itself well to this investigation, as it conceptualizes jobs as problem-solving processes to meet customer needs

and therefore, widens the view for marketers in that it outlines what service customers need fashion to able to fulfill their needs.

Extant perspectives on exploring customer needs in fashion retailing	Consumer needs in the center of the study?	Article	Purpose of the study	Methodology	Findings	Contribution to the discussion on customer needs
Identification and use of **product and in-store attributes**	N	Le et al. (2019)	Determination of the customers' garment product attributes preferences through prediction.	Quantitative (conjoint analysis)	Five product attributes (design, fabric, color, form, and price) have the most influence on customers' shopping behavior.	Although the authors argue that fashion retailers must understand customers' products, prior to developing products, **fashion retailers base the investigation on specific product attributes instead of the customer needs as distinct from the product.**
	N	Birtwistle et al. (1998)	Examination of which of the four (store) attributes (price, product quality, product selection, or staff) has the most influence on the purchase decision of menswear garment.	Quantitative (conjoint analysis)	• Product quality established as the most important attribute. • Identification of six customer segmentation profiles.	The authors suggest as future research the identification of physical or behavioral attributes within customer groups through salespersons as a basis to understand and meet customers' needs.
	N	Bennur and Jin (2012)	Investigation of how an integrated approach of Kano's model and QFD can be used for identifying, prioritizing, and implementing apparel store attributes to maximize customer satisfaction.	Quantitative (Kano model and QFD)	The study offers a conceptual framework for implementing apparel retail store attributes based on an integrated Kano model and QFD.	The authors • assert that the integrated approach of Kano model and QFD help identify customer wants and needs and put these needs into practice. • theoretically state that customer needs can be captured through the first step of the QFD by applying, for example, focus groups, in-depth

Use of in-store technology to explore customer's shopping behavior					interviews, or observation. The study focuses on the investigation of customer expectation of apparel store attributes instead of customer needs.
Y (implicitly)	Landmark and Sjøbakk (2017)	Demonstration of the use of in-store technology (e.g., RFID) to gather customer behavior and to use this in-store behavioral data to derive a customer typology.	Quantitative (RFID)	RFID can facilitate the identification of customer behavior during the purchasing process and categorization of customers (e.g., through a customer typology).	The authors underscore that through the identification of technology-based, in-store customer behavior fashion retailers are able to grasp customer needs and derive an offering from it.
N	Choi et al. (2015)	Presentation of an application of an item-level RFID-enabled system for enhancement of the in-store customer shopping experience.	Quantitative (RFID)	Incorporating RFID hardware and fuzzy screening algorithm in the fashion retailing environment helps to collect in-store, real-time recommendations based on customer preferences and design features of the product.	The study highlights the use of quantitative data to explore customer preferences and increase the customer shopping behavior.
N	Garaus et al. (2021)	Use of deep learning approaches to identify shopper characteristics and target digital signage to increase consumer purchases and track behavior.	Quantitative (Cameras, deep learning)	Emotional targeting based on observed age, sex, and emotional condition increases purchase intentions, product-quality perceptions, and willingness to pay.	New technologies can help retailers identify customer needs and transform them into increased purchases.

Interpersonal relationships of salespersons and customers	N	Hui and Yee (2015)	Investigation of the interpersonal relationships between frontline employees and customers on customer satisfaction and brand loyalty.	Quantitative (regression analysis)	Customers who perceive a trustful relationship with the salesperson are more likely to share their needs with frontline employees. **The study emphasizes the pivotal role of frontline salespersons as a vehicle to explore customer needs during the in-store purchase decision.** The authors argue that it is the salesperson's job to offer suitable products and services to fulfill customer's needs with the aim to increase overall satisfaction. In their view, the offered products are closely related to customer needs.
	N	Kim and Kim (2014)	Analysis of which psychological values and needs luxury customers aim to fulfill during interaction with a salesperson and how this impacts loyalty toward the salesperson and store.	Quantitative (regression analysis)	The realization of fulfillment of psychological values (e.g., self-oriented values) has a positive influence on store loyalty. The study establishes the importance of exploring values and needs in sales interactions as under-researched topic. **The authors project the investigation of luxury customers' psychological needs to salespersons in an in-store purchase situation** (e.g., through building good friendships with customers).
Exploration of customer's values	N	Sarabia-Sanchez et al. (2012)	A personal values-based segmentation of customers and linkage of these typologies with shopping styles.	Quantitative (principal component analysis, cluster and analysis of variance	• Identification of 11 motivational types of customer values. • Creation of 4 Spanish fashion retail consumer segments that can be linked to The study recognizes the role of personal values as a consumer segmentation tool. **Establish a linkage between personal values, consumer segments, and shopping**

Research focus	ID	Author(s)	Research aim	Methodology	Findings	Remarks
					6 to 8 shopping styles.	styles without analyzing individual customer needs.
Exploration of consumer values and consumer needs	Y	Kim et al. (2002)	• Examination of the relationship between consumer values and types of needs that can be achieved through apparel products. • Examination of the types of needs that can be fulfilled through apparel purchase behavior.	Quantitative (principal component factor analysis & regression analysis)	Identification of three types of needs: • Experiential (e.g., gratification) • Social (e.g. status/prestige) • Functional (e.g., function) These types of needs can be satisfied through garment purchases.	Advocate for the identification of consumer needs before the purchase decision and expand the understanding how consumer needs have an influence on purchase behavior. Are among the few authors that put consumer needs in the center of their study. Argue apparel products should be tailored based on consumer needs. This enables fashion managers to develop efficient needs-based marketing strategies.
Exploration of consumer shopping value	Y	Davis and Hodges (2012)	Examination of in-store consumer shopping processes with the aim of understanding consumer shopping value in mass merchandisers and department stores.	Qualitative (interviews)	In-store consumer shopping value comprises two dimensions: **Shopping trip value** (task accomplishment of a consumer shopping motivation, e.g., the purchase of a product) and **in-store shopping value** (derived from retail elements that foster the shopping experience).	Along similar lines as Rintamäki et al. (2007), the authors **connect value to the fulfillment of consumer shopping needs.** The authors note that exploration of consumer shopping value in OFR is scant

Table 1: Overview of literature on customer needs in extant fashion retailing studies. QFD = quality function deployment; RFID = radio frequency identification; Y = yes; N = no

3.1.2.2 Jobs-to-be-done theory

Extant literature widely acknowledges that the voice of the customer should be heard and that customer insights be involved in the development process of products and services (e.g., Griffin and Hauser, 1993; Ulwick, 2002). Predominantly, marketers have executed this "customer-centricity" by collecting customers' demographic and psychographic traits and segmenting their customers according to this information. In recent years, the rise of big data has led to companies knowing more than ever before about their customers (Christensen et al., 2016); paradoxically, however, product and service innovation failures have not

decreased (Heidenreich and Spieth, 2013). Christensen et al. (2007) trace this back to the fact that segmentation schemes are static and, therefore, ill-equipped indicators of customer behavior. As such, arguably, easily accessible data on customer segmentation is mainly structured to show correlations (Christensen et al., 2007). However, through correlations, companies cannot unpack unmet or latent customer needs (Christensen et al., 2016).

Building on this lack, Christensen et al. (2005: 75) identify approaches such as traditional market segmentation tools as "broken paradigms" and argue in line with their JTBD theory for a job-based segmentation as customers' buying behavior is dynamic and changes more frequently than their demographic or psychographic traits. Furthermore, the scholars elucidate that marketers should aim to understand and see the job a customer seeks to accomplish as a fundamental unit of analysis, as opposed to the customer (Christensen et al., 2005). A job is "a fundamental problem a customer needs to resolve in a given situation" (Christensen et al., 2007: 38). Adding to this conceptualization, Bettencourt et al.'s, (2021:

7) definition emphasizes the goal-oriented view of a job as "an action-oriented goal that a consumer attempts to achieve through resource integration and consumption", which involves achieving a desired objective or avoiding or eliminating a problem.

The core understanding of the JTBD theory is that people do not buy but rather "hire" a product or service to get a job done (Christensen et al., 2005), which implies that customers choose those solutions (products or services, e.g., the purchase of garments, virtual try-on systems) that best help them "get a job done", indicating that different solutions can be hired to fulfil the same job (Anthony et al., 2008(Anthony et al., 2008; Bettencourt and Ulwick, 2008). Hence, a job can be accomplished by an array of solutions, which may result in competitiveness among the possible alternatives (Christensen et al., 2007). Similarly, it indicates that products or service are mainly interchangeable means to an end for the customer to get the job done (Bettencourt and Ulwick, 2008). However, if the chosen solution helps accomplish the job, a customer hires it the next time the same job occurs (Christensen et al., 2016). Central to the definition of the JTBD theory is the situational aspect: depending on the situation, customers aim to accomplish different jobs (Anthony et al., 2008; Anthony and Sinfield, 2007). For example, customers' jobs may differ according to whether they are shopping alone or accompanied by social others, or whether they shop at mass merchandisers or luxury stores. A job can be categorized into three types: functional, personal, and social (Christensen et al., 2005). Functional jobs represent the functionality of a product or service. Scholars such as Norton and Pine II (2009) link functional jobs to product development. This type of job is related to the task a customer aims to accomplish (Anthony et al., 2008; Silverstein et al., 2009).

Furthermore, a job can also encompass an emotional dimension consisting of a subjective character, in which customers' feelings and perceptions come to the fore (Silverstein et al., 2009). Personal jobs comprise how customers feel and think about themselves. Social jobs depict how customers want to be perceived by social others. Exploring jobs in their situational context sheds light on the emotional dimension, which can be the basis for initiating product or service development and improvement with the overall aim of improving customer satisfaction (Christensen et al., 2005).

The JTBD theory enables researchers to understand the problems customers must overcome in their efforts to meet their needs during the shopping process. In other words, a product or a service may serve as a solution to meet a customer's need (Bettencourt, 2009). However, the linkage between customer needs and jobs is sparsely established in extant JTBD literature and remains unclear. For example, Hankammer et al. (2019: 344) equate jobs with customer needs, defining job-based customer needs as "the customers' desired outcome". Christensen et al. (2007) argue that a job is more stable, as it exists independent of the customer, highlighting a difference between the two terms. In a related vein, Bettencourt (2009) describes customer needs around the job the customer is trying to get done, pointing at a differentiated view. Building on Bettencourt (2009), we argue that customers have certain needs that can be fulfilled through jobs. Said alternatively, if customers successfully engage in a shopping process (the jobs to be done), their needs can be met. However, the questions of what needs can be identified through jobs in ISFR and OFR and which aspects hinder fulfillment of these customer

needs remain unexplored. In the next section, we introduce the research design adopted in this study before presenting the findings.

3.1.3 METHODOLOGY

3.1.3.1 Research design

The fashion retailing industry provides fertile ground to explore customer needs because a garment is considered a hedonic (Hirschmann and Holbrook, 1982; Levy, 1959) and high-involvement (Bl´azquez, 2014; Hourigan and Bougoure, 2012) shopping item. Besides aiming to fulfill pure functional reasons, customers purchase a garment because they perceive it, for example, as having symbolic meaning toward social others or psychological satisfaction (Levy, 1959; Solomon, 1986). Furthermore, purchasing a garment can manifest the customer's social status or self-image, among other personality characteristics (Kaiser, 1990).

As the literature review in Section 2.1 shows, prior research has determined customer needs using quantitative methods (e.g., Baier and Rese, 2020; Rese et al., 2019; Wang and Ji, 2010) such as the Kano model (Kano et al., 1984), conjoint analysis (Green and Srinivasan, 1978), and activities, interests, and opinions studies (e.g., Plummer, 1971). Furthermore, market segmentation is a crucial strategy and fundamental tool in understanding customers' behavior (e.g., Park and Sullivan, 2009). However, companies applying these quantitative methods fail to uncover at least some of the relevant customer needs. For example, activities, interests, and opinions studies are designed to examine the entire market for new combinations of needs but tend not to collect data on gaps addressing customer needs (Urban and Hauser, 2004).

To answer the posed research questions, we use an explorative approach to gain an in-depth understanding of how jobs can fulfill customer needs through ISFR and OFR shopping. To the best of our knowledge, to date, this is the first study exploring customer needs through the JTBD theory in this context. Although the JTBD theory represented in the current marketing discourse is still in an embryonic stage, JTBD as a method has been well used in practice (e.g., Hankammer et al., 2019; Ulwick & Bettencourt, 2008; Vaterlaus et al., 2018). From a methodological point of view, the JTBD method fits into the landscape of qualitative methods because it is an idea-generating and problem-solving method for product and service innovation and improvement (e.g., Silverstein et al., 2009). Established methods to explore jobs may include interview techniques, focus groups, and ethnographic research such as observations, for all of which the job is the unit of analysis (Christensen et al., 2007; Silverstein et al., 2009). For example, Silverstein et al. (2009) suggest the JTBD method consists of six steps, including a qualitative followed by a quantitative approach aimed at identifying job-based innovation potential.

The JTBD method lends itself well to exploring customer needs, because first, the method underlines the importance of understanding customer's need when either doing ISFR or OFR shopping. Thus, questions with a sole focus on the evaluation of solutions and the subsequent reaction of the customer are not helpful (Anthony and Sinfield, 2007). Second, the method focuses on *how* questions are asked. In doing so, questions of not only *what* but also *why* become the focal point of analysis (Anthony et al., 2008). This notion is important because customers are often unable to express product and service preferences or

needs when asked directly (O'Connor, 1998). Third and relatedly, through application of the JTBD method, fashion retailers can capture true and profound customer needs to counteract the dominant problem that gathering input in the customer's words often results in incorrect or unspecific responses. This is because customers often struggle in articulating their (unmet) needs (Ulwick, 2002) or do not recognize these needs (Mello, 2003). Consequently, they tend to report needs like "wish lists" (Anthony and Sinfield, 2007: 22), which does not help firms develop successful innovations. Building on Silverstein et al. (2009), Fig. 1 illustrates the adjusted methodological steps of the JTBD method for our empirical context.

3.1.3.2 Data collection

Primary data in this study consisted of semi-structured in-depth interviews. We developed an interview guide with open questions to guide the data collection process to ensure data reliability. In general terms, the interview guide was based on the JTBD theory (Christensen et al., 2007) and designed drawing on Spiek and Moesta (2014) and Anthony and Sinfield (2007). In more detail, we structured interviews by situation cases featuring a description of chronological events, experiences, and processes that resulted in a purchase (Berstell and Nitterhouse, 1997). Hence, interviewees were asked to remember and describe in detail one of their latest in-store and online garment purchase. During the interview, the interviewee elucidated the entire shopping process, starting with the pre-purchase phase. Interviewers prompted respondents to describe when and why they first thought about buying the garment (Spiek and Moesta, 2014). Next, the interviewee detailed the entire purchase process, including

emotions, social others, and even negative experiences, up to the point of purchase. Emphasis was placed on meta-decisions about purchasing a garment and the needs interviewees aimed to meet during the shopping process (Anthony and Sinfield, 2007; Hankammer et al., 2019). By additionally exploring flaws and gaps during the entire shopping process, we were able to holistically identify unmet, hidden, and latent customer needs. Especially the identification of needs that customers struggle to fulfill due to, for example, lacking fashion retailers' processual support is of interest, as this information offers avenues for potential innovation (Christensen et al., 2007, 2016). It is important to note that although the purchased garment served as an indication for the interviewees to integrally remember the shopping process, it is not the focus of the analysis. Besides exploring customer needs, the conceptualization of the interview guide aims at revealing innovation potential for the underlying processes that lead to successfully meeting customer needs.

We applied a purposeful sampling strategy. In line with the JTBD method, we did not use demographic data as selection criteria for interviewees (Christensen et al., 2007); rather, we determined eligibility if the interviewee had purchased a garment in ISFR and OFR within the past six weeks. One of the authors recruited female and male master's and bachelor's students at a German university through several personal contacts, and more interviewees were approached in one of the author's private environments. The study was conducted within two months, primarily face-to-face, with few exceptions in which data collection happened via Skype due to geographical dispersion. Using the principle of data saturation (Glaser and Strauss, 2010), we considered saturation reached at the 14th interview (7 men, 7 women; kept anonymous by

referring to them as P1–14). This sample size complies with recommendations in the literature on exploratory studies, which suggest that 10–15 interviews are sufficient to generate categories (Kvale, 2007). Interviews lasted 59 min on average, were conducted in German, and were digitally audio recorded. Following the interviews, we transcribed the recordings verbatim and anonymized all names.

3.1.3.3 Data analysis

The data analysis was subjected to grounded theory (Strauss and Corbin, 1991) and comprised two rounds of coding both for ISFR and OFR. More specifically, we applied the method of constant comparison using a line-by-line analysis, which consists of an interplay of open and selective (re-)coding relating to quotes (Charmaz, 2014; Spiggle, 1994; Strauss and Corbin, 1991). Following Silverstein et al. (2009), who note that the JTBD method has no standardized scheme for categorizing jobs, we first identified the focus market and then used an inductive categorization process (open coding) to identify personal and social needs customers aim to fulfill when purchasing a garment in ISFR and OFR. Continuing with a second round of inductive coding to address research question 3, we focused on the analysis to distill/uncover flaws, problems, and gaps that deter customer needs from being met. Last, we assigned the identified personal and social customer needs to the job types proposed by Christensen et al. (2005) and Silverstein et al. (2009). We limited categories to personal and social jobs, as these job types offer the most fruitful service innovation potential in fashion retailing, and functional jobs relate more to garment characteristics. Furthermore, we differentiated between ISFR and OFR shopping. Relevant quotes were drawn from the

interviews, which have been freely translated into English by one of the authors. Overall, we conducted an iterative process of cycling between the individual transcripts and then moved toward a more holistic view of all the transcripts. The entire coding process was supported by MAXQDA software.
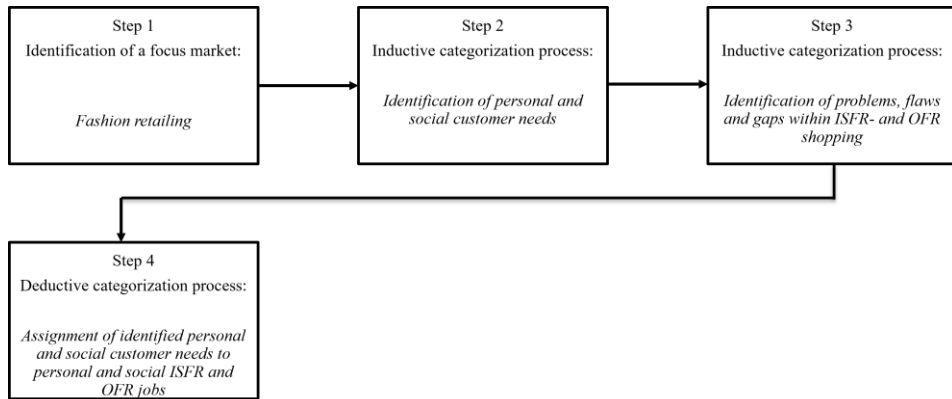
Figure 1: Methodological steps of the empirical study based on Silverstein et al. (2009). ISFR = in-store fashion retailing; OFR = online fashion retailing.

3.1.4 RESULTS

The next subsections present the identified personal and social needs, structured according to the types suggested by Kim et al. (2002) and Park et al. (1986) in ISFR and OFR shopping. We then discuss the most relevant customer needs using selected excerpts from respondents, supplemented by an overview of identified personal and social customer needs (Table 2) followed by Table 3 which depicts ways in how customer needs can be fulfilled in ISFR and OFR. Additionally, based on the empirical study we pose research propositions derived from the qualitative study to lay the foundation for future studies (Table 4). The appendix offers additional illustrative quotes to provide more rigor to the analyzed customer needs.

In response to the third research question, Section 4.3 illustrates hindering aspects of meeting customer needs, summarized in Table 5.

3.1.4.1 Customer needs in ISFR

The interviews revealed that respondents' purchase of a garment is closely aligned with the fulfillment of customer's personal needs (CPNs) and customer's social needs (CSNs). Furthermore, the interview data clearly showed two types of ISFR shoppers: those who prefer to shop alone and those who specifically chose to shop ISFR due to the aspect of interaction with social others (e.g., family, friends and salespeople). Lone shopper *"really dislike talking to other people when shopping in-store"* (P11). They mentioned avoiding the interaction with all social others, including salespersons. Those respondents mainly associated their ISFR with the completion of a functional need (the purchase of a garment, e. g., P4), in which the shopping experience plays a subordinate role.

Customer's personal needs (CPNS) in ISFR

The CPNs identified in ISFR relate to either personal fulfillment or the aspect of taking time out from daily duties. *Personal fulfillment* may be broken down into a person's appearance reflected in the jobs *feeling vain* or *feeling attractive*. It can also be related to an emotional dimension illustrated in the customer's need for *feeling happiness*. The interview data revealed that appearance-related needs are closely connected to functional needs. Hence, the functional need can be fulfilled through purchasing a garment, which leads to fulfilling a CPN.

In contrast, other respondents noted: *"Well, I'd say it's actually more the inspiration factor, but I wouldn't say I'd necessarily like to buy*

it [a garment]. Well, I don't necessarily go there with the thought 'I absolutely have to buy something now'. But rather the real inspiration" (P3). This includes CPNs such as *counteracting boredom* or *seeking warmth* to bridge waiting times or, as P3 stated, *seeking inspiration.* Moreover, several respondents stated that the *desire for a new garment* draws them to the store along with the CPN of *experiencing something good* and *creating memories*, especially while being on vacation (P14). The purchase of a garment is a means to an end to completing these CPNs.

ISFR serves as an opportunity to take time out from daily duties (e.g., working life, studies) and to enhance well-being, as reflected in the following quote: *"I prefer to go out or go into town […] just to switch off a bit, to go shopping"* (P13). This quote indicates that the desire for a positive distraction from daily life and leisure time does not necessarily have to be fulfilled by a garment purchase but by the sheer ISFR experience. In a similar vein, *consolidation for dealing with failures*; especially those respondents faced with a failure reported feeling satisfied by the availability of ISFR service (e.g., smart technology), leading to a positive customer experience (e.g., Alexander and Kent, 2022). Other identified CPNs were *self-reward for an accomplishment* (*"[in-store] shopping always has a certain reward"*: P1) satisfiable through a specific garment. Furthermore, other respondents noted being mindful as another reason they shopped ISFR, including purchasing a garment with a longer life cycle (P1) or making an ISFR purchase because they wanted to contribute to the survival of ISFR (P8). Interestingly, the result of meeting this CPN is long-term in nature and not necessarily fulfilled through purchasing a needed garment.

Customer's social needs (CSNs) in ISFR

We found that social others play a focal role in completing CSNs: many interviewees mentioned *spending quality time with social others*. Here, the aim to purchase a garment is combined with getting together with family or friends to maintain social contacts. Some respondents even stated that the time spent together predominates (Davis and Hodges, 2012), as P13 elucidates: *"Well, I prefer to go out or go into town with my girlfriend [...]. That's more important than me saying I don't always buy something either". Maintenance of social contacts is not limited to the purchase of a garment but starts before and continues after with other social activities, as summarized by P3:*

> Of course, sometimes it also happens that you meet at noon […] somewhere in a restaurant or pub. Then you might have lunch there and then drive off [to the shopping mall]. [After the shopping mall] […] then we go to a friend's house so that everyone can meet up there. And then you just […] agree on a joint film or series that you want to watch. Then you can have a film night together. […] Well, this shopping excursion in the outlet center is more of a part of the whole day and not the main reason.

Performing rituals is closely aligned to the CSN of *spending quality time with social others*, as some respondents described their shopping trip with family and friends as tradition – for example, "*that we often go shopping when we're on vacation. Just mom and me"* (P14). Furthermore, our results showed that social others also play an integral role in the purchase decision process. Interestingly, we found that customers draw on different kinds of human sources of information depending on the type of garment they aim to purchase. In particular, P8 and P14 reported that if a garment

required low garment-related expertise, the accompanying person(s) (friends or family) served as an advisor because of the stronger trust relationship with these people, as opposed to the salesperson. This means that the salesperson becomes obsolete. In contrast, P5, P9, P11, and P14 expressed that the salesperson's advice and expertise is of utmost importance for customized or advice-intensive garments (e.g., in terms of material, accuracy of fit for a men's suit or blazer):

> When we bought it [jacket] for [name of person], I had the feeling that it was good to get advice because the salesperson had a clue and knew what to look out for. I found it very useful. But that's something special [a garment] that you don't wear every day. When it comes to a jacket, there are a lot of things you have to pay attention to and I don't even know where the trend is going at the moment: how to wear it, what to wear with it, what to look out for, etc. and the [salesperson] knew all that and was able to tell it (P11).

In this scenario, the accompanying person takes on a secondary role. In addition, P5 and P9 further noted they preferred to visit to specialized ISFR shops because of loyalty to the store and time constraints that they can make up for with the advice of the specialized salesperson. However, P9 highlighted that *"even though I bought the garment, so if you just look at the garment in isolation, the purchase was successful. But the whole scenery, everything around it is not necessarily what I imagine when I think of modern shopping at my age"*; this quote underscores that the ISFR experience should always be viewed in conjunction with the purchase of a garment. It is particularly notable that all these CSNs can be met through a high level of social interaction along the shopping process.

Maintaining and e*nhancing self-image and transporting the inner self-esteem toward social others, being inspired by social others,* and *identifying with social others* all refer to the customer's external representation. These CSNs can be fulfilled through the purchase and use of a garment that has an impact on social others. For example, respondents outlined that a garment provides a certain degree of security in that it, for example, conceals problem areas (P10) or covers sweat stains (P13). Furthermore, a garment can simply provide the feeling of "coolness" (P1) and facilitates looking attractive during special occasions with friends (e.g., for a party) (P7; P14), as summarized by P1: *"You also have to have a certain coolness. I mean it's the garments or the shoes, after all, it's a way of expressing yourself or perhaps how you present yourself"*

Respondents felt identifi*ed with social others' garments*, mainly those of family and friends, but also those of unknown persons, such as authors: *"Then, I read [name of author] in the summer time and somehow he [author] always wore white or blue striped t-shirts and I somehow found that funny and took it on a bit more"* (P14). This CSN led to inspiration and resulted in a targeted purchase (P8). The CSNs referring to the customer's external representation point at specifically putting the garment and its purchase and use in the focus, demonstrating a social linkage without social interaction. In contrast, the first two identified CSNs *(spending quality time with social others (including leisure time and relaxation) and performing rituals with social others)* are characterized by high interaction with social others.

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CPNs	Personal jobs		CSNs	Social jobs	
	ISFR	OFR		ISFR	OFR
Feeling vain	●		Spending quality time with social others (including leisure time and relaxation)	●	●
Feeling attractive	●		Performing rituals with social others	●	●
Feeling happiness	●		Maintaining and enhancing the self-image and transporting the inner self-esteem toward social others	●	●
Seeking inspiration (through a garment)	●	●	Identifying with (social) others (a person or a brand)	●	●
Counteracting boredom	●		Being inspired by social others	●	●
Seeking warmth	●		Belonging to a social group of people through identification with the group	●	●
Desiring something new	●	●			
Experiencing something good	●				
Being mindful (e.g., toward the life cycle of a garment or the survival of ISFR)	●				
Creating memories					
Browsing through the garment range	●	●			
Aiming for a positive distraction from daily life	●	●			
Feeling relaxed (from everyday life, working life, or studies)	●	●			
Rewarding oneself (for sense of achievement)	●	●			
Rewarding oneself (as a consolation for dealing with failures)	●	●			
Feeling the desire for distraction (as a substitute for the social gap)	●	●			
Doing something good for yourself		●			
Performing rituals		●			
Experiencing something good and to be surprised		●			

Table 2: Overview of identified CPNs and CSNs in ISFR and OFR. CPNs = customers' personal needs; CSNs = customers' social needs; ISFR = in-store fashion retailing; OFR = online fashion retailing.

ISFR		OFR	
CPNs	Ways to fulfill CPNs	CPNs	Ways to fulfill CPNs
Person's appearance: • Feeling vain • Feeling attractive • Feeling happiness Personal fulfilment: • Desire for a new garment[1] • Rewarding oneself (for sense of achievement)[1] • Rewarding oneself (as a consolation for dealing with failures)[1] • Counteracting boredom • Seeking inspiration (through a garment) • Desiring something new • Experiencing something good • Self-reward for an accomplishment Enhancing well-being: • Being mindful • Consolation for dealing with failures[1]	**Garment** • Purchase of a garment • Fitting of a garment **Smart technology** • Smart dressing room • Smart mirror	Person's appearance: • Feeling vain • Feeling attractive Personal fulfilment: • Seeking inspiration (through a garment) • Desiring something new • Performing rituals • Rewarding oneself (as a consolation for dealing with failures) • Doing something good for oneself • Rewarding oneself (for sense of achievement) • Experiencing something good and to be surprised	**Garment** • Repeat purchase • Need purchase • Purchase of standardized garment **Curated shopping** Individual and personal advice based on preferences

Taking time out from daily duties (e.g., working life, studies):	In-store experience	Online shop experience
• Creating memories • Browsing through the garment range • Aiming for a positive distraction from daily life • Feeling relaxed (from everyday life, working life, or studies)	• Advice by salespersons • In-store fashion shows • Feeling the desire for distraction • Browsing through the garment range • Aiming for a positive distraction from daily life • Feeling relaxed (from everyday life, working life, or studies)	• Easily accessible and well-sorted online shop • Integration of elements in the online shop that fosters relaxation

Table 3: Different ways how customer needs can be fulfilled in ISFR and OFR. CPNs = customers' personal needs; CSNs = customers' social needs; ISFR = in-store fashion retailing; OFR = online fashion retailing. [1] Customers who shop alone (without social others)

Identified topics	ISFR	OFR
Lone shoppers and smart technology	• For lone customers the shopping experience plays a subordinate role. (spanning) • Lone customers fulfill their CPNs through the interaction with a smart technology instead of a salesperson.	• Customers do not draw on hedonic features of the online store to fulfill their CPNs.
Functional need	• A functional need can be fulfilled through purchasing a garment, which leads to fulfilling a CPN. (spanning) • Lone customers avoid the interaction with human-beings during the shopping process and associate ISFR mainly with the completion of a functional need.	• Lone customers avoid the interaction with human-beings during the shopping process and associate OFR mainly with the completion of a functional need.
Role of salesperson	• If a garment requires low garment-related expertise, the accompanying person(s) serve(s) as an advisor because of the strong trust relationship with these people as opposed to the salesperson. • A customized or advice-intensive garment requires the salesperson's advice and expertise as opposed to the advice by the accompanying person(s).	• Customers using curated shopping do not want to forgo customized garment advice and rely on stylists instead of social others from the personal environment. • Stylists play a focal role in meeting CPNs and in terms of enhancing or endangering the shopping experience.
Social others	• Customers perceive shopping with social others as tradition or performing a ritual.	• Customers do not meet with social others in presence to shop online.
Types of CPNS and their fulfillment	• CPNs related to a person's appearance are similar in ISFR and OFR. (spanning) • The CPN "being mindful" can be fulfilled through purchasing a garment. • Customers purchase a sustainable garment to contribute to the survival of ISFR.	• The CPN "feeling the desire for distraction" can only be fulfilled through OFR. • The CPN "feeling the desire for distraction" is a need occurring due to a stressful activity.
Types of CSNs and their fulfillment	• CSNs referring to the customer's external representation can be fulfilled through the purchase of a garment. • CSNs referring to the customer's external representation can be fulfilled through a social linkage without social interaction. • CSNs marked by high social interaction can be fulfilled by social others.	• Customers do not specifically get together in person to shop online. • CSNs cannot be fulfilled through the interaction with (in person) social others. • CSNs can be fulfilled through interaction with social others on virtual platforms.
Ways to fulfill CPNs and CSNS	• CPNs can be fulfilled through a garment. (spanning) • Lone CPNs can be fulfilled through smart technology. • In-group CPNs and CSNs can be fulfilled through the in-store experience. • In-group CSNs can be fulfilled through social others with high interaction with social others. • Lone and in-group CSNs referring to customer's external representation can be fulfilled through a garment underlining the social linkage without social interaction.	• Lone CPNs can be fulfilled through curated shopping. • Lone CPNs can be fulfilled through the online shop experience. • The CSN "maintaining and enhancing the self-image and transporting the inner self-esteem toward social others" can be fulfilled more expediently through the large selection of garments in OFR compared to ISFR. • A high range of garment in an online shop increases the probability that customers will find the garment that helps them identify with a social group of people and tackles the CSN "belonging to a social group of people."
Types of jobs and value	• The completion of personal and social jobs evokes hedonic value only in ISFR. • Social jobs leading to hedonic value prevail in ISFR.	• The fulfillment of a functional job, related to task accomplishment, leads to utilitarian value mainly in OFR. • Personal jobs creating utilitarian value dominate in OFR.

Table 4: Derived research propositions based on empirical study. CPNs = customers' personal needs; CSNs = customers' social needs; ISFR = in-store fashion retailing; OFR = online fashion.

3.1.4.2 Customer needs in OFR

The results indicated that respondents preferred to purchase a garment online when aiming for a repeat purchase, need purchase, or standardized garment that does not require a fitting (P4, P11, and P12). Furthermore, we found that respondents did not require hedonic online shop features (e.g., being fun) to meet their needs. Despite the identified inevitable influence of social others in ISFR, the results for OFR show that customers prefer to shop alone.

Customer's personal needs in OFR

In OFR, some CPNs (e.g., *feeling vain*) related to a person's appearance are similar to those in ISFR. However, *feeling the desire for distraction* was identified only in OFR. In contrast to the positive association of distraction presented in the preceding section, in OFR, respondents rather mentioned it as a follow-up to a stressful activity – for example, in times with limited social interaction (e.g., during final exams, P1; P14). However, more often, respondents used OFR to make a repeat purchase, as stated by P4: "*And I always buy jerseys [of soccer clubs] when they're so much on sale that they don't cost more than 20€. Some of them are then on sale from 80€ to 20€ and then I grab them*". Some of these repeat purchases are considered as *performing rituals* that happen in regular time intervals without the interaction of social others.

P9 explained, not quite performing a ritual, but a frequent activity to *do something good for oneself*: "*I just take my time and then I go to [name of the online shop] and say 'Hey, new box'* by putting his purchase request *'trustingly in the hands of a stylist who I hope he understands his work and somehow caters to my taste'*. In line with Sebald and Jacob

(2018), customers using curated shopping do not want to forgo customized garment advice and rely on stylists instead of social others from the personal environment. Therefore, it is reasonable to suggest that in OFR stylists play a focal role in meeting CPNs and furthermore, in terms of enhancing or endangering the shopping experience.

Customer's social needs in OFR

Spending quality time with social others does not apply to OFR. Rather, P3 noted that *"you don't just sit [with friends] in front of your computer and browse through online shops. It couldn't get any more boring than that"*. Indeed, others said they feel discourteous staring at the screen because *"we spend time together, but actually [we] spend time on my phone or my computer"* (P14) or even feel annoyed if others accompanied the OFR process by giving advice (P9). Hence, respondents do not specifically get together in person to shop online. However, the findings also revealed that when several people used their mobile devices during an in-person get-together, the hurdle of asking for advice regarding a garment, for example, decreased (P14).

Maintaining and enhancing the self-image and transporting the inner self-esteem toward social others differs in OFR compared with ISFR, as respondents indicated that this CSN can be fulfilled more expediently due to the large selection of garments OFR has on offer (P4; P13). However, respondents admitted that this only holds true if customers have a clear idea what garment to look for. Otherwise, customers run the risk of feeling overwhelmed by the large garment range. However, this range also increases the probability that customers will find the garment that helps them identify with a social group of people and tackles the CSN

of *belonging to a social group of people,* in which *"you tend to adapt to your guests [...]. And otherwise, if it's not so formal, if I know, for example, that my friends also come in jogging pants, then I also wear jogging pants"* (P13). Taken together, CPNs in ISFR and OFR most likely resemble each other in terms of personal fulfillment when (1) the CPNs are connected to the exploration of something new (e.g., *seeking inspiration (through a garment), browsing through the garment range*) and (2) customers are seeking relaxation or time out from daily duties. CPNs and CSNs in ISFR and OFR can be fulfilled through different ways beyond a garment, summed up in Table 3: in ISFR the in-store experience and smart technology, especially for lone shoppers, plays a vital role in fulfilling CPNs whereas in OFR a garment, curated shopping or the online shop experience serves as a means to an end to complete CPNs. CSNs in ISFR can be met through social others with high interaction with social others and differing roles of an in-store salesperson and accompanying persons. In OFR, a selection of garments serves as a means to fulfill CSNs. Furthermore, the study revealed that the purchase of a garment enables to establish a social linkage but without social interaction both in ISFR and OFR. Put differently, the interaction with social others in OFR does not play a focal role in meeting CSNs. Overall, the results revealed that purchasing a garment encompasses far more than just a functional need.

3.1.4.3 Aspects that hinder meeting customers' needs

In this section, we discuss identified aspects that hinder fulfillment of customer needs in ISFR and OFR. Identifying these aspects offers the potential for innovative ideas to help customers overcome or eliminate those obstacles. The majority of respondents reported that the entire fitting

process in in-store dressing rooms interferes with the fulfilling of a customer's need. In more detail, respondents explained this regarding the design of the dressing room (*"[the dressing room is] very narrow and the mirror is outside. That means you always have to go outside to see yourself. And just when you don't feel comfortable in the dress or the garment that you're wearing, it happened to me that I didn't go out to see how it actually looked because I didn't feel comfortable"*; P10) or the sheer untidiness inside of dressing rooms (P7). More importantly, it is due to the entire fitting process in the dressing room, summed up by P4:

> I hate buying pants, for example, because you have to change your clothes all the time and try on hundreds of things. I find that very tiring. I always find it exhausting to go to a dressing room to try things on. […] Yes, if I, for example, go shopping alone and try on a pair of trousers that are too small for me and I would like to try one size bigger, then I always have to take them off again and again, because they don't fit me and put on other pants. Then I have to go back to the stand where all the pants are hanging, find a new one, put them on again and then see if they fit properly. This frequent undress and dress.

This problem is aggravated if the customer prefers salesperson-free shopping activities, a hindering aspect reported especially by men. If they looked for garments with low intensive consultation needed, they would enter the store without an accompanying person. Thus, these customers are on their own while using the dressing room, and searching for another garment size remains complicated. In addition, many respondents elaborated that communication with salespersons also hindered their personal needs from being met. As such, salespersons are often perceived

as annoying or lacking authenticity while advising their customers. Furthermore, P6 stated succinctly what several other respondents reported: *"So I'd rather be left alone. And if […] I need any help, I actively approach them [the salesperson]. That's the way how* I *like it"*. Smart in-store technologies (e.g., Vojvodi´c, 2019) could be the linking piece for these customers to meet their personal needs better.

Although respondents reported that they *browse through online shops* and *seek inspiration*, we identified that the major hindering aspect in meeting CPNs and CSNs in OFR is the unlimited choice of garments, which leads to the problem of feeling exhausted or frustrated, as reflected in the following: *"I have to choose something [in the online shop] […] [but then] I have so much, and then I don't even know where to start"* (P8). Interestingly, some respondents commented that this is why they prefer to purchase garments in-store. Table 5 summarizes the hindering aspects along with suggestions for potential innovation

	Aspects that hinder meeting CPNs and CSNs	Suggestions for potential service innovation
ISFR	Design and functionality of a dressing room	Advancement of the smart dressing room toward an experience (e.g., through the further inclusion of smart technology inside the dressing room)
	Inconvenient fitting for customers without accompanying person	Autonomous shopping using smart technology: • Radio frequency identification-based smart dressing room (e.g., Mukherjee, Smith, & Turri, 2018) or smart dressing room robot that can request, e.g., different sizes of garment ▲ Magic mirror (e.g., Hwangbo, Kim, & Cha, 2017)
	Role of the salesperson if no contact with the salesperson is desired	Customer's proactive signaling if interaction with the salesperson is desired or not right at the shop entrance or during the shopping process through, for example, the following: • Wearable technology-based badges for customers • Installed phones that enable information-seeking from the salesperson (especially in larger fashion houses) • Shopping baskets signaling whether shopper desires a salesperson contact-intense or contact-free shopping experience
	Insufficient transparency about garment selection and stock	Real time indication about garment assortment via mobile technologies
OFR	Too many choices – limits of the range?	Advancement of the online shop toward a customer needs-based presentation of the range of garments Increased offer of customized solutions (e.g., curated shopping; Sebald & Jacob, 2018) by online fashion shops
	Missing feel of a garments' haptic and optic quality	Cross channel shopping, e.g., webrooming (Flavián, Gurrea, & Orús, 2016, 2020)
	Effort associated with the return of a garment by mail	

Table 5: Identified aspects that hinder meeting CPNs and CSNs and suggestions for potential service innovations in fashion retailing. CPNs = customers' personal needs; CSNs = customers' social needs.

3.1.5 DISCUSSION

Drawing on JTBD theory (Christensen et al., 2005), this paper explores customers' needs when shopping in ISFR and OFR and identifies aspects that hinder these needs from being met. Furthermore, from a managerial standpoint, this paper offers suggestions for potential service innovation to address these hindering aspects. The results revealed that customers pursue the fulfillment of multiple CPNs and CSNs in parallel when shopping ISFR. In contrast, in OFR, customers mostly aim to meet CPNs, and CSNs play by far a subordinate role. In a related vein, this means that in ISFR, CSNs are characterized by a high level of social interaction, whereas CSNs in OFR can be fulfilled without interaction with social others.

3.1.5.1 Theoretical contribution

Our work provides several substantive theoretical contributions. Inspired by the JTBD theory (Christensen et al., 2005), the first is that it fills a research gap in the fashion retailing literature by viewing shopping as a customer's problem-solving process. When retailers understand the jobs customers aim to fulfill, they uncover customer needs. Building on Bettencourt's (2009) notion, we argue that before exploring profound customer needs, it is of utmost importance to understand the customer's job in a given situation (Christensen et al., 2007). Hence, a job is integral to meeting customer needs because customers meet their needs by doing jobs. Overall, by shedding light on and bringing more clarity to the linkage between customer needs and jobs, we pose a more fine-grained understanding of how customer needs can be met.

Further, our results reveal that meeting customer needs does not necessarily happen simply through the purchase of a garment. Indeed,

drawing on the JTBD theory, we found that, especially in ISFR, the purchase is interlinked with meeting CPNs and CSNs throughout the shopping process. This finding is an important contribution to the current debate on customer needs in fashion retailing because most of the extant literature (e.g., Kim et al., 2002) still argues that customer needs can solely be met through the purchase of a garment and, thus, focuses narrowly on product attributes when exploring customer needs (Le et al., 2019). Hence, taking on the shift from exploring customer needs using a traditional product-centered approach (e.g., through the use of quantitative methods; Bennur and Jin, 2012; Choi et al., 2015) toward a problem-solving (JTBD) view enables us to focus our investigation on profound customer needs separately from any product feature. More broadly, we extend the existing literature on customer needs in fashion retailing in that we identified an additional way how CSNs in ISFR can be fulfilled: 'social others' that are lacking scholarly attention in the current debate. It is important to note that this way how to meet customer needs differs from other ways (e.g., garment, in-store experience) as it is beyond the firm's control. We integrate these findings to extend the JTBD theory by showing that customers use not only products or services (Christensen et al., 2005) but also social others to perform a job in ISFR successfully.

Second, to the best of our knowledge, we are the first to identify and classify customer needs by comparing an ISFR and OFR context. The results showed that most CPNs are similar in ISFR and OFR. However, for ISFR, we identified CPNs referring to mindfulness toward oneself or social others, which have not been discussed in extant ISFR studies (e.g., Davis and Hodges, 2012; Kim et al., 2002). In addition, we find that whereas the interaction with social others essentially influences the

fulfillment of CSNs in ISFR, identified CSNs in OFR mainly refer to the enhancement and maintenance of the self-image toward social others unambiguously, with no interaction with social others. Furthermore, building from the JTBD theory and the comparative nature of ISFR and OFR, findings revealed that ISFRs' CPNs and CSNs can be fulfilled through different ways beyond the purchase of a garment: in-store experience, social others with a high level of social interaction or smart technology. In OFR, CPNs and CSNs can be completed through ways of curated shopping, online shop experience, and a selection of garments.

Third, our findings offer fertile ground for extending our understanding of CSNs in ISFR. Prior research on customer needs in fashion retailing discusses CSNs in terms of the value customers gain when shopping (e.g., Babin et al., 1994; Davis and Hodges, 2012; Rintamäki et al., 2007) and acknowledges that social needs motivate customers to shop (Puccinelli et al., 2009; Tauber, 1972). However, while Rintamäki et al. (2007) identify symbolic/social value derived from a shopping experience, this extant literature falls short in further conceptualizing CSNs regarding the role of social others. Our findings contribute to filling this research gap by identifying two types of CSNs: those with a high level of *interaction with social others* (e.g., *spending quality time with social others; performing rituals with social others)* and those with a *social linkage with social others* but without interactive elements (e.g., *maintaining and enhancing the self-image and transporting the inner self-esteem toward social others, being inspired by social others).* The first type of CSNs exclusively occurs in ISFR, which emphasizes the vital role social others play during the shopping process in meeting CSNs. While extant literature has discussed CSNs without a social

linkage with social others (e.g., Kim et al., 2002), CSNs with a level of interaction with social others have been neglected (e.g., Khitous et al., 2022). Therefore, with this finding, we contribute to an understanding of the important role of social others during the shopping process in fashion retailing. In addition, we extend the definition of CSNs to comprise an interactive dimension that can be met by not only the retailer (e.g., through the offer of a garment, the salesperson's advice) but also social others (e.g., accompanying persons, other shoppers) or even smart technology. In addition, the finding regarding CSNs in OFR that CSNs are solely characterized by a social linkage (e.g., *identifying with (social) others (a person or a brand), belonging to a social group of people through identification with the group*) with no traits of social interaction provide similarly important insights for the fulfillment of CSNs. Literature to date has shown a dearth of this view, instead, highlighting that customers prefer to shop with social others in OFR – referred to as social shopping (e.g., Kang and Park-Poaps, 2011) or collaborative online shopping (Kim et al., 2013).

Fourth, in addition to exploring customer needs through the JTBD theory, the theory also contributes to an understanding of *how* customer needs can be (better) fulfilled (Bettencourt and Brown, 2013) in fashion retailing. We do so by investigating the aspects that hinder customer needs from being met, which serves as a fruitful basis to derive potential service innovation, an area extant research has neglected thus far (e.g., Kim et al., 2002).

3.1.5.2 Managerial implications

Our results offer valuable insights for managers in ISFR and OFR. First and foremost, we seek to inspire fashion retailers and marketers to take on the shift from an attribute-based product development view, in which the garment is the unit of analysis toward a job-based view. Fashion retailers and marketers who comprehend the added value of analyzing customer needs through the JTBD theory are in a better position to enhance value creation for their customers. Hence, we advise fashion retailing managers to invest in exploring profound customer needs apart from a garment and use these findings as a foundation to understand customers' needs in ISFR and OFR. However, and equally important, learning from the JTBD theory, fashion retailers should view ISFR and OFR shopping as a "problem" a customer must solve in a given situation (jobs to be done). In doing so, fashion retailers are able to realize that customer needs can not only be fulfilled through a garment purchase but also several other ways such as social others, in-store experience, smart technology or online shop experience. Building on Kim et al. (2002), fashion retailers should take advantage of this contemporary view and develop efficient customer needs strategies based on the JTBD theory instead of targeting their strategies to prospective customer needs (Kandampully and Duddy, 1999).

Second, our results particularly equip fashion retailers with implications regarding the fulfillment of CSNs. Fashion retailers should understand that purchasing a garment is always intertwined with the fulfillment of one or more CPNs and/or CSNs. To meet CSNs such as *spending quality time with social others* in ISFR, social others are even paramount than the garments' purchase. What might sound like bad news for fashion retailers in terms of financial revenue at first sight can be a

fruitful avenue because if fashion retailers can provide or design service innovations that help customers better fulfill their social needs, these customers will be more likely to return to the store. This finding is of special importance because with an improved understanding of how to meet CSNs, in-store fashion retailers can gain a competitive advantage over OFR. Alternatively, a strategic recommendation for in-store fashion retailers is to create an environment in which customers can interact with one another. For instance, they could foster a hedonic experience for customers and social others (Alexander and Kent, 2022; Norton & Pine II, 2013) by offering combined in-store sewing courses to encourage consumers to engage and dwell. Online fashion retailers should acknowledge that not all CSNs can be met and should initiate online platforms that promote online social interactions as a substitute (e.g., an online brand community [Connell et al., 2019]; a branded community [Ashman et al., 2015]).

Third, the results can serve as a basis for service innovation. Fashion retailers should respond to the question of how they can help customers succeed in getting their jobs done – for example, by ensuring that the right service innovations (Gustafsson et al., 2020) are available when needed (Bettencourt and Brown, 2013). In addition, the results can guide fashion retailers in gaining deeper insights into how service innovations should be designed (Bettencourt and Brown, 2013): fashion retailers are well-advised to prioritize the identified customer needs based on their frequency of occurrence and importance and pay particular attention to aspects that hinder meeting these customer needs. If a solution does not yet exist, fashion retailers should derive their innovation potential based on the jobs to be done (Silverstein et al., 2009) – more specifically,

use identified hindering aspects in fulfilling customer needs as a starting point.

In ISFR, we conclude that the use of smart technology may help customers better meet their personal needs. We introduce innovation potential in the identification of customers that prefer shopping alone. In-store fashion retailers could build from the idea of Flannels, one of UK's leading luxury retailers for clothing, which introduced an in-store shopping basket system (different colored baskets for "happy shopping alone", "happy to be assisted", and a possible third version "happy to be undecided"). Similarly important, fashion retailers should consider that salespersons may not always be the primary source of garment advice, as results showed that most respondents did not prefer to be advised by salespersons. Smart technology embedded in smart shops (Chang and Chen, 2021) may help determine whether a customer desires no interaction with salespersons or other people during the shopping process. To successfully foster autonomous in-store shopping, fashion retailers should focus on expanding and experimenting with further development of innovative self-service technology, such as a smart dressing room robot that can request different sizes of a garment.

For online fashion retailers, we suggest going beyond structuring the online shops based on "shop by occasion" (www.asos.com) or "get the look" (www.zalando.com) to further alignment of customer needs when entering the online shop. This could start with a query on the customer's mood followed by the presentation of the garment range. In the same vein, our results revealed the majority of respondents visited OFR until they purchased a garment, which implies that customers primarily strive for a utilitarian value, and therefore, the online shop should be kept simple in a

JTBD-based logic. Furthermore, considering a garment serves to meet CPNs and CSNs in OFR, we suggest increasing offers of customized solutions (e.g., curated shopping; Sebald and Jacob, 2018) that more effectively address CPNs and CSNs.

3.1.5.3 Limitations and avenues for future research

Our findings come with several limitations that offer promising directions for future research. First, data collection was confined to Germany. Second, the two studies' sample size is considered exploratory, and hence, the findings are not concerned with generalization but with transferability (e.g., Lincoln and Guba, 1985; Miles and Huberman, 1994). However, despite the study's exploratory nature, we nevertheless deem the sample size appropriate to provide implications for future studies (Davis and McGinnis, 2016) by enhancing theory building of customer needs in fashion retailing through the JTBD theory. Third, the interviews on the purchase scenario were not limited to an ISFR and OFR style (e.g., mass merchandisers or department stores as in Davis and Hodges (2012)); rather, respondents were free to choose an ISFR and OFR purchase scenario. Fourth, admittedly, the derived potential service innovations (Table 5) lacks empirical rigor and refers to a heuristic derivation.

Future research can remedy this limitation by conducting a follow-up quantitative study that derives perceptions of which potential service innovation are best and to achieve generalization. For example, fashion retailing experts and managers are most aware of future innovations in fashion retailing and, thus, can rate the identified potential service innovations. From a customer point of view, involving lead users in future studies is essential. It is also possible to apply, for example, the Kano

model to test different kinds of innovations in regard to meeting customers' preferences (e.g., Baier and Rese, 2020; Rese et al., 2019). Similarly, the posed research propositions on customer needs in ISFR and OFR (Table 4) in particular provide a fruitful starting point for future quantitative research in which the understanding of customer needs through the JTBD theory can be further advanced and generalized. This includes to further explore the assumed but in this qualitative study scantly represented linkage between types of jobs and hedonic and utilitarian value.

From a methodological perspective, in addition to interviews, observations in ISFR would be a promising methodological enhancement in future studies because observations may reveal additional and complementary insights related to how customers aim to meet their needs. Research acknowledges enriching interview data with observations as efficient because it is likely that customers do not always accurately express their needs verbally and their needs may be better analyzed through observation (Boote and Mathews, 1999; Ulwick, 2002). Using observations should also shed light on gender-related questions.

We caution against underestimating more contemporary methods such as machine learning approaches to explore customer needs. Thus, we similarly acknowledge these methods and their potential for investigating customer needs (Timoshenko and Hauser, 2019). For example, Kühl et al. (2020) highlight the importance of quantifying needs and offer machine learning approaches for automated needs quantification. Martí Bigorra et al., (2020) stimulate the discussion to analyze customer needs through text data analytics (e.g., topic mining, aspect-based sentiment analysis) with a particular emphasis on customer data already known by the company.

Hence, we encourage use of these "low-hanging fruits" and drawing on in-house data (e.g., through social media) to identify customer needs, especially in OFR.

Another future avenue worth further exploring lies in the identified CPNs regarding mental health and mindfulness and the question of which service innovations can meet these CPNs. Here, literature on shopping therapy (e.g., Zulauf and Wagner, 2022) could serve as a promising literature stream. Similarly, we are confident our finding that social others do not play a pivotal role in meeting CSNs in OFR will spur further empirical work, especially considering the emerging literature stream that argues for the inclusion of social others during online shopping (e.g., Kang and Park-Poaps, 2011; Kim et al., 2013).

Last but not least important, as the results in ISFR showed that social others play an integral role in meeting CSNs, building on Argo and Dahl (2020) and drawing on the posed research propositions, we call for further investigation of the roles of social others during the in-store shopping process. In particular, we suggest investigating their role (e. g., accompanying person, other shoppers) through the lenses of value co-creation (Vargo and Lusch, 2008) and customer engagement (van Doorn et al., 2010).

3.1.6 APPENDIX

Selective quotes of empirical data

CPNs	ISFR	Personal jobs	
	Supporting quotation(s)	OFR	
		Supporting quotation(s)	
Feeling vain	"Functional is just a matter of definition. Of course I could have gone out with them [shoes], but they just looked very run down" (P6)	"And since I'm often too lazy to do my hair and prefer to wear a cap, I decided to order a new one" (P11)	
Feeling attractive	"If I buy a new T-shirt now, it should be one that would improve my outfit and also have an aesthetic value" (P14)	—	
Feeling happiness	"And just because it makes me happy" (P10)	—	
Seeking inspiration (through a garment)	"Well, I'd say it's actually more the inspiration factor, but I wouldn't say I'd necessarily like to buy it. Well, I don't necessarily go there with the thought "I absolutely have to buy something now. But rather the real inspiration" (P3)	"Online, it's perhaps especially the case that people say "I want to be inspired, just like that" (P9)	
Counteracting boredom	"I would also go to a store where I don't intend to buy anything either, in order to stroll around and not get bored" (P12)	—	
Seeking warmth	"Well, [...] I would also enter the store if it's simply cold and wet outside [...] and not to stand in the cold" (P12)	—	
Desiring something new	"Yes, there have been occasions, but I would have had other garments for these occasions, but this time I wanted to have a new dress because I used to wear the same one to balls and I wanted to join the occasion to purchase new clothes" (P11)	"I just like to buy something new from time to time and I like having an excuse for buying something. And the Christmas party played into my hands. So it wasn't that I wouldn't wear them [existing dresses], I just wanted to buy something new" (P2)	
Experiencing something good	"And I also like to go out shopping because then you're out and about and you're among people and you can combine it with other things. And just get out a bit, too. So walking into the city, being on the move, then looking at different things, being able to hold things in your hands, trying them on" (P13)	—	

		"It [wearing sweatpants] is somehow more relaxed. That's the thing, when I wear sweatpants, I feel more at home or something, more comfortable. You don't feel it [sweatpants]. And jeans tend to be tighter and you wear them when you leave the house and then it makes such a difference for me. It's like flipping a switch" (P13)
Rewarding oneself (for sense of achievement)	"So if [...] I've accomplished something, then I buy something for myself" (P10)	"And now I've got everything done for the day, I'd say, and it's mostly in the evening where I can put my feet up like that and say 'Okay, that's a kind of reward for me' or 'yes now I'll just take the time', and then either go to [name of the online shop] and say 'Hey, new box'." (P9) "So if [...] I've accomplished something, then I buy something for myself" (P10) "That's quite a sense of achievement. Exactly. And you might have achieved something, you have the feeling" (P14)
Rewarding oneself (as a consolation for dealing with failures)	"So if [...] something isn't going well, then I buy something for myself" (P10)	"So if [...] something isn't going well then I buy something for myself" (P10)
Feeling the desire for distraction (as a substitute for the social gap)	—	"Well, I have to be honest: I've been using something like this [online shopping] as a bit of a distraction lately during my work on my master's thesis" (P1) "[...] otherwise probably already in the exam phase, when I should actually prepare for my exams, it's part of the procrastination" (P14)
Doing something good for yourself	—	"Then every time it's like [...] "okay, I'm excited to see what's coming this time". You don't know what to expect because you have given some preferences, but every time it's kind of an aha experience and it is also beautifully packaged. You then unpack it in such a way that sometimes there are [...] perfume testers [...] and then you have to imagine [...] there are really two styles that come in a kind of suitcase and then they are with such a beautiful ribbon... wrapped like a gift, then you unwrap it, then you put it on, just try it and that is a form of experience" (P9) "But it also has something to do with the fact that you have some money left over for things that you don't really need" (P11)

Being mindful (e.g., towards the life cycle of a garment or the survival of ISFR)	*"But actually my main motivation is now: I used to buy a lot of cheap shoes and you wear them for two or three months and then you have to throw them away. [...] And that's why I've slowly decided for myself that I'd be happy to spend a little more money on shoes, but then I'll have them for two or three years"* (P1) *"Firstly because I don't really want to support online shopping. In fact, one of my principles. Well, I just do in-stores fashion retailing to be around longer and not just end up having only the opportunity to shop online"* (P7)	—
Creating memories	*"No, I think I'd have a look at the painted t-shirt again just to be reminded of the party. Whatever the different people drew or wrote on it. But otherwise... no. I wouldn't wear it again, at most maybe for painting or something, but that would probably be a shame, because then the memory would be tainted, I'll say now."* (P7) *"Sometimes [I enter the clothing store] to have a memory of it [I'm a sense of a piece of clothing] or because it gives you a different way of getting to know the city"* (P10)	—
Browsing through the garment range	*"On vacation I tend to browse [in-store]. So then you look here and there. Then you have the time. Yes, take a look around. In everyday life it's all a bit more structured, faster, so it has to go faster. And that's why there's more of a move away from shopping in stores and towards online shopping, where you also have reviews or something like that, or you can quickly switch between the products"* (P14)	*"When I am entering [frame of the online shop] I usually take my time, like twenty to thirty minutes, where I just browse around a bit if I'm not looking for anything specific, put the things in my shopping cart and then at the end I look in my shopping cart to see what I have added in total, although it doesn't really matter to me and I order it, first anyway and have to look at it in peace at home anyway, because it often makes a difference if you then see it and wear it do it on your own body"* (P9)
Aiming for a positive distraction from daily life	*"And I also like to go out shopping because then you're out and about a bit and you're among people and you can combine it with other things. And just get out a bit, too. So walking into the city, being on the move, then looking at different things"* (P13)	*"Well, I have to be honest: I've been using something like this as a bit of a distraction lately during my master's thesis. Well, I did that at the university too, in the library, I did a bit now and then, and then I did a bit of online shopping to relax for ten minutes. Otherwise I do it at home and then alone"* (P1)
Feeling relaxed (from everyday life, working life, or studies)	*"When I am relaxed. [...] I think because it gives me the peace to look for something I don't really need. I have this feeling very often when I know, "I need white trousers", for example, that I can't find any"* (P10)	*"Well, I did that at the university, too, in the library, I spent a bit of my time now and then, and then I did a bit of online shopping to relax, for ten minutes"* (P1)

	ISFR	OFR
Performing rituals	—	"But I didn't really want the jerseys because I had the current jersey, but because I already have a lot of jerseys and it's just a cool collection and I almost always have a current [name of the soccer club] jersey for the season. But whether I get it [the jersey] in July or March was irrelevant to me." (P4)
Experiencing something good and be surprised	—	"I'll say it to myself, I set out on the lookout for something new. A bit of inspiration too, letting yourself drift, let's see what they have to offer" (P9)

Social jobs

	ISFR	OFR
CSVs		—
Spending quality time (including leisure time and relaxation) with social others	"There are also such large arcades. Actually, it's more of a day trip than shopping. As I said, I usually do this once a year. Always on vacation. [...] It's just, for example, with my sister and her boyfriend it was more like an excursion. We've spent time together. We went shopping, we went to eat. The bottom line is you have a nice day and you buy" (P2) "There [department store] are clothes, too. [...] I often go there with my mom. [...] No, rather "we'll go have a look. [...] I don't know, we've been going there for a long time and it's been forever... We don't frequently go there, I say twice a year or three times. [...] I think it's just the environment, because in the outlet center you go from one branch to the next. One of them has something in his hand and says 'Yes, what do you think of that?'" (P2) "But you might do it with friends and then it's actually like visiting a shopping mall. You go out to eat afterwards, you spend time together" (P2) "That's actually the social aspect again, I would say. I'm still out and about with other people very often. Yes, and then everyone just sees what he likes at the moment. If I don't like anything [clothing], then I just go on with the other people or something" (P3) "So[w]hen I'm in an outlet center, the focus is less on shopping and more on the social aspect. If there are any fast food restaurants or	

other snack bars nearby, then you can meet up with them there and, I don't know, spend time there or something." (P3)

"Yes, because it's just nicer when you go shopping with someone. Then you can chat again and exchange ideas. Yes, and get a second opinion. The person who accompanies you usually knows you even better and knows how you normally dress. And of course you can also put that in relation to what you would buy now or what the salesperson suggests to you. Yes... well that's the main point. So probably not the sales advice itself, but just like that, you just like doing things together." (P9)

"Well, I prefer to go out or go into town with my girlfriend [...]. That's more important than me saying I don't always buy something either." (P13)

"Yes, in the end you just agree 'where do we want to go, what do we want to do?' Sure, in the end we've already eaten and drunk. Depending on the time of day you go to the bar or maybe to some club. If it's still daylight, then we go to a friend's house, so that everyone can meet up there. And then you just do something on the console if there are still any possibilities or if you somehow agree on a joint film or series that you want to follow. Then you can, for example, have a film day or film night together. As a rule, the paths don't diverge. Well, this shopping excursion in the outlet center is more of a part of the whole day and not the main reason, I would say." (P3)

| Performing rituals with social others

"Because this ritual that my mother 'pays us' shopping trip once in autumn or spring. And [...] I didn't have to give the money and this was also because my brother isn't with us that often either and it was just a joint activity all together." (P11)

"That was actually while being on vacation. On the beach, we always go there with our [name of] friends and rent a house there. And on holiday you might have the feeling that it's a souvenir you're taking with you rather than just a classic piece of clothing. And that's how it is with us, that we often go shopping when we're on vacation. Just mom and me. Then we just did that" (P14)

Maintaining and enhancing the self-image and transporting the inner self-esteem toward social others	"You also have to have a certain coolness. I mean it's the clothes or the shoes, after all, it's a way of expressing yourself or perhaps how you present yourself" (P1) "Because you sweat or something, it becomes visible on your T-shirts. And if you go out in the evening like to a club and it's pretty warm, then I think it's better [to wear a white t-shirt]. If I wear a grey T-shirt, for example, or a green or red one, then you see it [sweat] more." (P13) "Let's say it this way: If I'm going on a city trip with friends for a weekend, I will put it [T-shirt] on if it hadn't been in the laundry, because you're more present there and maybe want to attract attention, also, if it's just a white t-shirt" (P14)	"Yes, I moved to [name of city] and found that my jogging pants are quite old and not so suitable for public use anymore, because they're more like, uh, they're...some of them were already broken and had holes and stuff like that. But it was always enough for a bit of sport, but if you wanted to go to university with it or something, they're too broken, so that wouldn't have worked" (P13)
Identifying with (social) others (a person or a brand)	"Maybe I'm too vain or maybe I'd like to be associated with the brand a bit, so that I just value wearing this brand at the moment. [...] Also a bit of image. Image of the brand and with my own image" (P1) Well, actually I wanted one [a coat] last year because [friend's] coat was so beautiful" (P8)	—
Being inspired by social others	"Or sometimes I see a piece of clothing on others and I think 'this is cool' and that's why I want it" (P8)	"My mother has the same sweater (laughs). And then I wanted to have the sweater, too. This is why I looked online for the brand and found it at [name of the online shop]" (P8)
Belonging to a social group of people through identification with the group	—	"Yes, I fulfill the course of study cliché [laughing]. I am sporty and if I want to wear sports clothes, then I want them to look reasonably good or have a certain style factor" (P13) "You tend to adapt to your guests there [...]. And otherwise, if it's not so formal, if I know, for example, that friends also come in jogging pants, then I also wear jogging pants" (P13) "No, it was more that my godfather often wears a turtleneck. [...] But the turtleneck that I bought now was a bit thicker and somehow I thought that was really cool. And I also wanted a slightly thicker sweater" (P14)

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3.2 JOBS-TO-BE-DONE THEORY AND APPLICATION (TRANSFER PAPER A)

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Christensen, Anthony, Berstell, and Nitterhouse (2007) introduce the Jobs-to-be-done (JTBD) theory in which the authors argue that consumers have one or more problem(s) (a "job" to be done). By definition, a job is "a fundamental problem a customer needs to resolve in a given situation" (Christensen et al., 2007, p. 38).

3.2.1 JOBS-TO-BE-DONE (JTBD) THEORY

In order to solve their problem(s), consumers hire (e.g., purchase) a product and/or service that best possible supports them in getting their job done. Through its usage, the consumer fulfills his/her job. Hence, the product and/or service is a vehicle to solve the problem.

Furthermore, jobs depend on the consumer's situation (Anthony, Johnson, Sinfield, & Altman, 2008; Anthony & Sinfield, 2007; Christensen et al., 2007). As such, consumers might have different jobs when they are accompanied by others (e.g., in a shopping situation as opposed to when they are alone). Jobs can be categorized into three types (Christensen, Cook, & Hall, 2005, p. 2; Silverstein, Samuel, & DeCarlo, 2009, p. 4):

1. Functional: relate to the task a consumer aims to accomplish (e.g. cleaning the house).

2. Personal: comprise how consumers feel and think about themselves (e.g., feeling proud).

3. Social: depict how consumers want to be perceived by social others (e.g. being a great entertainer).

3.2.2 JOBS-TO-BE-DONE METHOD

For marketers, it is important to identify what problems their consumers have in order to purposefully develop and provide products and services. Therefore, marketers are advised to act as "investigative reporters" (Christensen et al., 2007, p. 42) by going through the following three steps:

1. Identify what "jobs" consumers have: The JTBD method serves well to explore consumer's problems. In doing so, not only "what" but especially "why" questions become the focal point of analysis. Often consumers cannot articulate the job they have because they might not yet be aware of it. Asking "why" questions helps to shed light on this. In addition, marketers should observe their consumers to find out what job they aim to fulfill when using a product or service. Qualitative methods such as brainstorming, in-depth interviews, focus groups, or observations are most suitable (Anthony et al., 2008, p. 98-102; Christensen et al., 2007, p. 42).

2. Understand what „jobs" consumers have: For what job does the consumer use the product or service? This includes that marketers should primarily understand in which situation their current consumers use their products or services which emphasizes the need for observing consumers (Christensen et al., 2007, p 41). In addition, marketers should also understand why consumers buy

competing instead of their own products or services to get their jobs done. In other words, what is missing in their products/services so that consumers do not use their products/services? Furthermore, based on the gained understanding marketers should categorize the identified jobs.

3. Provide the product or service needed for the consumer to get their job done

Building on the findings, marketers can develop solutions that help their consumers to adequately address their job(s). If a product or service already exists marketers should extend it in that it better supports the consumer in getting their jobs done. If marketers discover new consumer jobs for which there is no solution (products or services) yet, they should develop them accordingly.

3.2.3 APPLICATIONS

1. Fostering product and service innovation: Anchored in innovation management, the JTBD theory has originally been applied to derive innovation potential and product modification (e.g., Christensen et al., 2007; Kavanagh, Walther, & Nicolai, 2010). However, this is not limited to products but also applies to services.

2. Exploring consumer needs: Consumers have certain needs that can be fulfilled through jobs. If consumers get their jobs done successfully, their needs are fulfilled (Kullak, Baier, & Woratschek, 2023, p. 6). Hence, jobs and consumer needs are not the same (Bettencourt, 2009; Christensen et al., 2007).

3. Shedding more light on consumer journeys: Often, consumers have several jobs or an overall job which is why they go on a consumer job journey (Bettencourt, Harmeling, Bhagwat-Rana, & Houston, 2021). A consumer job journey describes the path of interactions between the consumer and one and/or multiple actors. The consumer engages in interactions with these actors to fulfill his/her job(s). Consumer job journeys are characterized by higher-order jobs (e.g., losing weight) that the consumer can achieve through the completion of lower-order jobs related to consumption (e.g., hiring a trainer to go on a diet). Products, services or social others can be a vehicle to support consumers in getting their job(s) done along their consumer job journey. Consumer job journeys can be transformative in nature marked by long-term, life-changing higher-order goals (e.g. pregnancy, recovering from a disease, doing a PhD) (Kullak, Woratschek, & Baier, 2023, p. 2).

3.2.4 TO PUT IT IN A NUTSHELL

1. The JTBD theory is based on problem-solving which is a job to be done.

2. The JTBD theory focuses on understanding the consumer's job.

3. A job can be functional, personal, and social.

4. Consumers hire or buy products or services to get a job done.

5. If a job is done successfully, consumers' needs are fulfilled.

6. The JTBD theory can be applied for product and service innovation as well as to explore consumer needs and consumer journeys.

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3.3 FASHION SHOPPING AS A JOB-TO-BE-DONE (TRANSFER PAPER B)

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Customer needs can be as varied as the reasons why customers go shopping in in-store fashion retailing (ISFR) and online fashion retailing (OFR).

3.3.1 SHOPPING AS A JOB-TO-BE-DONE

According to Griffin and Hauser (1993: 4) customer needs are "a description, in the customer's own words, of the benefits that he, she or they want to fulfil by the product or service". Extant research suggests that customer needs in fashion retailing can be fulfilled through the

1.   purchase of a garment (e.g., Bennur & Jin, 2012; Le, Kohda, & Huynh, 2019),

2.   the retailer's in-store technology (e.g., Landmark & Sjøbakk, 2017), or

3.   salespersons and their interpersonal role with customers (e.g., Hui & Yee, 2015).

Since the same customer needs can be fulfilled differently, Kullak, Baier, and Woratschek (2023, p. 2) suggest studying customers' problem-solving process to understand how a fashion retailer can support shoppers in better fulfilling their needs. This problem-solving process is described as a job in

the jobs-to-be-done (JTBD) theory (Christensen, Anthony, Berstell, & Nitterhouse, 2007). In this theory, a job describes the process of how customers fulfill their needs. Therefore, people buy products and services to get a job done.

3.3.2 CUSTOMER NEEDS

By applying the JTBD theory Kullak et al. (2023) identified and compared customers' personal (table 1) and social needs (table 2) in ISFR and OFR. Personal appearance, personal fulfillment and enhancing well-being are personal needs. They are mainly congruent in ISFR and OFR and can be fulfilled by a garment. Especially customers who prefer lone shopping draw on smart technology (such as smart dressing rooms) to fulfill their personal needs in ISFR. Further, customers' personal needs referring to taking time out from daily duties can be fulfilled by different kinds of experience: In-store experience or online shop experience. In addition, rewarding oneself can be completed through curated shopping in OFR.

In ISFR, social others (e.g., family, friends and even salespersons) play a focal role. The completion of these social needs is characterized by face-to-face social interactions. In contrast, in OFR social others are not paramount to complete customers' social needs. Yet, the customer's external representation is marked by a social linkage but without face-to-face social interaction. Therefore, this type of social needs can be almost equally fulfilled through the purchase of garment in ISFR or a selection of garments in OFR.

Subcategories	Selected personal needs	ISFR	OFR	Ways to fulfill personal needs
Personal appearance	Feeling vain, attractive or happy	●	●	Garment
Personal fulfillment	Rewarding oneself (for sense of achievement or as a consolidation for dealing with failures) Desiring something new Experiencing something good	●	●	
Enhancing well-being	Being mindful	●		
Processing disappointments	Consolidation for dealing with failures (respondents especially lone shoppers faced with a failure reported feeling satisfied by the availability of smart technology)	●		Smart technology
Taking time out from daily duties	Browsing through the garment range Feeling relaxed (from everyday life, working life, or studies)	●	●	ISFR: In-store experience or OFR: Online shop experience
Rewarding oneself	Doing something good for oneself Experiencing something good and be surprised		●	Curated shopping

Table 1: Customers' personal needs (adapted extract from Kullak et al., 2023)

3.3.3 SERVICES TO GET THE JOB DONE

The results show that when shopping in a fashion store, it's not just the garment that counts, but customers' needs beyond the garment that are fulfilled. Purchasing a garment is always intertwined with the fulfillment of one or more customers' personal and social needs. Thus, fashion retailers should think boldly about how they can support customers in better fulfilling their needs. For example, social needs comprising spending quality time with social others can be supported by creating an environment in which customers can interact face-to-face with one another in ISFR (e.g., in-store sewing course to encourage customers to engage and dwell). Similarly, online fashion retailers should acknowledge that social interaction cannot be supported in the same way. Hence, they should initiate online platforms that promote online social interactions as an alternative to social interaction (e.g., an online brand community [Connell, Marciniak, Carey, & McColl, 2019] or a branded community [Ashman, Solomon, & Wolny, 2015]).

Subcategories	Selected social needs	ISFR	OFR	Ways to fulfill social needs
Spending quality time with social others	Performing rituals with social others	●		Social others with high interaction with social others Differing roles of salespersons and accompanying persons
Customer's external representation	Maintaining and enhancing self-image and transporting the inner self-esteem toward social others Identifying with social others Being inspired by social others	●	●	Garment Selection of garments
Social group membership	Belonging to a social group of people through identification with the group		●	Selection of garments

Table 2: Customers' social needs (adapted extract from Kullak et al., 2023)

3.3.4 TO PUT IT IN A NUTSHELL

1. Fashion shopping can be seen as a job-to-be-done by a customer in a specific context.

2. Jobs need to be done to fulfill customers' needs.

3. Fashion retailers support customers in getting their jobs done by providing services.

4. Customers have personal and social needs.

5. ISFR and OFR support customers in different ways to fulfill personal and social needs.

6. Social needs can be fulfilled very differently since face-to-face interactions are only possible in ISFR.

7. Online platforms can offer alternative face-to-face interactions in OFR, too.

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3.4 UNDERSTANDING SHOPPING COMPANION'S ROLES AND THEIR INFLUENCE IN SOCIAL CONSUMER JOB JOURNEYS (SCIENTIFIC PAPER 2, EXTENDED ABSTRACT)

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3.4.1 RESEARCH AIM

Most purchase decisions are not made in a social void but through interaction with shopping companions (Kurt, Inman, & Argo, 2011; Lindsey-Mullikin & Munger, 2011). Shopping companions, persons (e.g., family, friends, salespersons) who accompany a consumer in a shopping situation, substantially influence a consumer by giving advice, providing information, or even deciding on the purchase, which supports consumers in accomplishing their shopping goals and impacts the overall customer experience (Borges, Chebat, & Babin, 2010; Brocato, Voorhees, & Baker, 2012; Verhoef et al., 2009). Kullak, Baier, and Woratschek (2023) even found that shopping companions can serve as a vehicle to fulfill customer needs in offline fashion retailing.

Extant studies confirm that shopping companions, as one of the primary customer's sources of influence (Borges et al., 2010), can enhance (e.g., Lucia-Palacios, Pérez-López, & Polo-Redondo, 2018) or diminish (Chebat, Haj-Salem, & Oliveira, 2014) the consumer's shopping experience (Borges et al. 2010; Gao, Melero-Polo, & Sese, 2020; Tauber, 1972). However, prior research mainly revolves around investigating their

influence at the point of purchase (Lindsey-Mullikin & Munger, 2011). Further, studies narrowly focus on the question of how a specific type of shopping companion (e.g., family member, friends, salesperson) influences the consumer's purchase decisions and spending (e.g., Gui et al., 2021; Mangleburg, Doney, & Bristol, 2004) but scantly take the entire shopping process, including pre- and post-purchase phases, or in short, the customer journey in its entirety, into account. This lack impedes a holistic exploration of shopping companion's influence (e.g., their roles) within the shopping process.

Literature on 'traditional', firm-centric customer journeys (e.g., Lemon & Verhoef; 2016; Puccinelli et al.; 2009; Schau & Akaka, 2021) prevails with a strong emphasis on the consumption process focused on fulfilling customer's consumption needs through product purchases (e.g., Lemon & Verhoef, 2016). In contrast, consumer journeys, as superordinate to customer journeys, are not necessarily entangled with a specific purchase but the fulfillment of consumer's abstract, higher-order goals to understand the consumer's emotional and experiential journey (Becker, Jaakkola, & Halinen, 2020; Hamilton & Price, 2019).

However, while Kokins, Straujuma, and Lapiņa (2021) are among the few authors highlighting that social others impact the consumer journey by contributing to consumer's higher-order goal fulfillment, scholarly effort remains scattered in incorporating social others, particularly shopping companions, and how social others (e.g., friends, family) influence consumer journeys. Lee et al. (2018) provide a springboard to advance this understanding by arguing that shopping companions perform roles in consumer journeys. Still, Hamilton and Price's (2019) call for a deeper analysis of social other's roles in consumer

journeys, which resonates with the raised gap by McColl-Kennedy et al. (2015) to shed more light on the under-researched influence of social others on the customer experience, which has not been fully addressed yet.

Therefore, this study aims *to explore the influence of shopping companions' roles compared to consumer's self-roles within consumer journeys*. The research questions guiding our efforts are:

1) How can a consumer journey, incorporating shopping companions, be conceptualized?

2) What roles do shopping companions perform in such consumer journeys?

3) What influence do shopping companions' roles, compared to consumer's self-roles, have on the consumer's satisfaction within such consumer journeys?

3.4.2 CONCEPTUAL DEVELOPMENT

Rethinking customer journeys: Toward social consumer job journeys

Customer journeys – encompassing a linear, pre-, purchase- and post-purchase stage with a product and usage-related outcome - serve as important drivers to build customer experience (Becker & Jaakkola, 2020; Følstad & Kvale, 2018; Lemon & Verhoef, 2016). However, notably, the existing literature scantly considers that customer needs fuel customer journeys. Here, needs and wants recognition is mainly associated with the pre-purchase phase of customer journeys (e.g., De Keyser et al., 2020; Lemon & Verhoef, 2016) and is often referred to as a functional need satisfiable by a particular product (e.g., Lee et al., 2018). This narrow view neglects the investigation of goals a customer aims to fulfill during each

stage of the customer journey which calls for a much-needed holistic view of customer journeys (Becker et al., 2020).

Customer needs can be understood and conceptualized through goal theory (e.g., Austin & Vancouver, 1996). Set goals - continuously changing desired states (Carver & Scheier, 1982) that people intend to attain or avoid through action (Austin & Vancouver, 1996) - depend on consumer's needs (Pucinelli et al., 2009) that make customers going on a journey. Interestingly, Harris, Dall'Olmo Riley, and Hand (2018) found that the customer's focal goal is not necessarily the product purchase. Instead, entertainment, recreation or social interaction drives the consumers' shopping motivation (Arnold & Reynolds, 2003). Hence, customers may go on a journey not necessarily motivated by a purchase goal (e.g., Bloch, Ridgway, & Sherrell, 1989) but by customer needs and goals.

Scholars such as Hamilton and Price (2019) and Becker et al. (2020) have recently intensified the academic debate on a goal-oriented perspective, enabling a broader exploration of customer journeys. Thereby, *consumer journeys* have gained momentum as they grasp "the bigger picture" by capturing what consumers do in their daily lives and thus, are not (only) or necessarily entangled with a specific purchase (Hamilton & Price, 2019, p. 188). As such, the scholars introduce a consumer journey as superordinate to customer journeys "vital to understand the complex emotional and experiential journeys". Consumer journeys can be clearly distinguished from customer journeys in that they consist of abstract, higher-order goals. In addition, the customer journey's subordinate, lower-order goals (e.g., 'purchasing a coat for the sake of

feeling warm') help achieve the consumer journey's higher-order goals (e.g., 'feeling warm'; consumer journey).

Bettencourt, Harmeling, Bhagwat-Rana, and Houston (2021) further delve into this goal-orient view. The scholars introduce the *consumer job journey*, defined as "a sequence of goal-directed steps in pursuit of an overall job and the consumer actions directed by these steps to acquire, assemble, and integrate chosen resources" that eventually lead to fulfilling an overall job (Bettencourt et al., 2021: 5). An earlier definition by Christensen, Anthony, Berstell, and Nitterhouse (2007, p. 38) defines a *job* as "a fundamental problem a customer needs to resolve in a given situation". A job can be a higher (related to the fulfillment of a job or goal) or lower-order (related to a consumption process) goal. In line with consumer journeys, consumer job journeys are also superordinate to customer journeys (Bettencourt et al., 2021) which indicates that consumer job journeys do not necessarily include a consumption process but rather the fulfillment of a larger consumer job.

Acknowledging Bettencourt et al.'s (2021) fruitful contribution, we argue that their conceptualization of consumer job journeys falls short in including social others. For example, zooming in on a retailing context, customers rarely shop alone. Rather, they are often surrounded by a multitude of other people (e.g., family members, friends, salespersons, other shoppers) and/or collectives (e.g., families, cultural groups, or communities). Surprisingly, only very recently, literature on customer journeys has specifically started to include social others in the academic debate (e.g., Hamilton, Ferraro, Haws, & Mukhopadhyay, 2021; Hollebeek, Kumar, Srivastava, & Clark, 2022; Lee et al., 2018). Still, these conceptualizations feature a "product-as-outcome" journey. Recent

studies in the consumer journey literature considering social others include, for example, Thomas, Epp and Price (2020) who explore *collective journeys* – with a family being the focal collective. The scholars identified three roles (central, mediated, and dispersed) a retailer may perform. Furthermore, Kokins et al. (2021) found that social others substantially impact the consumer journey.

In sum, extant studies (e.g., Brocato, Voorhees, & Baker, 2012; Gao et al., 2020; Grove & Fisk, 1997) emphasize the role of social others in influencing the customer experience. Still, research on the specific roles of social others within the consumer journey and consumer job journey, remains scarce. Hamilton and Price (2019) suggest that drawing on consumer journeys allows for exploring different (changing) actor roles which often happens through the interaction of versatile actors. Therefore, building on these existing conceptualizations, we introduce the *social consumer job journey (SCJJ),* defined as *"extension of the customer journey to include the influence of roles shopping companions perform in the pre-, purchase- and post-purchase phase to serve consumers in better fulfilling their job including higher-order goals",* which encompasses the explicit integration of social others (here: shopping companions) and similarly, the exploration of their roles along the SCJJ.

Understanding the Roles of Shopping Companions in Social Consumer Job Journeys through the Buying Center Concept

Shopping companion's active and/or passive actions, referred to as "social interactions", often influence consumer product choice or even the entire shopping process (Argo, Dahl, & Manchanda, 2005; Godes et al., 2005). Shopping companions can influence the focal consumer either actively

(tangible verbal or physical interactions, e.g., two friends shopping together, a salesperson informing the focal customer) or passively (without verbal or physical interactions, e.g., the mere presence of other shoppers in the store) (Argo & Dahl, 2020). Extant studies confirm the shopping companions' influence on the customer experience (e.g., Chen, Kassas, & Gao, 2021; Childers & Rao, 1992; Gui et al., 2021; Lindsey-Mullikin & Munger, 2011). In addition, the sole presence of others (passive social interaction) can also impact the buying decision (Argo et al., 2005), such as causing embarrassment for the consumer (Dahl, Manchanda, & Argo, 2001).

Existing literature mainly investigates how (positively or negatively) specific types of shopping companions (e.g., Borges et al., 2010; Chebat et al., 2014; Hart & Dale, 2014) and/or the number of these shopping companions (e.g., Mora & Gonzalez, 2016) impact the focal consumer. Building from this, we delineate two research gaps: first, while extant literature richly considers the influence of shopping companions at the point of purchase, it fails to grasp their influence within an SCJJ. Second, the current discourse still grants the outcome of a shopping companion's influence mainly on the purchase itself but rarely, with a few exceptions (Grove & Fisk, 1997; Wenzel & Benkenstein, 2018), analyzes how satisfied the consumer is with the buying result.

To better understand the influence of shopping companions on the consumer's satisfaction, we argue it is paramount to explore the roles shopping companions perform within SCJJs in depth. However, literature dealing with a holistic exploration of shopping companions' roles remains fragmented, as illustrated in Table 1. Building from this, we argue that existing studies have paid only cursory attention to holistically exploring

shopping companions' roles, thus, failing to grasp the shopping companions' roles along the entire SCJJ. Therefore, it ignores the inclusion of roles in the pre- and post-purchase phase and a broad investigation of types of shopping companions beyond one. To shed more light on these omissions, we draw on the Buying Center (BC) concept (Webster & Wind, 1972) as it serves well to analyze and explain different shopping companions' roles within SCJJs holistically.

A BC "includes all members of the organization who are involved in [an organizational buying] process" (Webster & Wind, 1972, p. 14). Thus, it conceptualizes the different roles an individual (Webster & Wind, 1972) and/or a group (Wind, 1978) can perform. Through the transition of the BC roles into a B2C context, specifically a retailing context - members may encompass the focal consumer and its active and passive social influence (family, friends, other shoppers, salespersons, technological actors, etc.). This is plausible when considering that, for example, family members, especially children (Livette, 2007), as well as teenagers (Shoham & Dalakas, 2003), are the most influential persons when it comes to making buying decisions.

Webster and Wind (1972) present five buying roles - or "process roles" as only one role is associated with a buyer (Livette, 2007) - that are carried out by individuals involved in the buying decisions: *decider* (capable of choosing among buying options), *user* (of the purchased product or service), *gatekeeper* (with control of information flow), *influencer* (provides information for assessing the alternative buying options), *buyer* (with authority to buy), and *initiator* (discovers company problems and solves them through the purchase of a product or service) (the latter added by Bonoma, 1982).

Article	Purpose of the study	Focal actor	Examined relationship	Empirical method	Identified roles	Dependent variable	Embedded within customer journey literature	Contribution to shopping companion's literature
Abboud et al. (2021)	Provision of a systematic literature review on roles of significant social others in service encounters between customers and service providers	Significant social others (technological actors excluded)	Service providers, customers and significant social others (other customers, pets, employees and/or other firms) Not specified	Conceptual	• Bystander • Connector • Endorser • Balancer • Partner	-	No	Identified roles within a triad (consumer, service provider and third-party) are dynamic and thus, may change over time or even within a service encounter.
Scholz, Redler, and Pagel (2021)	Investigation of characteristics and behavior of shopping companions and their effect on consumers and salespersons in sales conversations	Shopping companions (analyzed from a salespersons' point of view)	Triad (shopping companion, salesperson, and consumer)	Qualitative	• Active supporters • Patronizers • Experts • Destructives • Apathetics	-	No	Shopping companions are a pivotal driver in terms of sales conversations and thus, should be considered in the purchase process.
Davis (1976)	Zooms in on the influence of family members (especially wife and husband interactions) on the decision-making process toward product purchase	Family members (wife and husband)	Wife-husband decision making	Conceptual	• Decider	-	No	While the influence of the family or family members on the decision-making process for the product purchase has been confirmed, little is known about the family members' roles besides the decider role.
McGrath and Otnes's (1995)	Exploration of unacquainted consumers' roles	Unacquainted consumers	Two unacquainted consumers	Qualitative	• "initiated by influencer" (proactive helper, reactive helper, complainer, judge, spoiler)	-	No	Even unacquainted consumers have an influence on the shopping situation as they may help and hinder each other.

Study	Objective	Social other	Perspective	Method	Roles	Dependent variable	Consumer self-roles considered	Key findings
Godes et al. (2005)	Investigation of the firm's role in managing social interactions	Firm	Firm and consumer	Quantitative	• "initiated by influenced" (help seeker, admirer, follower, observer, accused) • "balanced imitation" (competitor)	-	No	Firms may perform strategies (reflected in roles) in managing social interactions with their consumers.
Lindsey-Mullikin and Munger (2011)	Investigation of the specific roles shopping companions perform	Shopping companion	Triad (retailer, customer (grandparents and parents), and shopping companion)	Mix method (qualitative and quantitative)	• Observer • Moderator • Mediator • Participant (ordered from most passive to active) • Assisting the consumer (e.g., sharing product judgments; advising the consumer) • Providing retail services • Acting like salespersons (e.g., trying to encourage consumer to buy)	Satisfaction and loyalty	Yes (implicitly)	Shopping companions… • …can also influence the customer experience prior to the purchase phase by e.g., providing information. • …take on different (e.g., retail salespersons') roles to support the consumer during the shopping process.
Our study	Investigation of shopping companions' roles in the pre-, purchase-, and post-purchase phase and their influence on consumer satisfaction	Shopping companions (all types except for technological shopping companions)	Comparison of shopping companions' roles and consumer self-roles	Quantitative (structural equation modelling)	• Decider • Gatekeeper • Influencer	Consumer satisfaction with the buying result	Yes	Shopping companions perform their roles in all three phases of the SCJ and have a positive influence on the consumer's satisfaction with the buying result.

Table 1: Extant literature on social others' roles

Conceptual model and hypotheses

Fig. 1 presents the conceptual model that guides our research. There are two stages for this model. The first tests the hypotheses regarding the influence of fulfilled shopping companions' roles (H1a) and consumer's self-roles (H1b) on consumer satisfaction with the social context, followed by the second stage, the test on the consumer satisfaction with the buying result (H2).

Figure 1: Proposed conceptual model

The theoretical foundations to derive our hypotheses are based on customer/consumer journey and shopping companion literature combined with the Buying Center concept. Therefore, we propose the following hypotheses:

> *H1a: Shopping companions performing BC roles in a SCJJ positively affect the consumer's satisfaction with the social context.*

> *H1b: Consumers who perform BC self-roles in SCJJs are more satisfied when not interacting with their shopping companions regarding the BC roles.*

> *H2: Consumer satisfaction with the social context has a direct positive effect on the consumer's satisfaction with the buying result.*

3.4.3 METHODOLOGY

Study Context and Questionnaire Design

We use the offline fashion retailing context to explore the roles and influence of shopping companions, compared to consumer's self-roles, within SCJJs. The survey questionnaire consisted of open questions in which respondents (as focal consumers) were asked to briefly describe an offline garment purchase accompanied by shopping companions that they perceived as significantly important to them and name these shopping companions. Second, for each listed shopping companion, nine statements regarding BC roles of the pre-, purchase and post-purchase phase were presented on a five-point Likert scale. Third, respondents were requested to judge which BC roles they performed within their SCJJ. Last, to grasp the outcome of the purchase process, consumer satisfaction, as the dependent variable, was again evaluated on a five-point Likert scale.

Data Collection and Analysis

We conducted two online surveys in German over a couple of weeks in June 2023. The first online questionnaire served as a basis to test our hypotheses. For this dataset, the target group, undergraduate students, were contacted via an e-learning platform of a German university, resulting in n=219. Dataset 2 aimed at generalizing and validating our findings beyond dataset 1. For dataset 2, a target of 600 respondents was recruited in Germany from Kantar in exchange for a small nominal payment. After data cleansing (eliminating unusable and incomplete responses), dataset 1 comprised 170 (77.62%) and dataset 2 355 (59.16 %) respondents for analysis. We used both datasets to test our hypotheses by drawing on partial least squares-structural equation modeling (PLS-SEM) with a

5000-iteration bootstrap procedure (Hair, Risher, Sarstedt, & Ringle, 2019).

3.4.4 RESULTS

We present our results from datasets 1 and 2 in two stages. First, we provide descriptive statistics on shopping companions and their performing roles, followed by, second, the PLS-SEM, which is then estimated to test our hypotheses regarding the direct effect comparing the influence of shopping companion's roles and consumer's self-roles on consumer satisfaction.

Respondent's Characteristics

Table 2 lists demographic statistics and descriptive data regarding respondents' selected garment and shopping companions of both datasets.

Unit of analysis	Dataset 1	Dataset 2
	Frequency & Percentage (%)	
Number of respondents	170	355
Gender		
• Male	84 (49.40%)	165 (46.50%)
• Female	85 (50.00%)	190 (53.50%)
• Diverse	01 (0.60%)	0
Range of birth span	• After 1994: 170 (100%)	• After (and including) 1996: 53 (14.90%)
		• 1995-1981: 84 (23.70%)
		• 1980-1966: 85 (23.90%)
		• 1965-1956: 69 (19.40%)
		• 1955-1945: 64 (18.00%)
Most selected type of garment	1. Dress (42; 24.70%)	1. Dress (57; 16.10%)
	2. Trousers (20; 11.80%)	2. Short-sleeved shirt (45; 12,70%)
	3. Jacket (17; 10.00%)	3. Jeans (44; 12.40%)
Selected type of garment based on gender		
• Male	1. Shirt (14; 16.70%)	1. Jeans (29; 17.60%)
	2. Trousers (13; 15.50%)	2. Jacket & trousers (both 22; 13.30%)
	3. Jacket & suit (each 09; 10.70%)	3. Short-sleeved shirt (20; 12.10%)
		1. Dress (57; 30.00%)
• Female	1. Dress (42; 49.40%)	2. Short-sleeved shirt (25; 13.20%)

	Dataset 1	Dataset 2
	2. Jacket (08; 09.40%)	3. Trousers (18; 09.50%)
	3. Jeans & trousers (each 07; 08.20%)	
Number of named shopping companions	508	572
Ø number of named shopping companions	2,99	1,61
Number of named types of shopping companions	41	56
(for both datasets across all five shopping companions)		
Main shopping companions (across all five shopping companions)	1. Mother (111; 21.90%) 2. Father (53; 10.40%) 3. Salespersons (52; 10.20%)	1. Mother (69; 12.10%) 2. Female partner (59; 10.30%) 3. Salesperson (57; 10.00%)
Named shopping companions based on gender		
• *Male*	1. Mother (51; 20.80%) 2. Father (30; 12.20%) 3. Salesperson (29; 11.80%)	1. Female partner (56; 22.80%) 2. Wife (41; 16.70%) 3. Salesperson (32; 13.00%)
• *Female*	1. Mother (59; 22.90%) 2. Female friend (36; 14.00%) 3. Male partner (32; 12.40%)	1. Female friend (48; 14.70%) 2. Male partner (42; 12.90%) 3. Mother (38; 11.70%)
Main shopping companions (in order of naming)		
Companion A	1. Mother (69; 40.60%) 2. Female friend & female partner (each 15; 08.80%) 3. Male partner (13; 07.60%)	1. Mother (52; 14.60%) 2. Female partner (50; 14.10%) 3. Male partner (40; 11.30%)
Companion B	1. Father (33; 19.40%) 2. Mother (29; 17.10%) 3. Friends (18; 10.60%)	1. Salesperson (25; 07.00%) 2. Daughter (16; 04.50%) 3. Female friend (14; 03.90%)
Companion C	1. Salesperson (16; 09.40%) 2. Sister, male partner & mother (each 12; 07.10%) 3. Female friend (11; 06.50%)	1. Sister (08; 02.30%) 2. Salesperson (07; 02.00%) 3. Female friend (06; 01.70%)
Companion D	1. Friends & salespersons (each 09; 05.30%) 2. Grandmother (05; 02.90%) 3. Brother, father & sister (each 04; 02.40%)	1. Mother, grandmother, female friend & son (each 02; 00.60%) 2.&3. No significant differences
Companion E	1. Salesperson (06; 03.50%) 2. Grandmother (04; 02.40%) 3. Brother & friends (each 03; 01.80%)	1.&2. & 3. No significant differences due to low number of named shopping companions

Table 2: Descriptive statistics of the two datasets

Investigation of the Influence of Shopping Companions' Roles and Consumer's Self-Roles on Consumer Satisfaction

Assessment of comments embedded in questionnaire (dataset 1)

An analysis of the comments in dataset 1 revealed rich verbal insights into almost all shopping companions' roles of an SCJJ. To validate these qualitative findings, we evaluate the quantitative data of dataset 1 and 2.

Assessment of the measurement model (dataset 1 and 2)

Shopping companion's BC roles and consumer's BC roles were modelled reflectively. The shopping companion's role *user* (post-purchase phase) has not been included into the model. Before testing the predicted hypotheses, we assessed the measurement model, which pertains to examining the validity and reliability of the measures, summarized in Table 3 and 4.

Latent construct	Dataset 1			Dataset 2		
	Cronbach's Alpha > 0.70	Composite reliability > 0.70	Convergent validity AVE > 0.50	Cronbach's Alpha > 0.70	Compositer eliability > 0.70	Convergent validity AVE > 0.50
Shopping companion's roles	0.805	0.717	0.268	0.909	0.926	0.611
Consumer's self-roles	0.543	0.640	0.342	0.632	0.780	0.474
Consumer satisfaction with the social context	0.570	0.816	0.691	0.673	0.859	0.753

Table 3: Test of construct reliability and validity for measurement model for dataset 1 and 2

	Fornell-Larcker Criterion				HTMT Criterion			
Dataset 1	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
(1) Shopping companion's roles	0.517	0.005				0.306		
(2) Consumer's self-roles		0.585						
(3) Consumer satisfaction with the social context	0.309	0.231	0.831		0.245	0.300		
(4) Consumer satisfaction with the buying result	0.068	0.205	0.503	1.000	0.110	0.317	0.664	

Dataset 2	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)
(1) Shopping companion's roles	0.781	-0.027				0.255		
(2) Consumer's self-roles		0.688						
(3) Consumer satisfaction with the social context	0.250	0.333	0.868		0.314	0.490		
(4) Consumer satisfaction with the buying result	0.141	0.384	0.697	1.000	0.141	0.464	0.850	

Table 4: Test of discriminant validity for measurement model for dataset 1 and 2

Assessment of the structural model (dataset 1 and 2)

H_{1a}, predicting a positive relationship between shopping companions performing BC roles in a SCJJ and the consumer's satisfaction with the social context, was *not* supported. Results revealed that the path between these two constructs was indeed positive ($\beta = 0.308$) but non-significant ($p \geq 0.1$). The proposed positive relationship between consumers shopping and performing their self-roles while being accompanied by companions without social interaction in a SCJJ and consumer satisfaction with the social context (H_{1b}) was supported ($\beta = 0.230$) and significant ($p < 0.1$). H_2 formulates that consumer satisfaction with the social context is positively related to consumer satisfaction with the buying result. The results of the model demonstrated that consumer satisfaction with the social context has a positive ($\beta = 0.503$) and significant ($p < 0.0$) effect on consumer satisfaction with the buying result. Therefore, H_2 was also supported.

As opposed to the results of H_{1a} in dataset 1, the results of dataset 2 support H_{1a} ($\beta = 0.259$) and are significant ($p \leq 0.0$). Further, H_{1b} can also be supported ($\beta = 0.340$) and is significant ($p \leq 0.0$). Further, consumers performing self-roles have a slightly stronger influence than roles-performing shopping companions. In line with dataset 1, H_2 was also supported ($\beta = 0.697$) and significant ($p \leq 0.0$) (Table 5). Since a reflective

measurement model has been applied, we could not test which roles (of shopping companions and consumer's self-roles) have a greater influence on the consumer satisfaction with the social context.

Hypothesized paths	Dataset 1 (n=170)				Dataset 2 (n=355)			
	Path coefficient	t-value	R^2	Result	Path coefficient	t-value	R^2	Result
H_{1a}: All shopping companion's roles → Consumer satisfaction with the social context	0.308	$1.163^{n.s.}$	0.148	Not supported	0.259	5.496^{***}	0.178	Supported
H_{1b}: All consumer's self-roles → Consumer satisfaction with the social context	0.230	1.882^{*}	0.148	Supported	0.340	5.848^{***}	0.179	Supported
H_2: Consumer satisfaction with the social context → Consumer satisfaction with the buying result	0.503	8.496^{***}	0.254	Supported	0.697	18.746^{***}	0.486	Supported

Table 5: Results of predicted hypotheses testing (dataset 1 and 2), *** $p \leq 0.0$, ** $p < 0.05$; * $p < 0.1$; n. s. $p \geq 0.1$.

3.4.5 DISCUSSION

Theoretical contribution

This research offers several conceptual and empirical contributions to the literature on customer and consumer journeys. The conceptual contribution is that we update the proposed conceptualization on consumer job journeys by Bettencourt et al. (2021) and extend it in that we integrate social others (here: shopping companions). In coining an SCJJ, we specifically include a social component to consumer journeys beyond the focal consumer and therefore, expand the understanding of consumer

journeys. More broadly, SCJJs enable a shift from a narrow focus on the consumption process to a more holistic conceptualization of consumer journeys in which the consumption process forms only (if at all) one part of the SCJJ. In broader terms, our conceptualization of SCJJ responds to the recent call for action by Gielens (2023) as it offers an answer to how consumers can be fulfilled: instead of focusing on the sole product purchase, roles-performing shopping companions are an essential vehicle in consumer fulfillment throughout the SCJJ.

Second, by synthesizing the literature on consumer journeys and shopping companions, two literature streams that previously developed silo-alike, we advance knowledge and broaden the scope beyond the prevailing view of the sole investigation of shopping companion's influence at the point of purchase within customer journeys. In addition, previous research on shopping companions mainly revolves around whether one type of shopping companion positively or negatively influences the (point of) purchase (Chebat et al., 2014; Lucia-Palacios et al., 2018), neglecting a holistic SCJJ consideration. We chose consumer satisfaction as outcome variable that particularly allows for incorporating and measuring the influence of shopping companions.

Third, this study is the first one analyzing shopping companion's BC roles and their influence on the consumer's satisfaction in light of SCJJs. By quantitatively comparing the effect of shopping companion's roles and consumer's self-roles on consumer satisfaction, this empirical study is, to the best of our knowledge, unique in the consumer journey and shopping companions literature because it goes beyond the investigation of an accompanied vs. unaccompanied point of purchase (Borges et al., 2010; Merrilees & Miller, 2019; Yim, Yoo, Sauer, & Seo, 2014). Our

findings expand existing research as we provide a solid answer to McColl-Kennedy et al. (2015): a) what roles various actors (here: shopping companions and consumers) perform in SCJJs and b) how this influences the customer experience, reflected in the consumer satisfaction with the buying result. Our results revealed that shopping companions perform the roles decider, gatekeeper, and influencer throughout SCJJs and, drawing from dataset 2, have a positive influence on the consumer satisfaction with the social context followed by the consumer satisfaction with the buying result.

From a methodological standpoint, this paper offers a quantitative approach to investigate consumer journeys. Hence, this is the first study introducing a consumer journey, conceptualized as SCJJ, into a B2C (fashion retailing) context, and similarly, empirically testing it. Past research focused on consumer journeys as consumers' transformative journeys (Becker et al., 2020; Kokins et al., 2021), taking on a qualitative perspective. Thus, this research is among the first ones to combine the conceptualization of consumer journeys with empirical findings.

Managerial Implications

First and foremost, retailers should be aware that shopping companions play a focal role in an SCJJ of offline fashion retailing and internalize that shopping companions may contribute to consumer satisfaction not only at the point of purchase but also in the pre- and post-purchase phases of SCJJs. Therefore, retailers should specifically understand the shopping companions' roles as a source of consumer satisfaction. This study found that shopping companions perform three roles throughout SCJJs: a *gatekeeper* informs consumers about garment stores (pre-purchase),

garment brands (purchase) and its usage (post-purchase). An *influencer* advises consumers and evaluates about garment stores (pre-purchase) and garment brands (purchase) and its usage (post-purchase). Last, a *decider* selects the garment store (pre-purchase) and/or garment brands (purchase). The results advance the knowledge in responding to the call by Becker and Jaakkola (2020) in how firms can (better) understand social touchpoints (here: shopping companions) beyond the firm's control. Therefore, as shopping companion's roles in satisfying consumers should not be underestimated, it is of utmost importance and strategically recommended that retailers do not neglect but build a relationship with shopping companions. In line with that and second, retail salesperson should be trained in identifying the roles shopping companions may perform and address them adequately. In doing so, retail salespersons should act as a knot between the consumer and its shopping companions and moderate the social context in the shopping situation.

Limitations and Directions for Future Research

The results should be understood in light of some limitations and, similarly, seed opportunities for additional research in this space. First, since data was solely collected from the consumer, only the consumer and eventual user of the garment answered the BC roles for all involved shopping companions within SCJJs. However, it is essential to mention that the consumer's perception of the shopping experience may not accurately be reflected and remembered as their memory might be biased (Lim, 2020). To be able to compare results, future studies could be designed that specifically collect data from all involved shopping companions (as respondents). Furthermore, as opposed to other studies

(e.g., Borges et al., 2010; Gui et al., 2021; Hart & Dale, 2014), this study did not set out to compare an SCJJ with and without shopping companions within one study. However, future research could seamlessly connect with this to test the robustness of our results.

Second, our study exclusively focused on a profound analysis of shopping companions' roles in SCJJs. Hence, we deliberately did not include technological actors (e.g., service robots or chatbots). Still, with the increasing technological advancement and its resulting variety in technology in fashion retailing (e.g., Baier & Rese, 2020), undoubtedly, technological actors will gain traction and influence the customer experience in the future (Hoyer, Kroschke, Schmitt, Kraume, & Shankar, 2020). Therefore, future studies should consider these technological actors and investigate further their influence within SCJJs.

3.4.6 REFERENCES

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3.5   UNPACKING THE POTENTIAL OF SOCIAL CONSUMER JOB JOURNEYS (TRANSFER PAPER C)

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A customer journey describes the individual phases that customers go through before deciding to purchase a product. Such customer journeys can be divided into the pre-purchase (e.g., search phase before entering the store or online shop), purchase- (in the store or online shop), and post-purchase phase (after the purchase) (Lemon & Verhoef, 2016, p. 77).

3.5.1 CUSTOMER JOURNEYS

The predominant view on customer journeys features a consumption focus (Lemon & Verhoef, 2016, p. 76). In this view, companies provide company-induced and controllable touchpoints (e.g., a company's website, salespersons, chatbots) in which customers engage along the journey to successfully make a purchase (e.g., Edelman & Singer, 2015). However, this view neglects the reason why customers go on a journey. The "why" can be investigated through customer needs and goals. In customer journeys needs and goal fulfillment is often only referred to as a functional need satisfiable by a particular product (e.g., Lee et al., 2018, p. 280). In sum, this purchase-as-outcome focus fails to fully grasp the goals or needs customers have in each stage of their journey.

3.5.2 CONSUMER JOURNEYS

Customers often go on a shopping journey to fulfill personal and social needs. These needs often cannot only be fulfilled through the purchase of a product or a service but also through social others, e.g., family, friends, accompanying persons (Kullak, Baier, & Woratschek, 2023, p. 1). This implies that the reason and motivation why customers go on a journey is not necessarily a product purchase (e.g., Block, Ridgway, & Sherrell, 1989).

Consumer journeys are not necessarily entangled with a product purchase but are more overarching and grasp "the bigger picture". This encompasses especially the investigation of what consumers do and feel in their lives including their needs, goals, experiences, and emotions (Hamilton & Price, 2019: 188). Hence, customer journeys and consumer journeys are not the same. Consumer journeys consist of the fulfillment of higher-order goals (e.g., feeling mentally healthy again) that consumers can achieve through one or more customer journeys. Customer journeys fulfill lower-order goals, but they are related to consumption (e.g., purchasing a coat for the sake of feeling warm).

Consumer journeys can also be referred to as transformative journeys (Becker, Jaakkola, & Halinen, 2020) as they can reach as far as they encompass a transformative character, marked by long-term, life-changing higher-order goals (e.g. pregnancy, recovering from a disease, doing a PhD).

The fulfillment of higher-order goals (e.g. feeling warm) is referred to as a "job" to be done. Therefore, the job to be done is a problem that consumers aim to solve on their consumer job journey (Bettencourt,

Harmeling, Bhagwat-Rana, & Houston, 2021, p. 5). According to the jobs-to-be-done (JTBD) theory, a job is defined as "a fundamental problem a customer needs to resolve in a given situation" (Christensen, Anthony, Berstell, & Nitterhouse, 2007: 38). Products and services or social others can be a vehicle to support consumers in getting their job(s) done along their consumer job journey.

3.5.3 SOCIAL CONSUMER JOB JOURNEYS

Particularly social others (e.g., accompanying persons during the recovery process of a disease) can influence the consumer's journey (Kokins et al., 2021, p. 14) by actively participating and supporting the consumer in fulfilling his/her job. Therefore, it is important to explicitly consider social others. Hence, we extend consumer job journeys toward the social consumer job journey.

Why is it important to consider social others in consumer journeys?

1. Many consumers satisfy their needs without purchasing products or services.

2. Consumers often prefer to trust the advice of their companions rather than the salesperson.

3. For many consumers the shared shopping experience takes centre stage.

However, the fulfillment of consumer needs, goals and/or jobs is the basis for consumers to go shopping. Marketers are advised to first, explore why consumers go on a social consumer job journey, that is the exploration of consumer needs, goals and/or jobs followed by, second, the provision of the product or service which can aid their consumers to fulfill their needs,

goals and/or jobs (customer journey) without neglecting that it is often social others.

Since social interactions can play a central role, they should be taken into account when analysing a consumer job journey. Analysing the social consumer job journey therefore contributes to a much deeper understanding of customer needs when shopping. It enables retail managers and salespeople to make more successful purchases by better addressing consumers.

3.5.4 TO PUT IT IN A NUTSHELL

1. Customer journeys have a product focus as an outcome by addressing lower-order goals.

2. Consumer journeys have a job focus as an outcome by addressing higher-order goals.

3. Consumer journeys are superordinate to customer journeys.

4. The higher-order goals of consumer journeys can be achieved through one or multiple lower-order goals of customer journeys.

5. Consumer job journeys need to be extended to social consumer job journeys to explicitly include social others.

6. Social consumer job journeys extend the analysis to include social interactions with accompanying persons.

7. Social consumer job journeys analyse the extent to which social interactions (e.g. advice, shared experience) have an influence on consumer's needs at individual touchpoints during shopping.

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3.6 THE ROLE OF SHOPPING COMPANIONS (TRANSFER PAPER D)

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52% of consumers go shopping accompanied by shopping companions (Trade Association Germany, 2022). Shopping companions may encompass family, friends, and other consumers. Furthermore, technological actors (e.g., service robots) or salespersons have a significant influence on shopping decisions.

3.6.1 THE INFLUENCE OF SHOPPING COMPANIONS

Shopping companions can

1. provide specific information on stores or brands before the purchase (pre-purchase phase),
2. influence consumer decisions and even decide which product or service to buy in the store (purchase phase), and
3. judge the fit of the garment (post-purchase phase).

This implies that shopping companions take on different roles before, during and after shopping (purchase phases). Furthermore, the person who buys the garment or decides upon its purchase is not necessarily the one who wears it. For example, not uncommonly, if a couple searches for a new suit at an offline fashion retail store it is often the woman who makes the decision which suit or even brand her partner should buy and wear.

Shopping companions influence the customer experience (Brocato, Voorhees, & Baker, 2012; Gao, Melero-Polo, & Sese, 2020; Grove & Fisk, 1997) but cannot be controlled (Lemon & Verhoef, 2016) by the retailer. For example, if shopping companions make negative comments about the garment this could result in a non-purchase. Therefore, it is important to understand the shopping companion's influence in more depth.

3.6.2 ROLES OF SHOPPING COMPANIONS

The buying center concept, originally developed and applied in a B2B context (Webster & Wind, 1972), can be used to explore the roles shopping companions perform (Table 1). Notably, shopping companions perform not only different roles in the purchase phase but also in the pre- and post-purchase phases. In doing so, they can act as service providers to the consumer.

Buying Center Role	Explanation for fashion retailing
Influencer	**Informs** a consumer on the **choice of stores, brands, garments and their usage** either based on **personal experience** or **external information** (e.g., through social media, websites) with the aim that the consumer can **assess alternative options**
Gatekeeper	**Controls** what information (e.g., regarding **stores, brands, garment, usage of garment**) the consumer receives
Decider	**Decides** which store to enter or which garment to buy

Table 1: Shopping companion's roles in fashion retailing based on the Buying Center concept.

Findings by Kullak, Woratschek, and Baier (forthcoming) in offline fashion retailing confirm that shopping companions perform the following roles:

1. Gatekeeper informs about stores (pre-purchase), garment brands (purchase) and its usage (post-purchase)
2. Influencer advises and evaluates about stores (pre-purchase) and garment brands (purchase)
3. Decider selects the store (pre-purchase) and/or garment brands (purchase)

Retailers should acknowledge the roles in all three phases and ensure that their salespersons are trained in:

1. Identifying the roles of shopping companions
2. Addressing the roles of shopping companions adequately
3. Moderating the social reference group during purchase

In this process, the salesperson takes on the role of a service provider. This includes that he/she moderates the purchase process between the consumer and his shopping companions.

3.6.3 TO PUT IT IN A NUTSHELL

1. Shopping companions perform different roles in the pre-, purchase, and post-purchase phases.
2. Shopping companions influence the overall customer experience.
3. Shopping companions perform three roles in an offline fashion retailing context: influencer, gatekeeper, and decider.
4. Salespersons are advised to identify and adequately address the roles of shopping companions.

5. Therefore, shopping companions can act as service providers whereas salespersons can take on the additional role of a moderator.

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3.7 PLATFORM BUSINESS MODELS IN THE LOGIC OF VALUE CO-CREATION (TRANSFER PAPER E)

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3.7.1 BUSINESS MODELS

Business models have been used to model trading and economic behavior since the 19th century (Teece, 2010, p. 185) and have been discussed from various academic standpoints for more than 50 years (Wirtz, Göttel, & Daiser, 2016, p. 44; 50). Put simply, the term 'business model' is an approach to explain how firms do business (Zott & Amit, 2010, p. 221) and to describe firms' value creation processes (Amit & Zott, 2001, p. 493). There is a vast literature stream on business models which is steadily growing. This paper only shows an extract of the business model literature. In the traditional sense, Teece (2010, p. 172) refers to business models as "the design or architecture of the value creation, delivery and capture mechanisms" of a firm. Value creation is defined as the firm's core activities and processes to run business efficiently (e.g., production, service provision). Value delivery describes how value is delivered to customers (e.g., retailer, internet), and value capture refers to how firms transform value into revenues and profits (e.g., pricing models). Value proposition is what a firm has to offer to its customers (e.g., products or services) (Osterwalder & Pigneur, 2003, p. 429). Three assumptions

underlie this traditional view of business models (Fehrer & Wieland, 2020):

1. Value creation is something that the focal firm alone can manage.

2. Value creation processes describe how to increase value by transforming inputs into outputs.

3. Firms' value creation mechanisms are only focused on generating higher profitability (i.e., value capture), neglecting other forms of value creation, such as social value or environmental responsibility

Traditional business models are problematic because they argue that value is created by firms and delivered to the customer. This is called a logic of products because value is assumed to be embedded in products and services (Woratschek, 2020a). An alternative approach is the logic of value co-creation (Woratschek, 2020b), which is applied to platform business models (PBMs) in the following section.

3.7.2 PLATFORM BUSINESS MODELS

Uber, which has disrupted the traditional taxi market, is a great example of a PBM. Uber cannot deliver value itself, but only offers value propositions aligned to the needs of their customers (Vargo & Lusch, 2008, p. 7). Therefore, value is not embedded in products and services (car and driving experience), but it emerges through usage. If cars and driving services are not used, there is no benefit for the customer. This is why, value is always value-in-use (Vargo & Lusch, 2008). In the case of Uber, multiple actors are involved to make the driving experience happen, e.g., the person driving (e.g., the Uber driver), the person that uses the driving service (here: the customer), the technology itself (the platform Uber) and other interested persons (e.g., reading or writing reviews about Uber

experiences). Consequently, value-in-use is always co-created (Vargo & Lusch, 2008).

Central characteristics of PBMs are:

1. Ability to connect a variety of actors.
2. Collaboration between various actors (Ketonen-Oksi, Jussila, & Kärkkäinen, 2016, p. 1823).
3. Sharing of and access to the platform.
4. Diffusion of certain standards to enable interaction.
5. High interoperability across different infrastructures

The main purpose of platform providers is to enable and facilitate actors (e.g., customers, accompanying persons, drivers, prospective buyers) to co-create value (e.g., digital interactions, driving experience). For reasons of simplification, we focus on Fehrer, Brodie, Kaartemo, and Reiter (2020, p. 131-134) who differentiate between three digital platform types:

- Technology creators provide a framework for technical developments (e.g., Unity facilitates the development of augmented reality applications).

- Matchmakers are focal actors who connect different actors (e.g., Tinder matches people looking for a partner, Kickstarter brings together entrepreneurs with funders, Uber connects drivers, customer, accompanying persons, and prospective buyers).

- Decentralised network creators link different actors based on blockchains (e.g., ShareRing, designed for sharing everything – from storage space to tools, clothes, jewellery, food, or even cooking skills). Blockchains assure trust and security between the users. Since there is no focal actor as intermediary, decentralised networks are also denominated as distributed networks. Therefore,

blockchains can create an internet of trust (Fridgen, Radszuwill, Urbach, & Utz, 2018, p. 3508).

PBMs provide strategic benefits because they can have the following effects:

- One-side network effects signify that the value of the platform increases with the same ilk of users and the interactions among them (von Briel & Davidsson, 2019). For example, online health communities offer suffering people (e.g., patients and related parties) from chronic diseases or disorders (such as multiple sclerosis or diabetes) support (Stadtelmann, Woratschek, & Diederich,2019, p. 512). Value increases with the number of patients and related parties sharing information, advices and empathy with other patients and related parties.

- Cross-side network effects take into account different kinds of users where one type of users (e.g., Uber driver) attracts another one (e.g., Uber riders). The value of the platform is comprised by the availability and balance of all user types. The more prospective buyers register on Uber and use the service, the more attractive becomes the platform for drivers. Uber would create little value for a potential Uber rider if there were hardly any Uber drivers registered and active on Uber. Similarly, for Uber drivers, the platform would have little value without a sufficient number of potential Uber riders (von Briel & Davidsson, 2019).

- PBMs facilitate access and use of underutilized resources without having to own or maintain them. For example, Microsoft can draw on the knowledge of their Unitiy developer community to further develop the Unity software, without having to employ these

developers. Airbnb guest can rent the beach house, tree house or boathouse from private owners, which potentially had been empty (underutilized) before the Airbnb platform existed (Fehrer at al., 2020, p. 133).

3.7.3 TO PUT IT IN A NUTSHELL

1. Business models describe how firms do business.
2. Traditional business models describe how firms create value.
3. Firms create value and deliver it to the customer.
4. Firms capture value by transforming it into profits.
5. Value creation in traditional business models follows the logic of products.
6. According to the logic of products, value is embedded in products and services.
7. Value creation in PBMs follows a logic of value co-creation.
8. In the logic of value co-creation, value emerges from interaction between users and providers of platforms.
9. Digital PBMs connect a variety of actors for collaboration, share and grant access
    a. to the platform, set certain standards and provide a high interoperability across
    b. different infrastructures.
10. Types of PBMs are technology creators, matchmakers and decentralized network creators.
11. PBMs allow for strategic benefits through one- and cross-side networks as well as accessing and using underutilized resources.

12. Value creation via network effects requires platform providers to attract but also keep the platform users active in order to benefit from network effects.

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CHAPTER 4: VALUE CREATION IN NOT-FOR-PROFIT ORGANIZATIONS AND BEYOND

4.1 ENHANCING VALUE CREATION IN SOCIAL PURPOSE ORGANIZATIONS: BUSINESS MODELS THAT LEVERAGE NETWORKS (SCIENTIFIC PAPER 3)

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ABSTRACT

As social purpose organizations (SPOs) feature dual economic and social goals, contemporary research is beginning to grasp the importance of value creation being shared amongst network actors. However, how an SPO's business model can fully leverage the resources of others to enable and enhance value creation has not yet been fully explained. Drawing on interview data, video-graphic content analysis and secondary data, this study investigates the case of a German music festival to explore how shared value creation has been enhanced by moving from an organization-centric business model to instead become a platform for engagement with numerous other actor groups. This study contributes to the social enterprise literature by demonstrating that despite modest funding and minimal staffing, an organization can bring together a broad network of others to engage in resource integration and shared value creation for social good.

4.1.1 INTRODUCTION

Value creation has traditionally been seen as an internal firm responsibility achieved through a business model (BM). This is reflected in the most widely accepted definition for a BM: the "design or architecture of the value creation, delivery, and capture mechanisms" of the firm (Teece, 2010, p.172). Further, in the field of social entrepreneurship, much of the literature relating to value creation processes puts the social entrepreneur as the central actor responsible for value creation through their actions and efforts (Howaldt, Domanski, & Schwarz, 2015). However, more contemporary perspectives recognize BMs are a means of collaborative interaction (Fehrer, Woratschek, & Brodie, 2018), where both internal and external collaboration practices shape the architecture of the BM (Gawer & Phillips, 2013). Thus, a BM is shaped not just by the firm but also by external actors through the integration and exchange of resources (e.g., knowledge, skills, and financial resources) (Breidbach & Brodie, 2017). Additionally, due to the dual economic and social goals of a social purpose organization (SPO) (Weerawardena, Salunke, Haigh, & Sullivan Mort, 2019), value is both created and shared (Hlady-Rispal & Servantie, 2017, 2018) amongst network actors (Lusch & Vargo, 2014). However, how an SPO-BM can leverage the resources of others to enable and enhance value creation has not yet been fully explained, an area this paper aims to address. Enhancing actor collaboration and resource integration processes is probably best achieved through an engagement platform (EP) – "physical or virtual touch points designed to provide structural support for exchange and integration of resources" (Breidbach, Brodie, & Hollebeek, 2014, p.594). An EP coordinates open networks of nonhierarchical actors engaged in

value cocreation processes, although typically in an online context (Ketonen-Oksi, Jussila, & Kärkkäinen, 2016; Zott, Amit, & Massa, 2011). Value cocreation occurs as actors (e.g., networks of economic and social actors within a particular context) integrate their resources with others' resources (especially knowledge, skills and competences), thereby engaging in service-for-service exchange (Lusch & Vargo, 2014). By extension, no organization can be the sole creator of value as value creation can only be realized through the integration of others' resources (e.g., a customer's purchase and ongoing use of a firm's product, without which the product would be worthless). Put differently, value cocreation activities leverage "open and social resources of individuals and their skills on the one hand, and enterprise and network resources of multiple private, public, and social sector enterprises on the other" (Ramaswamy & Ozcan, 2014, p.xvii).

However, research is largely lacking into how an SPO-BM that operates as an EP, might be achieved in an 'offline' or 'brick-and-mortar' SPO. This is a missed opportunity particularly as SPOs are 1) often under-resourced (Peattie & Morley, 2008), and 2) responsible for generating shared value by using economic activities to achieve positive social, environmental and societal impact (Kay, Roy, & Donaldson, 2016). Hence, the first research question posed by this study is *1) How can value creation be enhanced in an offline social purpose organization business model?*

Further, investigations into antecedents to SPO business model innovation (SPO-BMI) are scarcely represented in the literature. For example, Sinkovics, Sinkovics, and Yamin (2014) call for further exploration of constraints that act as antecedents to instances of SPO-BMI.

Other scholars (e.g., Wilson & Post, 2013) call for more research into how SPOs innovate or renew their SPO-BM, with some emphasizing the need for more empirical research (e.g., Granados, Hlupic, Coakes, & Mohamed, 2011). More specifically, Margiono, Zolin, and Chang (2017) highlight the importance of exploring how and why SPOs innovate or renew their SPO-BMs. Additionally, Olofsson, Hoveskog, and Halila (2018) stress the need for empirical data to gain insight into SPOBMI. To answer these calls requires empirical data that captures 1) different SPO-BM outcomes, and 2) antecedents to SPO-BMI. In response, we pose the following additional research question: *2) What are the antecedents to social purpose organization business model innovation?*

To answer these two research questions, this paper explores a German youth music festival called the *Festival of Young Artists Bayreuth* (FoYA). Founded in 1950, FoYA is a 'hybrid' SPO (Defourny & Nyssens, 2008) – a non-profit organization (Alter, 2007) that relies partly on public funding and partly on self-generated income (Festival of Young Artists Bayreuth, 2019). We investigate antecedents to SPO-BMI that occurred since the Festival began, and its previous and current SPOBMs. We find the current SPO-BM functions as an EP in that it enhances value creation processes by leveraging the resources of a broad network of actors. Indeed, FoYA's current SPO-BM enables a small team of just three full-time managers, operating in a fiscally-constrained environment, to produce a major music festival.

This paper contributes to research into BMs generally, and SPO-BMs specifically, in several ways. First, despite recognition of the role of networks in value creation (Hlady-Rispal & Servantie, 2018), we offer a systemic perspective of SPO-BMs that extends the extant social

entrepreneurship literature. In contrast to traditional perspectives of BMs, we provide empirical findings related to how an offline SPO can operate as an EP by coordinating and enhancing resource integration activities of multiple versatile actors, thereby driving value cocreation processes. Second, our data allows for an exploration of the SPO-BM as it evolved through time. FoYA gradually moved from a value-chain-type configuration (with value creation processes carefully curated and closely controlled by managers), through to a value network (where managers controlled network relationships), and finally to an EP (featuring an open network of resource integrating actors). We highlight the interdependent relationship between a broadening in an organization's value proposition, changes to an SPO-BM, and increasing engagement with multiple actor groups. Third, we explore antecedents to instances of SPO-BMI, an area lacking in scholarly attention (Foss & Saebi, 2017). In commercial contexts, a new technology or increasing competitive pressures are generally antecedents to BMI. However, we find FoYA was forced to innovate its SPO-BM because of critical financial constraints generated by falling sponsorship and public funding. Such instances of SPO-BMI involved iterative experimentation, a growing influence of numerous network actors, and a gradual transformation in the mental models of the organization's managers in relation to how they conceived of their roles and responsibilities.

The remainder of this paper is structured as follows. Next, Section 2 reviews literature relating to BMs and SPO-BMs. Section 3 details the research methodology including an explanation for the choice of case organization and a description of FoYA. Section 4 presents the findings with an analysis of current and former SPO-BMs, and an explanation for

how SPO-BM changes occurred through time. Finally, Section 5 provides the theoretical contributions and managerial implications of the paper before concluding with the limitations of the research and recommendations for future research.

4.1.2 THEORETICAL BACKGROUND

In this section the literature on BMs is briefly reviewed before we define social purpose organization business models (SPO-BMs).

4.1.2.1 Business models

Generally, there has been consensus amongst scholars that a BM describes how a firm does business (Taran, 2011) by creating, delivering and capturing value (Johnson, Christensen, & Kagermann, 2008). Such a construct builds on traditional perspectives like Porter (1980) 'value chain' framework, which depicts sequential transformation of inputs into a product – typically a manufactured good (Thompson, 1967). This mindset reflects a manufacturer-centric logic, where internal firm activities are thought to generate the value, and where resource integration occurs through stepwise processes (Fehrer et al., 2018).

However, from the 1980s numerous scholars began to express frustration at the artificiality of dominant perspectives that saw firms as the sole creators and distributors of value (Grönroos, 1994; Lusch & Vargo, 2014), and value creation occurring within the assembly-like value chain (Normann & Ramirez, 1993). Scholars began to argue for the adoption of a 'network' perspective (e.g., Achrol, 1997; Achrol & Kotler, 1999) as value is not created "by firms acting autonomously but in conjunction with parties external to the legal entity" (Beattie & Smith,

2013, p.250) embedded within value 'constellations' (Normann & Ramirez, 1993).

Accordingly, the 'value network' concept emerged, where customers are linked through an interactive relationship logic and the firm, as service provider, mediates these customer relationships (Stabell & Fjeldstad, 1998). Rather than the firm being exclusively the provider of services to the customer, the firm instead provides a mechanism through which one customer is connected to another customer – either directly (such as through a telephone service), or indirectly (such as through a retail bank where customers' savings are pooled). However, while managers operating within a value network recognize the networked nature of business and markets, like the value chain conceptualization, these managers still conceive of themselves as existing within B2C or B2B markets, and responsible for controlling the interactions of others.

In contrast, others argued a systems perspective of value creation was required (e.g., Alderson, 1957; Jaworski, Kohli, & Sahay, 2000) that recognizes all economic and social actors are embedded within value-creating ecosystems (Lusch & Vargo, 2014). Therefore, all market actors are jointly integral to value being cocreated and realized. Rather than markets being of different types (e.g., B2C), actors integrate resources through Actor-to-Actor (A2A) interactions. By extension, "insights into context, language, meaning, signs, symbols, experiences, rituals, etc. apply not just to what has traditionally been thought of as

the 'consumers' world but equally to the 'producers'" (Vargo & Lusch, 2011, p.184). Moreover, these generic actors are embedded within a value-creating ecosystem, defined as a "relatively self-contained, self-adjusting system of resource-integrating actors connected by shared institutional

arrangements and mutual value creation through service exchange" (Lusch & Vargo, 2014, p.161). Hence, a BM, in essence, functions as an EP that allows for engagement by non-hierarchical social and economic actors, rather than value simply being seen as created, delivered, and captured by firms.

EPs can be both physical (Frow, Nenonen, Payne, & Storbacka, 2015) and virtual (Ketonen-Oksi et al., 2016), and provide a strategic advantage as multiple actors can interact and integrate their resources, thereby engaging in value cocreation processes (Breidbach et al., 2014; Vargo & Lusch, 2008). Such BMs that operate as EPs are dynamic in nature (Ferreira, Proença, Spencer, & Cova, 2013) and have to undergo change and development through time to succeed (Hedman & Kalling, 2003). Put differently, an EP enables interaction and coordination of actors and their resources within service ecosystems (Storbacka & Nenonen, 2011), and fully reflects the true complexity of value cocreation by generic interdependent actors.

Change to a BM occurs through BMI, however, the BMI concept lacks clarity and an agreed definition (Evans et al., 2017; Foss & Saebi, 2017). For example, BMI can be differentiated by scope or type of change (Foss & Saebi, 2017), or be "a fundamentally different business model in an existing business," which attracts new or existing customers (Markides, 2006, p.20). Either way, BMI is "not a one-off event" (Olofsson et al., 2018, p.71), but rather an ongoing process marked by trial-and-error, iteration, failure and learning (Sosna, Trevinyo-Rodríguez, & Velamuri, 2010) that leads to changes to an existing, or creation of a new, BM. In this study, rather than only exploring different types of SPO-BMs that emerge

through time, we adopt a more comprehensive view by also exploring the events that trigger instances of BMI (Olofsson et al., 2018).

Antecedents to BMI in for-profit firms can be either external or internal in nature (Foss & Saebi, 2017). Existing literature focuses mainly, albeit sparsely, on external antecedents, which can be due to 1) global pressures (e.g., changing competition; Johnson et al., 2008), 2) changing stakeholder demands (Sánchez & Ricart, 2010), or 3) the introduction of a new technology (e.g., Chesbrough, 2010). Otherwise, internal drivers of instances of BMI can be a shift in a firm's strategy (Zott & Amit, 2008). By including a focus on antecedents to BMI, we propose a more comprehensive understanding of SPO-BM evolution can be gained. Next, we introduce the BM concept as it applies to social enterprises.

4.1.2.2 Defining social purpose organization business models

An SPO has a dual purpose – to achieve both economic and social value creation (Alter, 2007; Emerson, 2003; Nicholls, 2009), which marks the major difference to commercial BMs. Organizations with this hybrid purpose include traditional nonprofit organizations that rely exclusively on public funding and philanthropy, nonprofits that engage in commercial activities to generate earned income to supplement public and philanthropic funds, and for-profit social enterprises (Alter, 2007; Defourny & Nyssens, 2008; Weerawardena et al., 2019). For many SPOs, subsidies or public funding are often essential for survival, but acquisition of steady income streams can be challenging (Cooney, 2011). Hence, an SPO-BM is the "set of capabilities that is configured to enable value creation consistent with either economic or social strategic objectives" (Seelos & Mair, 2007, p.53), and enables a social venture to be both self-

sustaining while delivering to its purpose. Many extant studies focusing on SPO-BMs (e.g., Sinkovics et al., 2014) adopt a narrow, linear, firm-centric perspective when conceptualizing value creation processes, often emphasizing the social entrepreneur as the key actor in driving value creation (Howaldt et al., 2015) or as a 'heroic'

figure (e.g., Dacin, Dacin, & Tracey, 2011; Spear, 2006).

Additionally, literature relating to music festivals as SPOs is especially narrow in its approach to theorizing about value creation processes. Gordin and Dedova (2015) explore the dyadic relationship between the social entrepreneur of a festival and its visitors. Adopting an even more traditional perspective, Carlsen, Andersson, Ali-Knight, Jaeger, and Taylor (2010, p.129) view festivals as value chains "whereby knowledge is generated, transformed and exploited," and where innovation to a festival is a managerial process. However, adopting a value chain perspective to explore innovation in festivals fails to recognize the interactions and interdependence of numerous other actor groups beyond managers.

In contrast, more recently some scholars have begun to conceptualize SPO-BMs as embedded in hybrid social value networks that include other actors beyond the entrepreneur (Hlady-Rispal & Servantie, 2018; Santos, Pache, & Birkholz, 2015). For example, Hlady- Rispal and Servantie (2017, p.430) see SPO-BMs "as the representation of a venture's core logic for generating, capturing and sharing value within a value network." Furthermore, Weerawardena, McDonald, and Sullivan Mort (2010) argue the efficient realization of dual value creation within SPOs calls for the involvement of numerous actors. However, such involvement may cause 'adaptive tensions' – "internal states of tension that are

triggered by an external source and motivate a creative response by the entrepreneur" (Roundy, Bradshaw, & Brockman, 2018, p.5). Adaptive tensions occur between the social entrepreneur and the environment (e.g., other economic and social actors) and sometimes cause a disequilibrium between the dual social and economic goals. Nevertheless, these tensions can similarly activate entrepreneurial behaviour in SPOs (e.g., by creating value in a different or novel way) (Lichtenstein, 2011).

However, despite the valuable contributions made by these scholars in emphasizing the importance of a firm's interaction with stakeholders and its broader network, a fully systemic perspective of an SPO-BM that operates as an EP and leverages the resources of a broad, open network of actor groups is still not sufficiently explored in research. Importantly, this lack of a systemic perspective is also reflected in research relating to SPO-BMI.

SPO-BMI can enhance both social and economic value creation (Mair & Martí, 2006), and is defined as "effecting new and value-adding changes to SPO business model components, namely value proposition (products, services, market positioning, etc.), value creation (core activities and processes), and value capture mechanisms (revenue expansion, operational efficiencies)" (Weerawardena et al., 2019, p.5). Dobson, Boone, Andries, and Daou (2018) argue that in volatile or uncertain environments, SPOs are advised not to rely solely on scaling mechanisms but to embrace SPO-BMI as iterative learning experiments. Drawing on the literature on BoP-markets (e.g., Hart, Sharma, & Halme, 2016), this 'experimenting' with the SPO-BM is best achieved through a collaborative approach, especially when the necessary information for decision-making is not available (Alvarez & Barney, 2005). For example,

SPO-BMI can be initiated by active actor engagement through formal and informal partnerships (Hart & Sharma, 2004). Further, by including versatile actors and gradually increasing the number of new actors, interactive SPO-BMs can trigger change to the wider ecosystem (Sánchez & Ricart, 2010). Hence, social entrepreneurs do not just engage in resource enhancement strategies such as internal collaboration and team building, but also develop interorganizational partnerships to overcome resource constraints and uncertainty (Weerawardena & Sullivan Mort, 2006).

In sum, these more contemporary scholarly approaches to SPO-BMs, detailed earlier, reflect an understanding that value is created within networks of actors (Hlady-Rispal & Servantie, 2018). These perspectives contrast with earlier literature predominantly focused on the social entrepreneur as the key to value creation (Howaldt et al., 2015). However, exploration of SPO-BMs operating as EPs is nascent, a gap this paper aims to fill. Next, the chosen method for the study is discussed and the case described before presentation of our findings.

4.1.3 METHOD

This single historic case study (Yin, 2009) analyses the development of the SPO-BM and antecedents to instances of SPO-BMI at FoYA, based in the city of Bayreuth, in Germany. The case organization was purposefully chosen (Siggelkow, 2007) as it is "unusually revelatory" (Eisenhardt & Graebner, 2007, p.27) – unique in both structure and value creation processes. FoYA is a leading youth music festival that also fulfills an intercultural educational role and runs parallel to one of the most significant arts festivals in the world – the *Bayreuther Festspiele* (Bayreuth Opera Festival). Lastly, this exceptionally rich case was selected because

personal contacts paved the path to access a variety of actors and information for data collection.

4.1.3.1 Data collection

Our data includes face-to-face interviews with current and past FoYA volunteers, concertgoers, managers, sponsors, funders and Board members, together with historic archival records (details of the data sources appear in Table 1). Data collection took place over five separate periods as key interviewees were only available during certain periods of the year, and the management team were not available for interviews during Festival season (August 2018) due to their time constraints. In addition to conducting interviews, observations and notes were collected to identify suitable interview partners (especially during the Festival) and explore value creation processes within the network (especially during meetings of the Sponsorship Association).

Over the five interview rounds, some interviewees were deliberately selected due to their formal association with the Festival (e.g., Board members, managers, etc.), while other interviewees (e.g., supporters, concertgoers, youth musicians, etc.) were selected randomly and interviewed before or after performances or rehearsals. Different interview guides were tailored to the knowledge and experiences of each group. For example, those with more knowledge of the Festival (e.g., managers and Board members) were asked about 'instances of SPOBMI' and 'changes to FoYA's SPO-BM,' while others with a less formal association (e.g., concertgoers and musicians) were asked about the 'uniqueness of the Festival,' 'engagement in the Festival,' and 'the perceived value of the Festival.' As questions concerning instances of

SPO-BMI were exploring progressive changes over decades, these were addressed to those interviewees with a long historical association with FoYA (e.g., management, sponsors, founder, etc.).

The first period of data collection occurred in January 2018 when the Managing Director (MD) of FoYA and her team of two managers were interviewed to gather background information on the structure and history of the organization, and the key activities the managers jointly undertake. Additionally, archival records and the Festival's website were examined for data relating to the organization's activities, structure and history, and to identify instances of SPO-BMI in FoYA. Second, to explore value creation processes from a multisided perspective, during the Festival in August 2018, 27 semi-structured interviews (combined with videography) were conducted in German and English with numerous different actor groups associated with FoYA including supporters, musicians, sponsors, Board members, managers, visitors and concertgoers. Live observation and associated field notes also supported the interview data. Third, the Deputy Chairman of the Sponsorship Association was interviewed in November 2018 to learn more about the network of the Sponsorship Association. Fourth, other FoYA managers and one of the founders (involved in establishing the Festival in 1950) were interviewed between February and March 2019 to gain insights into the initial SPO-BM of FoYA when it was founded. Finally, the Managing Director (MD) was further interviewed in November 2019 about managing the sometimes-conflicting goals of various actor groups within FoYA's broad network.

Videography, "a form of visual anthropology encompassing the collection, analysis, and presentation of visual data" (Kozinets & Belk, 2006, pp.318–319), was used when capturing the interview data. In so

doing, emotions, gestures and facial expressions are captured in addition to the spoken words of interviewees, which can then provide deeper insights. This was especially appropriate given the emotional context of FoYA, where individuals from different cultural backgrounds encounter each other. Video-based data collection increases intersubjective reliability, and research recipients can gain not just cognitive understanding, but also an emotional understanding of collected data (Belk & Kozinets, 2005). Using videography enriches data analysis but also complicates it as even more data needs to be analyzed. Nevertheless, collecting the data in this way enabled further insight into interviewees' experiences and impressions. Secondary data especially helped to understand the first decades of FoYA's existence as only one witness is still living. In total, approximately 25 h of digital video was captured, including 5 h of field observations and 20 h of interviews with a total of 32 participants. In sum, with this iterative data collection process (including internal and external actors) we were able to map, analyze and understand the value creation processes of FoYA, with information covering a period of more than 60 years.

	Data sources	No. of interviews	Survey period	Document length
	1) **Semi-structured in-depth interviews (5 rounds)**			
Primary data	• Managing Director and the management team of FoYA	1	January 2018	90 min
	• Versatile actors involved in FoYA	27	August 2018	25 min (average interview length)
	• Deputy Chairman of FoYA`s Sponsorship Association	1	November 2018	120 min

			No. of documents	Survey period	Document length
	•	Founder of FoYA and the management of FoYA	2	February-March 2019	160 min
	•	Managing Director	1	November 2019	45 min
	2)	**Observation and notes**			
		Live observation during interviews	1	August 2018	5 hrs
	3)	**Videography**			
		Filming during interviews	31	August 2018	17.75 hrs
	Data sources		*No. of documents*	*Survey period*	*Document length*
Secondary data	4)	Concert brochures	69	1950-2019	10 pages (average)
	5)	Annual reports	69	1950-2019	10 pages
	6)	Newspaper articles	150	1950-2019	2 pages (average)
	7)	FoYA's website	1	August 2018 - March 2019	-
	8)	FoYA's Facebook page	1	August 2018 - March 2019	-

Table 1: Overview of data sources

4.1.3.2 Data analysis

Method triangulation was used, comprising five complementary data sources to capture the activities of the Festival over time, to avoid interview bias and errors in retrospective reporting by research participants, and to ensure reliability and validity (Huber & Power, 1985). The purpose of choosing the selected interview participants was to obtain knowledge and opinions about FoYA from as diverse a selection of people

as possible. Given the scant research into SPO-BMs, qualitative content analysis (Edmondson & McManus, 2007; Weber, 1990) was used to analyze the big picture of FoYA's value creation processes. Qualitative content analysis (Krippendorff, 2018; Weber, 1990) is a powerful data reduction technique (Stemler, 2001) that enables a researcher to engage intimately with the data (Renz, Carrington, & Badger, 2018). Data analysis began with the preparation of a chronological history of FoYA with the help of the secondary data (e.g., annual reports, newspaper articles, and FoYA's website).

Data analysis included two rounds of coding (Braun & Clarke, 2006). First, theoretical analysis followed an open coding process and involved searching for themes in the data material regarding changes in the SPO-BM and antecedents to instances of SPO-BMI. Second, themes were reviewed and named. Here, the aim was to explore different SPOBMs through the decades, and investigate value creation processes by different actor groups. Quotes were then drawn from the interviews and freely translated by one of the bi-lingual authors. For further illustrations of the findings, see the Appendix.

4.1.3.3 Case description

FoYA is one of the oldest youth music festivals in Europe, taking place every August since 1950 when the Festival was founded as *Musikalische Jugend Deutschland* (Musical Youth Germany) under the patronage of the Finnish composer Jean Sibelius. Later, in 1962 the Festival was renamed *Internationales Jugend-Festspieltreffen Bayreuth e. V.* (International Youth Festival Meeting), before becoming FoYA in 1991. However, for ease of understanding, throughout our findings we will refer to the Festival

as FoYA. Throughout the decades until today, FoYA has been a hybrid non-profit organization with income generating activities (e.g., ticket sales for concerts), that aims to achieve both social and economic goals (Alter, 2007; Weerawardena et al., 2019). FoYA was initially founded as a classical music festival to 1) enable increased cultural understanding through artistic endeavor; 2) enhance the image of the city of Bayreuth following World War II, and 3) by extension, bring back the joy of music to people.

In its early years, FoYA typically featured about 25 performances every season, produced by a staff of 5–6 full-time employees. Although budget-constrained, today, FoYA typically organizes 80 concerts every August with only three full-time employees, to ever more audience. Hence, through the years, changes to FoYA's business model have seen an increase in efficiency and decrease in cost structure.

Today, the mission of FoYA is to provide a platform for improved cultural understanding for young people from richly diverse cultural backgrounds. Each Festival involves more than 300 participants from 40 different nations and features classical ensembles together with world-music and folk-music ensembles. Additionally, since 1990 FoYA has featured an interdisciplinary educational program called 'Stepping Stone.' Rather than being targeted at young artists, Stepping Stone is designed to develop young people's theoretical and practical skills in cultural administration and management. This program, in turn, mitigates the small size of the permanent professional management team. Regarding revenue generation, FoYA is not eligible to receive recurrent institutionalized funding, but instead applies annually to public funders on a project-basis. Hence, public funding is never guaranteed, and funding decisions are often

made close to the beginning of each Festival. Although constantly dogged by financial uncertainty, today FoYA gets financial support from a broad collection of sponsors, funders, donors, and concertgoers who support FoYA on a Pay What You Want (PWYW) basis (Kim, Natter, & Spann, 2009).

4.1.4 FINDINGS

Through time, FoYA's SPO-BM has moved through three distinct types from a value chain (1950–1989 inclusive), to a value network (1990–2006), to its current configuration as an EP (since 2007). Three specific dimensions of the SPO-BM have been significantly reshaped including FoYA's value proposition (especially musical and educational content), value creation processes (from firm-centricity to open networks), and value capture mechanisms (especially the balance between funding and self-generated income). All changes to the SPO-BM were preceded by antecedents – financial bottlenecks – brought about by, first, reductions in corporate sponsorship, and second, reductions in public funding. We report our findings in accordance with the three types of SPO-BM; summarized in Table 2.

4.1.4.1 SPO-BM 1(1950–1989): Early years

From its founding in 1950, every August FoYA hosted and organized (together with the city of Bayreuth) a three-week vacation academy for young classical musicians. Its founding was driven by the core idea of providing a free, independent forum for participants from East and West Europe to communicate, collaborate, and compare themselves with one another. The city of Bayreuth supported the Festival because of the

city's poor image after World War II due to its association with Nazism and composer Richard Wagner (a favorite of Hitler). By supporting the founding of the Festival, the city hoped to be seen as more culturally open-minded.

Initially, FoYA's value proposition targeted Western classical music ensembles only (choirs, symphony orchestras, chamber music groups) under the direction of well-known conductors. Between 1950 and 1957 there was a strong focus on the music of Wagner, with performances of his music and the 'Wagner Seminar' – an in-depth examination of the composer. From 1958, FoYA's value proposition was expanded slightly to include other Western arts disciplines (e.g., dancing, acting, painting), and performances in Bayreuth were also repeated in the surrounding region. Nonetheless, above all the core of the Festival was always to provide a place for human encounters where art was the medium for improved intercultural understanding, reflected in the following historic quotes:

> The best thing about this stay is that we meet young people from foreign countries to make music with them. I now have two addresses from people in countries I don't know a lot about so far (Artist, 1969).

> What you [the General Manager] accomplish every year is – in my opinion – the strongest asset in German foreign policy (Lecturer at the Festival, 1969).

Nevertheless, actor groups associated with FoYA were generally narrow, which reflected the tight focus of the value proposition. These groups comprised public funders (The Federal Ministry of Family Affairs, the Bavarian Ministry that provided €80,000–100,000 a year, and the City of

Bayreuth), commercial sponsors, management, Western and Eastern European artists, conductors, and concertgoers interested in Western classical arts.

Value creation processes occurred within a rigid hierarchy with a lot of agency bestowed upon the General Manager (GM) (e.g., organizational processes, decision-making, and control of internal resources). Further, FoYA's management comprised 5–6 full-time managers organized along typical functional roles (e.g., artist management, logistics, etc.), all closely controlled by the GM, in order to deliver a smooth-running Festival. Additionally, the music conductor tightly controlled and curated musical content by being solely responsible for selecting musicians, programming content, and forming ad-hoc ensembles. In sum, the Festival's managers adopted a value chain mindset (Porter, 1980), seeing their role as providing support activities to assure delivery of the primary activities associated with music-making: *"First and foremost, I was responsible for the logistics. I had to make sure that the participants were accommodated, that they were fed"* (Co-founder).

During this phase, adaptive tensions arose from pecuniary difficulties which led to a financially unsustainable Festival in the long-term. However, the GM successfully managed these tensions by informally approaching public funders to balance the financial shortfalls. Nevertheless, gradually FoYA took on a dusty image. Subsequently, a new Managing Director (MD) was employed to replace the GM in 1986. At first, the new MD continued to run the Festival with much the same value proposition and key activities except for broadening value capture mechanisms by attracting some commercial sponsorship. This was

initially successful, including sponsorship from a major German bank and the national telecommunications provider. By attending FoYA events, sponsors were able to *"experience something that is not on a totally pure business level, which keeps them away from everyday life, confronting them with a world that is foreign to many" (Commercial Sponsor). However, this success was short-lived, and by 1989 sponsorship declined. Without additional financial means, FoYA faced understaffing and risks to its operational sustainability, and the SPO-BM had to undergo major innovation.*

4.1.4.2 SPO-BM 2 (1990 – 2006): Broadening the network

Inspired by the Marlboro Festival in the US, the MD set about to mitigate the staffing and financial crises. This involved developing an additional, new value proposition targeting those interested in learning about cultural management, by establishing an education program (initially called 'Training and Cultural Management'). This program involved young people involved in FoYA as managerial-interns during the Festival season, who received training in cultural management. Every year, four main types of managerial-interns are involved: 1) school pupils (who enjoy active involvement in FoYA and gain insight into all operations); 2) junior interns (usually high-school graduates or first-year university students who work

SPO-BM	1950-1989	1990-2005	2006-2019
	Value chain (B2C)	Value network (B2C & B2B)	Engagement platform (A2A)
Antecedents to SPO-BM	Financial bottlenecks: Reduction in commercial sponsorship	Financial bottlenecks: First reduction in public funding by Federal Ministry of Family Affairs	Financial bottlenecks: Second and third reductions in public funding by Federal Ministry of Family Affairs
Management	General Manager and five-six full time managers		Managing Director and two full-time employees
FoYA value proposition	*Music:* Opportunity for classical musicians from Eastern & Western Europe to perform and learn about the music of Richard Wagner	• *Music:* Opportunity for classical musicians from Eastern & Western Europe to perform • *Cultural management educational program:* 'Stepping Stone,' practice-oriented program with Senior Partners and Mentors	• *Music:* Opportunity for musicians from around the world to prepare and perform world music, folk music, classical music, and spontaneously created performances • *General management educational program:* Expanded 'Stepping Stone' program offering an academic course and university credit • *Supporter Network:* Exposure to other network actors and networking opportunities for pro-bono and financial supporters
Value creation processes	Rigid hierarchy (agency centralized on the General Manager who controls internal resources) Firm-centric approach within dyadic relationships • Value creation based on internal resources tightly controlled and curated by General Manager • Musical content tightly controlled and curated by conductors	Semi-hierarchical (agency partially distributed among actors, e.g., Senior Partners, Mentors etc.) Firm centric approach within a closed network (Managing Director as mediator and gatekeeper of actors, e.g., managerial interns and Senior Partners) • Bundling of internal and external resources controlled and curated by Managing Director	Non-hierarchical (agency distributed among multiple actors) Open network that transcends and blurs SPO-BM boundaries (e.g., platform for economic and social actors inside and outside the network of FoYA) • Open platform that enables actor engagement and integration of internal and external resources
FoYA value capture mechanisms	• Mixture of donations and fixed ticket prices • Public funding • Commercial sponsorship	• Fixed ticket prices • Public funding	• PWYW • Sponsorship Association • Public funding • Pro-bono donations

Table 2: Overview of the development of FoYA's SPO-BM (by time period)

independently but under professional guidance); 3) senior interns (usually senior university students who take responsibility for an entire project like a particular concert); and 4) volunteers (usually advanced university students or graduates with responsibility for a particular project). These managerial-interns come from Germany and abroad with a goal of gaining knowledge from practitioners in an international environment. This way, *"young artists do not only come to Bayreuth to give a concert but also gain knowledge and experience in different areas of cultural management"* (Deputy Chairman, Sponsorship Association). Initially, interns were assigned mainly operational tasks based on their pre-existing knowledge.

In 1994, the educational program was renamed 'Stepping Stone,' adopting a broader focus on, not only, cultural management learning, but also as a:

> …multi-disciplinary, general, personal development program, bringing together topics from art and politics, music and science as well as management, altering and going beyond habitual attitudes and behavior and enabling individual development and a broad education (Festival of Young Artists Bayreuth, 2019).

Hence, value creation processes were considerably enhanced by managerial-interns who took over different operational tasks in management.

As the small management team of FoYA could not itself deliver the supervision and training of the managerial-interns, each managerial-intern began to be assigned a 'Senior Partner' (an adult volunteer from the community), responsible for providing individual advice and guidance to the managerial-intern. Even today, if problems arise for a managerial-intern, their Senior Partner gives support in developing a problem-solving

approach together with them. Senior Partners remain a critical component within Stepping Stone because they not only actively participate in FoYA but also relieve the workload on the three full-time managers by acting as intermediaries.

Later again, Stepping Stone also incorporated 'Mentors' – primarily practice-oriented professionals well-connected in the business world. Each Mentor usually provides a workshop on managerial or arts-related topics for about 30 managerial-interns each year. Although the Mentors do not receive financial compensation, the perceived value, *"is a moral, human value that I get. By doing this mentorship and by providing financial support to the Festival, I am able to contribute so that more people succeed"* (Mentor).

Hence, FoYA's value proposition was expanded by the establishment of Stepping Stone. This instance of SPO-BMI marked the most significant change to the SPO-BM of FoYA in this period, as it enabled the Festival to continue to exist despite a considerably smaller management team.

FoYA's value proposition relating to music was also broadened considerably. With the fall of the Iron Curtain in 1990, information exchange and travel permits for Eastern Europeans had become liberalized, which facilitated the relationship between East and West to grow further. The musical programming was changed, and the Festival became a rare opportunity for artists from Eastern Europe to play outside their home nations. Additionally, artists began to be invited to perform at FoYA for diplomatic reasons, allowing participants to both acquire new skills by participating in the Festival and to also act as ambassadors of the

West when they returned home. Thus, from a diplomatic perspective, FoYA acted as a bridge to connect the former Eastern Bloc with Germany.

In sum, by the end of this period, FoYA's SPO-BM featured the characteristics of a value network (Stabell & Fjeldstad, 1998). While value creation processes unfolded in a semi-hierarchical fashion with agency partially distributed among actors (e.g., Senior Partners, Mentors, etc.), the MD still conceived of their role as being the 'gatekeeper' to an otherwise 'closed' network. For example, the links between managerial-interns, Senior Partners and Mentors were mediated by the management of FoYA, and access to performances was only granted to those concertgoers who could afford the ticket price. Hence, while value creation processes were enhanced substantially by deliberately incorporating new actors into FoYA's network, the bundling of internal and external resources remained controlled and curated by the MD.

However, financial constraints were again to create a crisis, firstly due to a severe reduction in public funding (with the Federal Ministry of Family Affairs cutting its funding from €120,000 to €80,000 in 2006), and commercial sponsorship arrangements becoming even more challenging. Surprisingly, while these adaptive tensions between FoYA and public funders drove uncertainty for the Festival, the MD continued to engage in 'risky' projects because public funders could be relied upon to underwrite financial losses. Nevertheless, FoYA's future was uncertain, which called for further innovation to the value capture mechanisms, especially relating to income generation. This was to be achieved by making the boundaries of the SPO-BM even more porous to allow further enlargement of FoYA's network.

4.1.4.3 SPO-BM 3 (2007 – 2019): A platform for engagement

The first initiative to mitigate falling public funding, in 2007, was the founding of the 'Sponsorship Association' – a supporter group of private individuals willing to make either regular or one-off annual donations. However, in 2009 FoYA was hit by a second reduction in funding by the Federal Ministry of Family Affairs (from €80,000 to €25,000 per annum). The Sponsorship Association, having now been established for two years, was mostly successful enough to offset financial losses, but not totally. Again in 2012, the Federal Ministry of Family Affairs further scaled back – and then ceased – funding altogether. However, FoYA was able to acquire a new public funder – the Federal Foreign Office (worth €100,000 a year). This funding was granted on a diplomatic, rather than arts-driven, basis, as young people coming from abroad were seen as potential ambassadors of German culture. Further public funding was secured from both the District of Bayreuth and the tourism agency of Bayreuth, along with funding from various private foundations.

However, the increase in public funding and private philanthropy caused adaptive tensions between FoYA managers and the various funders, some of which feature conflicting funding criteria and complicated bureaucratic processes for mainly short-term grants. As a result, FoYA's musical programming can sometimes be pressured, and FoYA's organizational goal of providing time for intercultural dialogue undermined. However, these adaptive tensions are mainly compensated for by the Sponsorship Association's ability to underwrite deficits. With over 1000 members from all walks of life, the Sponsorship Association is today the single largest source of revenue for FoYA (contributing about

€140,000 a year) and makes 'flagship' projects possible. However, the MD stresses:

> We have to do a lot for this networking, we have special concerts for them, we have special events for them, we take care of them. It is hard work to keep the members' attention all year-round.

Hence, value creation processes have been further enhanced by the establishment of the Sponsorship Association, enabling integration of multiple new actors into the network. Further, potential sponsors became aware that FoYA operated as a platform for promoting business activities to a broad network. For example, a web design start-up offered in-kind sponsorship (as a pro-bono service) by rebuilding FoYA's website. As the MD says:

> We recognize that young start-ups seek the connection to us because our network is fruitful for them. Last year, we were approached by 3 to 4 start-ups, and by doing this, these companies say, 'we renew your website, pro bono. As a partner.'

Whereas in former times it was hard to convince potential sponsors, today companies actively approach the Festival and spontaneously provide resources.

FoYA's musical value proposition has continued to develop and broaden to include multi-cultural world music ensembles and multiple musical genres beyond just Western classical music. Initially, artists from Arabic countries, especially, showed growing interest in participating in FoYA. This revolutionized the type of music performed, moving FoYA to a world music program. Since 2008, FoYA features even more musical genres, crossing over between jazz, baroque, classical, Asian, and Middle Eastern traditions. FoYA also enables rich encounters that bridge cultural

differences (e.g., musicians from Palestine and Israel playing together despite deep political differences in their home countries). A Tunisian musician describes FoYA as *"a platform of learning intercultural competence, music experiments, theatre, film, literature and art, and which fully meets the aspiration of cultural mediation."*

Additionally, in contrast to the first historical period when FoYA's musical content was solely controlled and curated by conductors, today, many fully-fledged youth world-music ensembles attend the Festival to not only present their own program, but also to spontaneously co-create musical content with other groups:

> It is an experiment from day 1. That's why it is always interesting for us to see, 'OK, what can we say as an announcement for the concert?' We don't even know, because it is going to be made here" (Managing Director).

> Then we say, 'Sure you'll get the scores', but probably in the workshop it is going to be something totally different. We are excited to see what happens and that is the process every year that we have an idea, but it is not definite… We have to see what comes, what kinds of people, what kinds of cultures" (FoYA Manager).

Value creation mechanisms also changed through this period. First, while tickets for sponsors and other commercial entities still display a price, for other concertgoers, tickets are now on a Pay What You Want (PWYW) basis. This allows concertgoers, regardless of their financial means, to attend performances: *"We don't want to grant free admission but encourage people to pay what the concert is worth to them"* (Deputy Chairman, Sponsorship Association). By moving to PWYW, revenues

earned have increased marginally, while audience has risen significantly: For example, an audience member asserts:

> For me it is an incredible enrichment to visit the Festival. On the one hand for the City of Bayreuth, the possibility that many people participate in the concerts and PWYW concept […] to see and hear what young artists perform.

Additionally, to further compensate for the small management team, Stepping Stone continued to be further expanded and professionalized to now feature training in, not just arts management, but general management skills. The significant responsibility borne by managerial-interns is reflected in FoYA's managerial-intern manual which features a mirror on the front cover, sub-titled, *"Who is the Festival?"* This suggests the success of the Festival depends upon every managerial- intern fulfilling their responsibilities. Managerial-interns are now actively involved in all aspects of FoYA, some for just days, some over months. They carry out a wide range of duties, and often in teams (e.g., press team, artist support, etc.).

Recently, university-level managerial-interns have been able to receive credit towards their university courses. Further, managerial-interns enjoy a high public profile on FoYA's website, while the Senior Partners and Mentors (now also drawn from the academic world) are not featured so prominently. A Junior intern reports:

> I have learned capabilities that I cannot buy with money or that would be very expensive […] for example presenting in front of the audience […]. If you want to have a successful career - and most of us interns aim to do that - you have to possess such capabilities.

Another junior intern adds:

We are allowed to make mistakes and experiment. But you have to learn from them [the mistakes] and that is very important. This level of responsibility is for me, maybe the most significant feature.

In sum, through this last period, FoYA's SPO-BM operates as an EP for an immense network of supporters, managerial interns, musicians from multiple musical traditions, funders, sponsors, and more. The boundaries of the SPO-BM have been blurred allowing economic and social actors inside and outside the network of FoYA to contribute to the Festival by integrating internal and external resources and, in so doing, shape the SPO-BM of FoYA. Value creation processes occur non-hierarchically with agency being distributed among multiple resource-integrating actors from inside and outside the network (e.g., shaping of the musical content, drawing on financial resource from a broad funder portfolio, increasing involvement of the Sponsorship Association, and enhanced social value creation from increasing volunteers). Additionally, the management team's conceptualization of their own roles and responsibilities have evolved considerably. For example, FoYA's network is, today, a primary focus for the MD, who sees herself as: *"the networker par excellence, one contact leads to the next one and so on and so on;"* and admits, *"an international project like our Festival would not come from one brain, from the ideas from only one person."* Hence, FoYA's SPO-BM has evolved to exhibit features of an EP – an open network featuring numerous non-hierarchical actors integrating resources. The growth in the number and type of actor groups engaged with FoYA through time is depicted in Fig. 1.
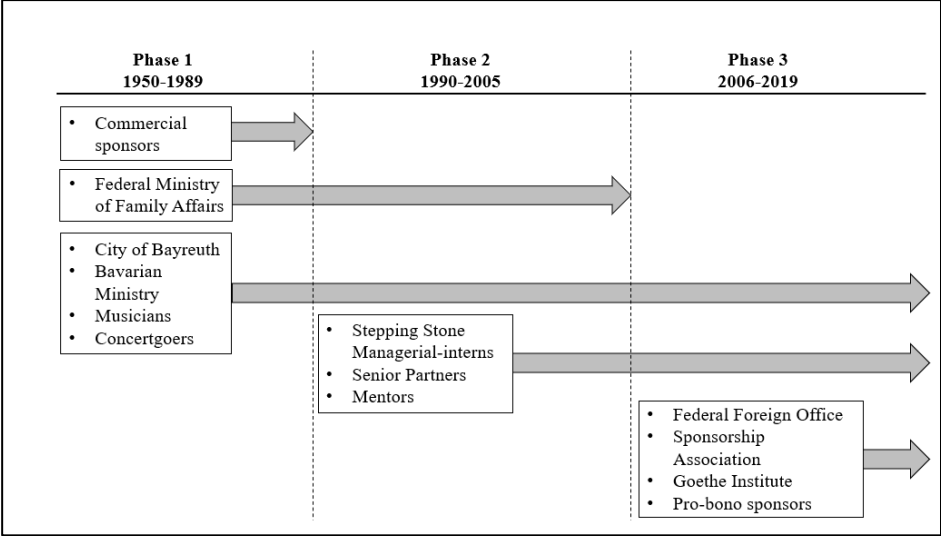
Figure 1: Overview of growth in actor groups in the FoYA network (by time period)

4.1.5 DISCUSSION

This paper set out to explore how value creation processes in an SPO can be enhanced. To do so, changes to the SPO-BM of a youth music festival (FoYA) in Bayreuth, Germany, over a period of 70 years, were explored. We respond to the need to empirically research the influence of networks on value creation in SPOs (Hlady-Rispal & Servantie, 2017), and answer calls to explore why SPOs renew their BMs (Wilson & Post, 2013). Here, we offer an integrated discussion of the SPO-BM evolution at FoYA, and the theoretical contribution and managerial implications of the study.

BMs are predominantly seen as mechanisms that allow a firm to create, deliver, and capture value through firm operations (Teece, 2010). However, SPOs are responsible for generating shared value in the form of positive economic, social and environmental outcomes (Kay et al., 2016). Hence, the network within which an SPO is embedded, and the actor groups with which the organization interacts, are key to value creation, realization and distribution. Any value creation network implicitly features

actor groups who are interlinked, overlapping, and interdependent – further reinforced by the concept of value cocreation that asserts all value is created through service-for-service exchange by generic actors embedded within service ecosystems (Lusch & Vargo, 2014).

Initially, FoYA was operated with a value chain mindset (Porter, 1980), reflecting a perspective of organization-centric, stepwise value creation processes. The Festival was closely controlled by a GM (Howaldt et al., 2015) responsible for managing functionally siloed staff and delivering support activities to the primary activities associated with classical music performance. In turn, these primary activities were controlled by music conductors, employed to be solely responsible for curating the music offering and selecting those considered worthy of participation. Accordingly, the GM and conductors overshadowed other actors, and the value proposition of the Festival was very narrow – focused exclusively on Western classical music performances (especially the music of Wagner). Revenue generation models featured rigid pricing structures, no support organisations, and constrained value cocreation processes. Decision-making was highly centralized, and the network of FoYA generally small: public funders, classical musicians, conductors, managers, and concertgoers.

Later, FoYA's SPO-BM took on the characteristics of a value network (Stabell & Fjeldstad, 1998), where the organization became a conduit for increased interaction between more actor groups. With the establishment of the education program, value creation processes were expanded considerably as different actors, some occupying fuzzy crossover roles between functional manager, beneficiary and advisor, became involved. Nevertheless, managers perceived their role as the

coordinators of, and gatekeepers to, a now growing network featuring B2C and B2B relationships.

Later again, FoYA's SPO-BM has evolved to exhibit features of an EP – an open network with numerous actors integrating resources and cocreating value collaboratively for the benefit of themselves and others (Lusch & Vargo, 2014). Here, concertgoers now attend on a PWYW basis – hence, even barriers to entry to Festival events are eliminated – and multiple participants representing numerous musical genres are now welcome, facilitated and assisted by managerial-interns 'learning by doing'. The Sponsorship Association enables numerous individuals from the wider community to become associated with the Festival, and businesspeople are attracted to provide resources due to the exposure afforded by FoYA's wider network. FoYA's managers now see their role as primarily enablers of actor-to-actor (A2A) interactions through networking and relationships.

4.1.5.1 Theoretical contribution

This paper makes four main theoretical contributions. First, we contribute a systemic perspective of SPO-BMs that fully captures the importance of network actors in value cocreation processes. We argue the traditional perspective of seeing value creation, capture and delivery as an internal firm responsibility (Teece, 2010) is static and does not recognize value cocreation processes that often involve multiple actors with overlapping and interdependent roles (Wieland, Hartmann, & Vargo, 2017). While some scholars have explored value creation processes in networks (e.g., Hlady-Rispal & Servantie, 2018), this study demonstrates value creation is enhanced in an offline SPO that operates as a value enhancing EP.

Further, while EPs have predominantly been examined in online contexts (Ketonen-Oksi et al., 2016; Wieland et al., 2017; Zott et al., 2011), this paper demonstrates an offline SPO, not solely mediated through digital technologies in virtual spaces, can also

operate as an EP. Additionally, where music festivals have been explored both from a value chain (Carlsen et al., 2010) and dyadic perspective of social entrepreneur and concertgoer (Gordin & Dedova, 2015), we demonstrate an EP enables efficiencies that outperform traditional types of SPO-BMs.

Second, this study highlights the vital importance of broadening an SPO's value proposition(s) to increasingly leverage the resources of others. Value propositions are those promises made by a firm based on the firm's resources (e.g., market and product knowledge, firm innovation processes, and strategic leadership) (Payne, Frow, & Eggert, 2017). However, contemporary marketing literature argues, "actors cannot deliver value but can [instead] participate in the creation and offering of value propositions" (Vargo & Lusch, 2016, p.8). This study demonstrates that developing a value proposition, or even multiple

value propositions, that draw upon and leverage the resources of others can overcome resource constraints and limitations. As FoYA's value proposition broadened through combining discrete, yet complementary, value propositions (music, education, network exposure), so did the number of actors contributing to value cocreation processes. By extension, the more engagement that occurs on an EP, the more value is created, captured and shared by numerous actors – not just the SPO. Hence, an interdependent relationship exists between an SPO-BM, the ability of the organization to militate against resource constraints, the organization's

value proposition(s), and number of actors who integrate resources with the SPO.

By extension, SPOs faced with uncertainty should focus on developing access to external resources to ensure the survival of the organization rather than focusing exclusively on building internal organizationally-held resources. Indeed, where the management of adaptive tensions has primarily been seen as a social entrepreneur's responsibility, this study demonstrates other actor groups and support organizations can assume a critical role in ameliorating risk and conflict. Thus, we expand the existing SPO literature (e.g., Dobson et al., 2018; Weerawardena & Sullivan Mort, 2006) by showing that an organization does not necessarily have to rely on only internal resources to be successful but should also focus on expanding its network of versatile actors to increase access to resources. Hence, our findings build on Hlady-Rispal and Servantie (2018) by de-centralizing the social entrepreneur as the main value creator in an SPO to, instead, become someone involved in network building, coordination, and collaboration.

Third, given the sparse literature on antecedents to SPO-BMI, we illustrate SPO-BM change through time. Conventional companies typically modify their BM architecture due to external factors such as competition or new technologies (Teece, 2010). However, the antecedents to SPO-BMI identified here are exclusively associated with externally-driven financial crises – first because of falling corporate sponsorship, and second, because of declining public funding. Both factors jointly shaped and defined FoYA's SPO-BM. Hence, while we find it is still external factors that drive SPO-BMI, we find additional antecedents to those in for-profit firms.

Last, this study concurs with other scholars (e.g., Dobson et al., 2018; Hart et al., 2016) in that SPO-BMI is a dynamic, iterative, and collaborative process of experimentation. As external environments are dynamic and fluid (Baker, Storbacka, & Brodie, 2019), these periods of experimentation will naturally be driven by more effectual than goal-oriented causal thinking (Sarasvathy, 2001). However, we extend earlier perspectives of SPO-BMI in that we find there needs to be a concomitant transformation in the mental models adopted by incumbent managers for an SPO-BM to successfully change. This study depicts a move in managerial mindset from a (B2C) value chain, to a (B2C/B2B) value network, to an (A2A) EP perspective over the three different historical phases. If an SPO manager remains wedded to a narrow, constrained perspective of dyadic relationships and internal value creation, a network-oriented EP-style of SPO-BM will, naturally, never emerge.

4.1.5.2 Managerial implications

This study provides insights for managers of SPOs (especially in cultural management) and funders of SPOs. First, managers embedded in resource-constrained environments are advised to transform their SPO-BM with the goal of developing, expanding and coordinating a network of resourced actor groups. Further, as value cocreation is realized through the integration of resources (knowledge, skills, and financial resources), value creation processes are enhanced by an SPOBM that operates with the features of an EP. Indeed, an EP bundles

internal and external resources of different actors (Fehrer et al., 2018), thereby increasing the density of 'resourceness,' and potentially offering a

source of 'competitive advantage' in an environment of often restricted and volatile funding.

By capturing historic data and documenting changes to an SPO-BM that occurred through a long period of time, we propose managers should see every change to the SPO-BM as an iterative learning experiment (Dobson et al., 2018) rather than as an organizational crisis, especially if SPO-BMI results in further engagement with versatile actors beyond the organization. Additionally, managers of SPOs are advised to acknowledge the mindset they are adopting in their day-to-day operations, especially in relation to their conceptualization of value creation processes. Moreover, we argue a focus on orchestration of networks, together with oversight of internal resources, leads to more efficiency and better value capture mechanisms.

The most significant change to FoYA's SPO-BM occurred from phase 1 to 2 due to copying another organization's value proposition (the education program at the Marlboro festival). Further, the SPO-BM in phase 3 was not planned but emerged as it was jointly shaped by FoYA's management and numerous other actors. Consequently, SPO managers are advised to accept they cannot autonomously control value creation processes but should instead motivate, enable and facilitate other actors to participate in an EP. Indeed, as a considerable number of public funding sources have changed from long-term, recurrent funding to annual or project-based funding, to ensure survival of SPOs, managers are forced to diversify their funding sources and are encouraged to focus on the growth of support organizations associated with the SPO. Public funding policies are beyond the control of SPO managers, whereas revenue generated through private organizations may be more reliable for SPOs.

Moreover, our findings demonstrate that the adaptive tensions (Roundy et al., 2018) arising from financial constraints may, ironically, be extremely positive in driving entrepreneurial behavior. The perverse implication is that when SPOs become organizationally stagnant, managers of funding organizations may be well-advised to restrict or reduce funding to trigger periods of SPO-BMI and entrepreneurial thinking.

4.1.5.3 Limitations and future research

Transferability and generalization of findings onto other sectors is not necessarily possible when using a single case study. Furthermore, the collecting and handling of historic data may cause some pitfalls in terms of retrospective interviews, e.g., lack of providing accurate and unbiased information (e.g., Huber & Power, 1985) or selective omission of information that might be of relevance for analysis (Glick, Huber, Miller, Doty, & Sutcliffe, 1990). In response, to improve credibility and accuracy of retrospective accounts, we triangulated data through supporting secondary data, and focused on events rather than emotions or feelings, when undertaking interviews (Miller, Cardinal, & Glick, 1997) as recollections of concrete occurrences increase reliability considerably (Golden, 1992).

To foster theory building, future research may further investigate how value creation processes are enhanced through EPs in other types of offline non-profit organizations and social enterprises. Especially the types of resources that different actor groups integrate to enhance value creation processes should be examined. Further, regarding festivals, exploring how value can be created between cross-cultural music festivals or between two

festivals taking place in parallel in the same city (e.g., the Bayreuther Festspiele and FoYA) might be of interest. Indeed, how do these two festivals complement, compete with, or distract from each other in terms of the value cocreation ecosystem? Additionally, are elements such as breadth of musical genre necessarily directly related to opportunities to expand value cocreation? Is a rock-music festival, or a chamber music festival, more or less likely to enjoy

enhanced value cocreation than a multiple-genre world music festival?

More broadly, SPO-BM development in other types of organizations, e.g., social enterprises focused on other social issues, are worthy of exploration. Indeed, what kinds of support organizations or network groups can be created and expanded if an organization is addressing less 'sexy' social areas than music performance, like those offering a bridging service for ex-convicts, or addressing drug addiction or domestic violence?

Further, extending Olofsson et al. (2018), future research may examine other antecedents to instances of SPO-BMI. The antecedents identified here indicate interesting results but should be further explored to discover other drivers of SPO-BMI. More specifically, what internal drivers might initiate SPO-BMI? Finally, another important avenue for future investigation is the exploration of design versus emergence in SPO-BMs, to better understand the dynamics of SPO-BMI processes (Foss & Saebi, 2017).

Declaration of competing interest

Acknowledgments

4.1.6 APPENDIX

Selected quotes of empirical data from Festival if young artists Bayreuth

Actor group	Illustrative verbatim
Audience	*"It has always been joy and a huge pleasure. It is a highlight in the summertime for us and I don´t want to miss it. It is very moving to see young people with their talents. I am looking forward to it every year because there are always surprises. Especially today it was a surprise for me [...] it was a very special lug feast - new, but not really new."*
	"To be in contact with young artists and what they are doing. And what I recognize and hear there is lot of experimental work. I am impressed and surprised by the performance level. "
	"It is a revelation for me and I know that I will come to Bayreuth now more often in August. It will be my standard program in August."
	"It [the concert] let my soul dance. I always come home elatedly."
	"Transmission of inner peace."
	"It [the Festival] takes me personally as I am as I like it and for me it feels very good to be here."
	"For me, the Festival is some kind of calming to sit down and to listen to it and to see how the music affects me without having utter circumstances around you but to calm down."
	"I was curious to see what kind of concerts FoYA offers. I did not actively inform myself. I did not have a look at the brochure or website prior to the Festival. I was like "Alice in Wonderland" with open eyes and ears and wanted to experience the Festival. That is a healthy curiosity."
	"I got to know a lot of people right at the beginning. It [the Festival] is like a big family. It is wonderful to see how the Festival is lived, it is not made, but lived."
Musicians	*"It is important for my CV. But what is more important is that we have experienced Western music here. [...]*

	Before, we have never experienced Western music, only on TV, but here we experienced it live."
	"Telling the world that we exist [laugher]. Like we are all the way down on the Southern hemisphere, small NZ being able to perform in Germany and this one music festival is like "people will know who we are" and this means we will get connections to people that we meet and this will help us for our future careers."
	"Especially you meet always people that you didn´t know before. People from Romania or people from, last year for example we had a choir from Greece and the experience was just amazing."
	"We [musicians] were working on a program until 6 in the morning trying to write something like a good music sheet for German musicians which like well-done sheets not the one that is written with pencil or whatever. We were rehearsing it and the musical conductor was passing by, he was listening and asked: "what is this?" "This is something we just try" and he said "Ah, we play this in the program" and then everything started."
High school students	*"It is better if you don´t hang around at home and to know that one is busy for the next 2 weeks. That is very nice."*
	"Over the years I have established a circle of friends at the festival. You are never alone here, even if you want to be by yourself, you are never alone."
	"It is not only the concerts that take place but a lot that happens backstage, we have lots of fun in the offices. It is always fun, always. This is something that I like and it shows that the work is not bad. It is about the encounter with artists and that is always exciting when you go home and you tell your friends and family: "Now I know this and that person."
	"I gained a huge circle of friends through the Festival and if one does not participate in one year I tell him "okay, but you have to come visit."
	"I know every year "2-3 weeks of my summer vacations I will spend at the Festival" and I am always looking forward to it."

Junior interns	*"I gained more and more responsibilities over the years, bigger projects and I am able to manage a lot nowadays."*
	"[...] To be involved and to have responsibility is something that I like because I am able to develop myself."
	"I have learned a lot personally and intercultural at the Festival also because of [name of Managing Director] and her program Stepping Stone where she offers trainings in cultural management. [...] But I think that those trainings are also important for somebody whose home is not cultural management and it is an advantage if you can participate in it."
	"And this is what I mean: Everyone is allowed to follow her/his passion. And if you think in the beginning "this is my passion" and then want to switch during the internship, this is no problem."
	"The value I get is you can´t make it on your own and there is a lot of people who can help you and you have to talk to the others and not try to do everything alone."
	"Collaboration we work as a team. Communication in order to get on well we have to communicate. It is important because if you don´t say how you feel maybe you feel worse."
	"For example, I met [another Festival participant] *from Romania last year. She was a volunteer; this year she is part of the orchestra. And I visited her in Romania afterwards which was very nice."*
	"[...] it is like an opportunity for us, a great opportunity in which we can develop our image, we can have great connections and can have many great opportunities for the future. So everything in this festival has a good impact back in Romania. Even for the university where we come from it is like opening new windows, new projects or for their staff."
	"Well I think in my case last year I understood many things. I tried to approach that for the Festival that I am organizing in Romania. Some are suitable for Romania, some are not."

	"Friendship and networking as I told you are the most valuable things even if we are artists and we are making music I think the best thing that can unite a group is making new friendships, networking and communications."
Senior intern	*"As one of my colleagues said and that is the right word: "The festival is addicting". And if you have participated once you think to yourself "okay, I am going to be part of it again". And then sometimes during the Festival you think to yourself: "Why am I doing this?" But you know why you are doing it. You learn and gain so much knowledge during the Festival. That is the amount you usually learn within one traineeship."*
	"My friends often ask me: "Why are you doing this? You work too much. Does it really help you for your career?" And I tell them: "Yes, it is worth it." You gain lots of knowledge and experience."
	"Some of my friends I met here at the festival and we are still in touch although they don´t participate in the festival anymore. Also internationally and then you visit each other. That is cool."
	"You have been given responsibility right from the beginning. And you always receive more responsibility than you are confident with. Doesn´t matter if you are 11 and you are allowed to answer the phone for the first time or if you are responsible for an office that you have to manage by yourself. And you are allowed to make mistakes. Yes, maybe you run into trouble. That is okay. But the humanity between the people here this is very good. And if you receive an unfair remark from somebody and that was too much, the counterpart recognizes that and explains to e.g. the student trainees why they received an unfair remark."
Volunteers	*"It is fun to experience and get in touch with other cultures, to have deep talks about their culture and politics back home. You get other insights and perspectives and you don´t have to solely rely on the media. My view on Palestine and Israel has changed*

	because of the talks. It is very, very interesting what happens here."
	"This is what fascinates me, on the one hand the artistic aspect but also see different cultures interact, this flourishing and these similarities that develop over the time. Or to experience how Chinese and Portuguese artists together give a private performance in the backyard. And those are the moments when you recognize why you are doing this."
	"I would recommend people to participate. However, it is not for everyone. Especially Volunteering, because it is hard work and sometimes we don´t sleep enough. But the result is really worth it."
	"I made the "mistake" to get in touch with the Festival [...]. And one day, I got to know the Managing Director and if she gets to know somebody you cannot escape - in a positive way - and when you are right in the middle of it instead of being somehow involved, then you recognize that it is something nice and wonderful where you want to be part of it."
	"I am especially involved with the night shifts, but sometimes also during the day as senior partner. This is not that often, we all have our profession and this year I wasn´t able to go on vacations [...] due to staff shortage [...]."
Senior Partner	*"To see the young people grow within the Stepping Stone program is something that gives me pleasure because I see my invested time falls on fertile soil."*
Mentors	*"And what I have previously mentioned, the Festival was a door opener for a new job or job field or to a new world so that is quite a lot."*
	"When I decided to be a mentor and give a presentation about cultural management it was a weird feeling because I thought "well, I don´t have that much to tell people. I am 32 years old and I am not even artistic director or something. But I am in this phase of my career [...] where I am in the transition phase where I know the area [...] and I think that is very exciting for the youth cultural manager interns to see "okay, he is not at the top so

	that he is unachievable for us, the age difference is not that big."
Managing Director	*"There is energy in the young people, you do not believe that."*
	"You [Senior intern] have to make sure that they [managerial interns] attend the concert. Doesn´t matter how tired you are. I can also order you a slice of pizza. It is one of our best concerts. They have to understand and know what they work for." And I thought to myself "okay, I understand what she means." And then I attended the concert myself a couple of days later [...]. And then I was sitting in the concert and understood what she [Managing Director] meant with "You have to experience it in order to understand it." These concerts, the team spirit.
	"It is not only about chamber music, but also about education of our youth, our future. And I want to give them future, how to think, how to solve conflicts and problems, how to be brave. You can do a lot to achieve that. We don´t have panacea in Bayreuth, but we strengthen. Courage to confront. I am not known for my gentleness."
Management	*"It's always great to see what happens in the two or three weeks, depending on how long they [musicians] are there, what's developing. In the beginning you think to yourself "this cannot work out in the short time with musicians or singers from so many different countries, to put the program on its feet within ten or fourteen days. But it works."*
	"This is basically a sure-fire success. [...]We do the preliminary work, so bringing the different groups together and then it [networking] works on its own."
	"We are inviting [people from abroad], we have public relations together with our embassies, German embassies."
Co-founder	*"First and foremost, I was responsible for the logistics. I had to make sure that the participants were accommodated, that they were fed."*

Sponsors	*"After WW II there was little space to give performance. My mother told me that the performances happened in the staircase of our main building, about 150 people fit into the building but you have to sit on the stairs."*
Deputy Chairman of Sponsorship Association	*"It is the people that you get in contact with at FoYA."*
	"To offer people something that is not on a totally pure business level, which keeps them [sponsors] away from everyday life, confronting them with a world that is foreign to many"

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4.2 HOW TO SURVIVE ECONOMIC CRISES IN SOCIAL PURPOSE ORGANIZATIONS (TRANSFER PAPER F)

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Social Purpose Organizations (SPOs) strive for a dual purpose: they aim to fulfill a social mission, and simultaneously, must achieve economic goals (Weerawardena, Salunke, Haigh, & Sullivan, 2021, p. 762), which marks the major difference from commercial business models. Non-profit organizations (e.g., Amnesty International), charities (e.g., Gesellschaft der Freunde von Bayreuth e.V.) and social enterprises (e.g., Das Geld hängt an den Bäumen) can be subsumed under SPOs (Alter, 2007, p. 14). Such organisations often have financial bottlenecks because public funding is limited, cascading a shortage of permanent employees (Royce, 2007, p. 10). Hence, SPOs tend to be fragile in the face of crises.

Faced with this resource shortage, SPOs must find ways how to efficiently structure and enhance value creation processes within their SPO-business model (Kullak, Baker, & Woratschek, 2021, p. 630). Value creation processes refer to activities (e.g., creating an attractive service for its customers, enabling its employees to strive and perform well or catering to the expectations of sponsors) by a firm alone or in conjunction with other stakeholders. Existing literature in this field often emphasizes a key actor (e.g., a social entrepreneur) (Howaldt, Domanski, & Schwarz, 2015, p. 93) or a 'heroic' figure (Seelos & Mair, 2005, p. 244) in driving value creation. Hlady-Rispal and Servantie (2017, p. 444) identified that value is

created within community-based networks of which the personal network of the social entrepreneur is of special importance. Broadening this approach, Kullak et al. (2021) argue that value is co-created best by multiple people and organizations within and beyond an SPO network.

But how should managers of offline SPOs align their business model to come off as a winner out of crises?

In their article, Kullak et al. (2021) approach this question by drawing on the SPO *Festival of Young Artists Bayreuth* (FoYA), which is an international cultural music festival in Bayreuth (Germany) since 1950. It was introduced by the German City of Bayreuth to improve its image after World War II. Until today young musicians from all over the world come together to co-create unique music performances. However, throughout its existence, FoYA was hit by a couple of crises. Interestingly, each crisis caused a change for the better. These business model innovations, the processual change to an existing or creation of a new business model, can be summed up in three phases:

1. Creating value within FoYA: logic of the value chain

In the first phase (1950 until 1989), management activities were mainly managed and controlled by a general manager and music conductor with centralized decision-making. FoYA's music repertoire was exclusively on Western classical music performances. The network consisted of a small number of actors: public funders, classical musicians, conductors, managers, and concertgoers. Its business model showed the primary activities of Porter's value chain (Porter, 1980) creating value within the organization. The primary activities "are directly involved in creating and

bringing value to the customer" (Stabell & Fjeldstad, 1998: 417). Examples include:

- inbound logistics (e.g., organizing the arrival of artists, providing food and accommodation for them)

- music production (e.g., ensuring rehearsals, adequate locations, and infrastructure)

- outbound logistics (e.g., departure of artists and dismantling and transportation of beds)

However, in 1989 the festival was hit by the first crisis: commercial sponsors scaled back.

2. Broadening and mediating FoYA's network: logic of the value network

This period (1990 until 2006) was marked by a new, ever since, managing director who had to find solutions to ensure the survival of the festival caused by the financial bottleneck: inspired by the Marlboro Festival in the US, which additionally offered a cultural management education program, the later so-called *Stepping Stone* of FoYA was born. *Stepping Stone* offers young people training in cultural management facilitated by volunteer mentors. In return, these young people take over responsibility under the guidance of senior partners (experienced managers). By linking different people and organizations, the manager's mindset changed and the business model evolved into a value network, which shows three areas of primary activities (Stabell & Fjeldstad, 1998, p. 429; video: "value configurations"):

- network promotion: acquiring and selecting suitable network members like sponsors, senior partners, interns, and mentors.

- service provisioning: connecting network members, for example, to bring together artists, spectators, senior partners, mentors, and sponsors at specific music events.

- network infrastructure operation: providing and maintaining physical operations like accommodation and catering for artists or providing event facilities, as well as financial infrastructure like sponsors and public funders.

Hence, FoYA's network opened and broadened, and the festival overcame resource constraints by attracting and linking more actors. Still, by the end of this period, the festival was hit by another unexpected three steps financial bottleneck caused by decreasing public funding.

3. FoYA as a platform to enable social interactions in and outside of FoYA's network: engagement platform

To counteract financial constraints, further innovation was necessary. Therefore, the third period (2006 until 2019) was characterized by the founding of the Sponsorship Association brought into being by a group of FoYA's stakeholders. The Sponsorship Association was mostly successful enough to offset financial losses. By then, the musical program was as varied as from folk or classical music towards spontaneously created performances. Thereby, with the establishment of the Sponsorship Association, more and more people and organizations joined the attractive network of FoYA and volunteered. Organizations and people outside of the network actively approached the festival and offered pro-bono

services, such as redesigning the festival website or creating an image film. In doing so, the management allowed them to contribute their skills and knowledge in a self-determined manner without specific guidelines from management. Thus, the manager's mindset changed again, and the business model of the festival developed into an engagement platform. Engagement platforms are "physical or virtual touchpoints designed to provide structural support for exchange and integration of resources" (Breidbach, Brodie, & Hollebeek, 2014, p.594). An engagement platform is characterised above all by its social interactions, many of which are voluntary and provided for free (Buser, Woratschek, & Schönberner, 2022). This means:

- Value is not solely created by the festival but is co-created by many different organizations and people.

- The festival coordinates its networks (e.g., music industry, managerial interns, volunteers, Sponsorship Association, mentors, senior partners, sponsors, and public authorities).

- Engagement platforms require a new managerial mindset. This means understanding that value is always co-created and consequently, acknowledging the necessity to partially hand over control to others, leading to a non-hierarchical structure.

- People and organizations engage voluntarily by integrating their specific knowledge, skills, and competencies. This leads to 80 instead of 20 concerts organized by only three instead of six full-time employees.

- High engagement is driven by the social purpose, which in this case is the promotion of intercultural relations.

Video:

Please also watch the following SMAB CLIP:

"Value Configurations"

https://www.youtube.com/watch?v=ZoAyF6t5eno

"Business Model Innovation of Social Purpose Organizations"

https://www.youtube.com/watch?v=6FiyBpWgW5E

4.2.1 TO PUT IT IN A NUTSHELL

1. Financial bottlenecks of SPOs can trigger business model innovations.
2. Good Managers of SPOs search for a change to the business model.
3. The winners of crises develop their business model into an engagement platform by opening attractive networks.
4. Organisations whose primary activities correspond to a value chain link social actors and thus offer more opportunities to overcome financial bottlenecks.
5. This works even better with activities that correspond to an engagement platform because these rely more heavily on the voluntary commitment of the actors for the purposes of the SPO.
6. The manager's mindset is important for the successful survival of the SPO.
7. Therefore, good managers of SPOs
   a. understand that they cannot alone control value creation,
   b. grant actors access to the EP,

    c. facilitate and enable their participation in events,

    d. give all stakeholders sufficient freedom to participate in a creative and self-determined manner within agreed limits.

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4.3 SHAPING MARKET SYSTEMS FOR SOCIAL CHANGE IN EMERGING ECONOMIES (SCIENTIFIC PAPER 4)

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ABSTRACT

There is a growing body of research into market shaping, the process whereby the deliberate actions of market actors create or transform market systems. However, extant studies focus primarily on individual actors who shape markets for economic advantage in Western contexts. This study investigates market shaping undertaken by a social entrepreneurial network in the emerging economy of Ghana. Social entrepreneurship is particularly important in emerging economies due to inherent resource constraints and limited societal infrastructure. Adopting an abductive reasoning approach, we explore the case of Ghana's first and most prominent social entrepreneurship platform and its encompassing network, which includes social entrepreneurs, incubators, and foreign cultural organizations. The study offers a two-stage framework comprising five market-shaping patterns (combinations of institutional work types

performed by one or more actors) that facilitate the formation of a market system for social change. The framework has important implications for social entrepreneurs, social entrepreneurial platforms, and policymakers.

4.3.1 INTRODUCTION

Emerging economies feature unique market structures. Their governments are typically less active and their welfare systems less comprehensive than those of developed economies. Poverty tends to be widespread, financial capital limited, unemployment high, and commercial and community infrastructure limited (Mason, Roy, & Carey, 2019; Mirvis & Googins, 2018). However, because of these difficulties, these economies provide fertile ground for social entrepreneurship. Sub- Saharan Africa, for example, has the highest proportion of social entrepreneurs in the world (Bosman, Schøtt, Terjesen, & Kew, 2016). Indeed, shaping markets through social entrepreneurship in emerging economies is fundamental to addressing market failures (Prahalad, 2005; Short, Moss, & Lumpkin, 2009), generating economic growth (Sepulveda, 2015), and facilitating social change (Peredo & Chrisman, 2006). Lindeman (2014) highlights the role of community members in shaping markets for low-cost housing projects in subsistence markets. Faruque Aly, Mason, and Onyas (2021) point toward collective and coordinated social entrepreneurial effort targeted at market transformation. These studies, and initial work in the field of sustainable markets (e.g., Ottosson, Magnusson, & Andersson, 2020), are among the few beginning to explore how market actors can deliberately create or transform markets (Nenonen, Storbacka, & Windahl, 2019) for *reasons beyond economic growth*.

This nascent field of research that goes beyond market-shaping for economic growth often promotes a focal actor perspective in the centre of the investigation, such as that of a focal entrepreneur (El Ebrashi & Darrag, 2017; Faruque Aly et al., 2021), communities (Lindeman, 2012, 2014), and government bodies (e.g., Mazzucato, 2016). The collective action of

heterogeneous market actors in subsistence markets has been studied to a far lesser degree.

Further, existing work often focuses on single layers of the market system, for example those that can be directly influenced by a focal social entrepreneur (e.g., change of business models; Faruque Aly et al., 2021), or those traditionally shaped by policymakers (e.g., change of rules and norms; Mazzucato, 2016). We argue that fully grasping the complexity of market shaping for social change requires consideration of all layers of a market system (i.e., business definitions, exchange practices, network structure, representations, rules and norms; Nenonen & Storbacka, 2018). Hence, the purpose of our research is to understand *how market systems are collectively shaped for social change in an emerging economy context*.

The perspective of markets we take in this paper positions them as complex, adaptive social systems (e.g., Giesler & Fischer, 2017; Möller, Nenonen, & Storbacka, 2020; Nenonen, Storbacka, & Windahl, 2019; Vargo et al., 2017) that can be deliberately created, transformed, or manipulated by market actors' institutional work (e.g., Baker, Storbacka, & Brodie, 2019; Fehrer et al., 2020; Lawrence, Leca, & Zilber, 2013). Actors intentionally undertake such work so as to create, maintain, or disrupt institutions (Lawrence & Suddaby, 2006). We inform our perspective with the concept of social entrepreneurial ecosystems, which highlights the important role of collective action by actors striving for social change (e.g., Mato-Santiso & Rey-García, 2019; Thompson, Purdy, & Ventresca, 2018).

Our insights in this paper derive from exploring a rich embedded case (Dubois & Gadde, 2014; Yin, 2014) focused on Ghana's first and most prominent social entrepreneurship platform (anonymized as SEP) and its

broader social entrepreneurial network. The case demonstrates how a social entrepreneurial network can create a new market system that leads to improved social and societal well-being.

Our paper makes three important contributions. First, it offers a holistic conceptualization of market systems for social change. Second, it sheds light on the complex interplay of bottom-up social entrepreneurial action, top-down government action, and the role of meso-level structures (i.e., SEP) in shaping markets for social change in emerging economies. Third, it provides a new framework consisting of five market-shaping patterns, that is, combinations of institutional work (Lawrence & Suddaby, 2006) performed by one or more actors to create and transform markets for social change. This framework helps clarify the dynamics of market-shaping and presents a strategic viewpoint for practitioners, policymakers, and scholars to consider when aiming for systemic change in the direction of social purpose and ethical market practices.

The remainder of the paper is structured as follows. In Section 2, we provide a conceptual framework for shaping market systems and review the market-shaping literature, especially studies that explore market-shaping for social, ethical, and sustainable outcomes. In Section 3, we explicate how social entrepreneurship can inform the concept of market systems. Section 4 details our research approach and the empirical research context. Section 5 presents our findings. We conclude by outlining the theoretical contributions and managerial implications of our study, its limitations, and potential avenues for future research.

4.3.2 SHAPING MARKET SYSTEMS

In recent decades, a growing number of scholars have questioned the previously dominant, micro-economics-driven perspective of markets (Möller et al., 2020; Vargo & Lusch, 2016) as exogenous to the firm and comprising dyads of consumers and producers (Mele, Pels, & Storbacka, 2015). Instead, a perspective of markets as complex, adaptive, social systems is evolving in industrial marketing (e.g., Jaworski, Kohli, & Sarin, 2020; Möller et al., 2020; Nenonen & Storbacka, 2020; Nenonen, Storbacka, & Frethey-Bentham, 2019) and the broader marketing discourse (Baker et al., 2019; Giesler & Fischer, 2017; Nenonen, Storbacka, & Windahl, 2019; Vargo et al., 2017). Market systems can be deliberately created, transformed, or manipulated by market actors (Nenonen, Storbacka, & Windahl, 2019). These processes usually involve intentionally shaping and (re-)configuring institutionalized elements (i.e., formal and informal rules and norms, social structures, practices, taken-for-granted assumptions and beliefs) that compose a market system (Hawa, Baker, & Plewa, 2020). As Nenonen, Storbacka, and Windahl (2019, p.618) state, market systems can be shaped through "purposive actions by a focal firm to change market characteristics by re-designing the content of exchange, and/or re-configuring the network of stakeholders involved, and/or re-forming the institutions that govern all stakeholders' behaviors in the market".

Market systems can be conceptualized as comprising multiple analytical layers (see Fig. 1). Earlier work (e.g., Kjellberg & Helgesson, 2006, 2007) discusses the shaping of markets in terms of three sets of market practices – exchange, representational, and normalizing. This framework has since been extended to encompass five market-system

layers: business definitions, exchange practices, networks, representations, and the rules and norms that guide value creation in the market (Nenonen & Storbacka, 2018; Nenonen, Storbacka, & Frethey-Bentham, 2019). These layers are interdependent, with changes in one layer typically affecting elements in other layers (Kjellberg & Helgesson, 2007).

The first layer of Fig. 1, business definitions, is where managers choose to define their business and its purpose. Changing the dominant logic that guides managers' mental models and their rationale for business success can lead to new interpretations of business purpose, products, and segments, thereby redefining and shaping the market in which managers perceive they operate (Cochoy, 1998; Gavetti, Helfat, & Marengo, 2017; Mason, Kjellberg, & Hagberg, 2015). Extant market-shaping literature focuses on individual actors (entrepreneurs and organizations) who, by changing their business definition and (typically economic) purpose, extend and form their markets (e.g., Azimont & Araujo, 2010; Kindström, Ottosson, & Carlborg, 2018; Nenonen, Storbacka, & Frethey-Bentham, 2019). For example, Kindström et al. (2018) studied a steel firm to derive strategies that would enable market leaders to shape (i.e., extend) their existing market, drive growth, and create competitive advantage.
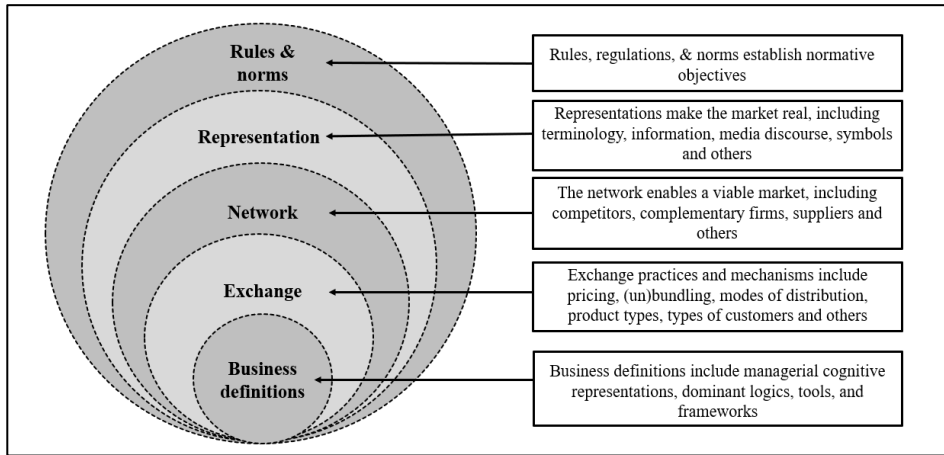
Figure 1: Five layers of a market system
Note: Figure adapted from Kjellberg and Helgesson (2006, 2007), Nenonen and Storbacka (2018), and Nenonen, Storbacka, and Frethey-Bentham (2019).

A close look at existing market-shaping literature reveals considerably less discussion of market-shaping for social or environmental purposes. The few exceptions explore market-shaping to promote more sustainable market practices (Doganova & Karnøe, 2015; Ottosson et al., 2020) and market-maintenance work that reproduces corporate irresponsibility and unsustainable retail practices (Yngfalk, 2019). Yngfalk and Yngfalk (2020) highlight the ethical work undertaken by non-profit organizations that attempts to balance social and commercial interests yet paradoxically maintains consumerism and commercial principles. This emerging stream of work is extending the discussion of business definitions and purpose toward a triple bottom line of environmental stewardship, social change, and economic growth (e.g., Harding, 2004).

The second layer of the market system involves exchange practices (Kjellberg & Helgesson, 2007). These include the ways in which products are bundled with other offerings, the way customers are found, the degree

of customer engagement, and the channels through which customer interactions occur (Nenonen & Storbacka, 2018). Most market-shaping studies refer to economic exchange practices (e.g., changing pricing logics, new products, services, and technologies) that lead to increased market power, competitive advantage, and market innovation (e.g., Laage-Hellman, Landqvist, & Lind, 2018; Nenonen, Storbacka, & Frethey-Bentham, 2019; Tronvoll, Sklyar, Sörhammar, & Kowalkowski, 2020). Except for a few notable exceptions (e.g., Agarwal, Chakrabarti, Brem, & Bocken, 2018; Faruque Aly et al., 2021; Lindeman, 2012, 2014; Sigala, 2016), current discourse underrepresents environmentally benign, ethical, and social exchange practices, such as those embedded in social entrepreneurship and social innovation.

The third layer comprises the network of actors – competitors, complementary firms and suppliers – that jointly contributes to a viable market system. This layer focuses on how actors interact and facilitate resource integration and knowledge creation in the market (Nenonen, Storbacka, & Frethey-Bentham, 2019). While the majority of market-shaping literature explores the actions and strategies whereby a focal actor (e.g., a firm) orchestrates its broader network to expand or reconfigure markets (Azimont & Araujo, 2010; Hietanen & Rokka, 2015; Humphreys & Carpenter, 2018; Kindström et al., 2018; Laage-Hellman et al., 2018), an emerging body of work is focusing on the collective action of market shapers. One such study comes from Baker and Nenonen (2020). They investigate collaborative effort by New Zealand winemakers to drive acceptance of screwcaps on premium wine. The authors identify three stages of 'collective market work' – coalescing, legitimizing, and using market clout. Another study, by Maciel and Fischer (2020), shows peer

firms consistently cooperate among themselves and with other actors to develop markets in ways that increase their overall competitiveness. Working from a consumer perspective, Kjeldgaard, Askegaard, Rasmussen, and Østergaard (2017) document how a (formally organized) consumer association altered the dynamics of the Danish beer market. Beninger and Francis (2021) find that greengrocers competing within a subsistence market were able to overcome exogenous disturbances such as weather and political instability when they cooperatively pooled their resources (including labor and money). Together, these studies emphasize the role of collective action, social collectives, and social movements in market-shaping (Rao, Morrill, & Zald, 2000).

The fourth layer, market representations, makes markets 'real' for customers, businesses, and society. It is therefore "an important part of what makes markets market-like" (Kjellberg & Helgesson, 2007, p.139). Market representations are reflected in public discourse, media reports, consultant reports, market statistics, and industry associations and events. Regany, Benmecheddal, Belkhir, and Djelassi's (2021) exploration of the Tunisian Sefsari clothing market shows how various actors, including consumers, policymakers, researchers, craftspeople, designers, manufacturers, sellers, and suppliers, can transform market representations. Similarly, Baker et al. (2019) show how the institutional work of new circus street performers and, ultimately, *Cirque du Soleil*, disrupted traditional representations of what constitutes circus. These studies show the importance of legitimization and delegitimization in markets, and the institutional work of various actors (Fehrer et al., 2020; Lawrence & Suddaby, 2006) that, through time, alter incumbent market representations.

The final (outer) layer of the market system includes all those elements that establish normative objectives for market actors (Kjellberg & Helgesson, 2006) and reinforce taken-for-granted expectations, assumptions, and beliefs (Baker et al., 2019). These elements include formal regulations and regulators and the informal norms and rules that govern the market (Nenonen, Storbacka, & Frethey-Bentham, 2019). Kaartemo, Nenonen, and Windahl (2020) show how public actors employ market-shaping mechanisms to challenge the reactive stance often assigned to governmental bodies. Ottosson et al. (2020) point to the important role of the public sector as a system builder and its power to influence the shaping of sustainable market systems. Although some researchers (e.g., Nenonen & Storbacka, 2018; Nenonen, Storbacka, & Frethey-Bentham, 2019) consider changes to regulations and rules one of the most important market-shaping mechanisms, very few studies (e. g., Mazzucato, 2016) have focused on this layer of the market system. Further, understanding of how the interplay and collective action of heterogeneous actors (e.g., governmental bodies, companies, NGOs, entrepreneurs) lead to change in regulations is still limited.

Essentially, despite this growing body of market-shaping research, little attention has been given to exploring the positive social change resulting from market shaping (e.g., Agarwal et al., 2018; Lindeman, 2014). Positive social change can be viewed as a function of improved social and societal well-being (e.g., poverty alleviation, reduced unemployment,) induced by systemic change shaped by one or numerous heterogeneous actors at micro- (individuals, organizations, businesses), meso- (communities, collectives, associations), and/or macro-levels (government) (Tracey, Phillips, & Jarvis, 2011). Although social change

is indeed the dominant motivation for social entrepreneurship (Alvord, Brown, & Letts, 2004; Austin, Stevenson, & Wei-Skillern, 2006; Dees, 1998), it remains an underexplored area in the market-shaping discourse (Faruque Aly et al., 2021; Lindeman, 2012).

4.3.3 THE ROLE OF SOCIAL ENTREPRENEURSHIP IN MARKET SHAPING

Social entrepreneurship is "the process of identifying, evaluating and exploiting opportunities aiming at social value creation by means of commercial, market-based activities" (Bacq & Janssen, 2011, p.376). It is distinct from entrepreneurship because it centers on entrepreneurial action to solve societal problems and initiate social change (Alvord et al., 2004; Austin et al., 2006; Dees, 1998). Social entrepreneurship is an important driver of welfare, especially in emerging economies (Sardana & Zhu, 2017; Sepulveda, 2015). It also plays a vital role in community, market, and social development (Peredo & Chrisman, 2006). Emerging economies provide fertile ground for social entrepreneurship (Mirvis & Googins, 2018) because they often lack the governmental support and developed market structures (Mason et al., 2019) that enable delivery of social innovation (Rao-Nicholson, Vorley, & Khan, 2017). In these settings, social entrepreneurs (Sundaramurthy, Musteen, & Randel, 2013) play a critical role in overcoming resource constraints (Hota, Mitra, & Qureshi, 2019) and the shortcomings of less active governments (London & Hart, 2004; Prahalad, 2005; Short et al., 2009).

Early studies in social entrepreneurship featured the idea of 'heroic' social entrepreneurs with ability to combat social and economic problems (Spear, 2006) by providing welfare services, social progress, and social innovation (Sardana, Bamiatzi, & Zhu, 2019; Sardana & Zhu, 2017;

Sepulveda, 2015). However, recent research tends toward systemic and institutional approaches to social entrepreneurship (Dacin, Dacin, & Tracey, 2011; Montgomery, Dacin, & Dacin, 2012). Because these approaches give insight not only into balancing economic and social outcomes but also into collective action by heterogeneous actors in social entrepreneurial ecosystems, they can inform the conceptualization of market-shaping. Table 1 provides an overview of the contribution of this literature to market-shaping activities directed toward social change.

Thompson et al. (2018), for example, argue that entrepreneurial ecosystems form through the everyday interactions of systemic actors striving to create shared meaning, resources, and infrastructure. McKague and Oliver (2016) show the process of institutional alignment between indigenous institutions rooted in a country's history and institutions 'transplanted' from elsewhere (e.g., the West). They consider the alignment of governance and network structures a crucial aspect of fuelling social entrepreneurship, particularly in emerging economies. These studies provide a starting point from which to understand the dynamics occurring in social entrepreneurial ecosystems as they grow, the institutional changes necessary to promote social change, and the institutional work of actors that drives this change (Montgomery et al., 2012). Specifically, they point to the transitions that social entrepreneurial ecosystems experience as they grow (Thompson et al., 2018).

Although markets are (arguably) at the center of social entrepreneurial activity, they are rarely at the center of the academic debate. The majority of social entrepreneurship literature takes markets as given – the place or space where social innovation is implemented (e.g., Slimane & Lamine, 2017). Very few studies take a dynamic or systemic

view of the market. An exception is a study by Goyal, Sergi, and Kapoor (2017), who offer an actionable framework for creating an inclusive market system that is sustainable, scalable, and socially relevant. The authors highlight numerous strategic choices for success in a market system, including community engagement, hybrid structures, collaboration with non-traditional stakeholders, learning with the community, skill-building within the system, and agile market practices like prototyping and experimenting. Another relevant study is that by El Ebrashi and Darrag (2017). They point to market institutions and institutional voids as catalysts for institutional (social) entrepreneurship. Sigala (2016, 2019) argues that 'learning with the market' rather than taking markets as given provides social entrepreneurs with new ways to think about social-value creation and social transformation. Our study extends work in this field by bringing the shaping of market systems to the forefront of social entrepreneurial activity.

Article	Purpose	Method	Outcomes	Implications for market-shaping for social change
Montgomery et al. (2012)	To move beyond the typical focus on the role of individuals in leading social change to examine "collective social entrepreneurship" – the role multiple actors collaboratively play to address social problems, create new institutions, and dismantle outdated institutional arrangements.	Conceptual	Identifies resource utilization approaches and three associated sets of activities that illustrate the work of collective social entrepreneurs –framing, convening, and multivocality.	Collective action and embeddedness in broader social movements across sectors is central to shaping markets, institutions, and organizations.
McKague and Oliver (2016)	To provide greater understanding of institutional alignment processes when nurturing social entrepreneurship in emerging economies.	Conceptual	Offers a new framework of network bricolage (the process of aligning interests and relational governance structures among actors) that covers the important role of reconciling informal indigenous institutions rooted in Africa's history with formal institutions mostly 'transplanted' from outside.	Institutional alignment and alignment of governance and network structures are pivotal to fueling social entrepreneurship in market systems.
El Ebrashi and Darrag (2017)	To tackle the theoretical underpinning of social entrepreneurship by creating an avenue for reviewing the formal market institutional voids faced by social entrepreneurs in developing countries.	Case study	Proposes a categorization for formal and context-related informal market institutions and institutional voids as anchor points for social entrepreneurs to address these voids.	Market institutions and institutional voids are catalysts for institutional (social) entrepreneurship.
Surie (2017)	To examine how social entrepreneurship, at both the firm and institutional levels, fosters innovation and economic development.	Case study	Suggests that creating a robust innovation ecosystem requires the creation of new institutions, policies to generate demand, and institutional support for linkages to build up and diffuse new skills and capabilities.	Need to consider mechanisms for macro- and micro-level institutional change when shaping market systems for social change and social innovation.
Mitzinneck and Besharov (2019)	To investigate how participatory social ventures achieve member engagement in pluralistic institutional settings.	Case study	Identifies (i) value tensions emerging from differences in a member's relative prioritization of community, environmental, and commercial logics, and (ii) how cooperative leaders manage these tensions and sustain member participation through temporal, structural, and collaborative compromise strategies.	Actors' logic combinability (combinability of their mental models) is one of the key dimensions of pluralistic institutional settings essential for driving pluralistic goals, i.e., the shaping of markets for economic and social outcomes.

	Purpose	Method	Description	Contribution
Caton et al. (2013)	To consider reframing Prahalad's (2005) base of pyramid (BoP) framework from 'creating a fortune at the base of the pyramid' to 'creating a fortune with the base of the pyramid'.	Conceptual	Critiques Prahalad's firm-centered view of capturing markets rather than enabling new socially entrepreneurial ventures to create value with the BoP. Argues it is crucial to formulate new mental models that enable local entrepreneurs to work collaboratively and discursively with development partners drawn from civil society, corporate, and government sectors.	Viable market systems for social change arise from interactive processes of emergent, co-creative learning.
Thompson et al. (2018)	To explore the early moments of entrepreneurial-ecosystem formation through everyday interactions.	Qualitative (interviews, archival data analysis)	Claims that the pattern of results about what actors do and how interactions change over time supports a two-period model of ecosystem formation where initial distributed and disparate activity undergoes a phase transition to coalesce into a more coordinated and integrated social order.	Rather than being created through top-down actions of governments and other powerful actors, market systems for social change form through the everyday interactions of individuals striving to create the shared meanings, resources, and infrastructure needed to support their new ventures.
Mato-Santiso and Rey-Garcia (2019)	To uncover conditions under which collective social entrepreneurship achieves sustainable impact.	Case study	Proposes a set of six key inter-organisational enablers that actors can use to assess the maturity of collective social entrepreneurship when endeavoring to create a shared value ecosystem. Sheds light on the challenges associated with measuring collective social entrepreneurship outcomes and their contingency on factors beyond alliance boundaries. Illustrates the tensions derived from disparate goals, language differences, and asymmetric alliance learning.	Collective social entrepreneurship provides a mechanism for shaping market systems in which all actors share social values.
Goyal et al. (2017)	To analyze the business logic of the for-profit social enterprises targeting the basic needs of the BoP segment.	Case study	Offers an actionable framework for creating an inclusive market ecosystem that is sustainable, scalable, and socially relevant. Recommends a bundle of strategic choices from which to operate successfully in this type of market ecosystem.	Key strategic choices for operating successfully as a social enterprise in market systems at the BoP are agility (prototyping and experimenting), skill building and community engagement, hybrid structures, and collaboration with non-traditional stakeholders.
Sigala (2016, 2019)	To develop a framework that builds on a 'learning with the market' framework and thus show how tourism/hospitality social enterprises can generate social value and transformation.	Conceptual/ case study	Identifies three capabilities that social entrepreneurs need to develop for generating social value and transformation: network structure, market practices, and market pictures. These capabilities support engagement with other market actors, thus enabling them to collectively exploit market opportunities for social value cocreation and formation of new markets.	Dynamic learning with the market framework offers new ways for social entrepreneurs to think about creating social value and social transformation by viewing the market as plastic and as a system that can be formed.

Table 1: Literature review on social entrepreneurship and its contribution to market shaping for social change

4.3.4 RESEARCH APPROACH

4.3.4.1 Methodology

In line with our research purpose, we adopted an embedded, relevant case study approach (Eisenhardt, 1989; Yin, 2014). This approach allows researchers to take a holistic view when trying to reveal complex phenomena and social processes over time (Normann, 1970). It also promotes a relativistic setting (Carson, Gilmore, Perry, & Gronhaug, 2001) to investigate the institutional work of multiple, heterogeneous actors and thereby understand the process of market-shaping for social change in its authentic context. We considered the context of the Ghanaian entrepreneurial ecosystem particularly well suited in this regard. This is because Ghana has one of the highest proportions of social entrepreneurs in the world (Bosman et al., 2016).

We followed an abductive reasoning process, based on case study principles (Bonoma, 1985). This approach allowed us to move back and forth between empirical observation, case analysis, and existing theoretical knowledge (Dubois & Gadde, 2014). An abductive approach also allows iterative exploration of conceptual and empirical domains and enables researchers to check emergent theoretical insights against empirical data (Brodie & Peters, 2020). To fully grasp the complexity of market-shaping patterns as they unfold through time, we employed a narrative style of theorizing (Cornelissen, 2017), which let us develop a storyline of market system development, organized according to the abstract patterns that depict the processes and sequences comprising the story.

4.3.4.2 Sampling logic

Ghana is viewed as one of West Africa's most stable democracies, operating under a multi-party political system with an independent judiciary (British Council, 2015; World Bank Ghana, 2019). However, despite graduating to lower-middle-income status in 2010, parts of the population are still living below the national poverty line (over 20% of the population; Ghana Statistical Service, 2018). More than three-quarters of the workforce are self-employed (British Council, 2014; Ghana Statistical Service, 2018), and the country endures unstable employment rates, especially among young people (World Bank Ghana, 2020). Various (private and humanitarian) organizations have striven to promote and expand social entrepreneurship in Ghana, with some measure of success, despite Ghana not having legislation that mentions or supports social enterprises (British Council, 2016). Much of the social enterprise activity involves a socially motivated returning diaspora that includes Ghanaians who studied abroad (British Council, 2015, 2018). Globally, Ghana is one of the few countries where female entrepreneurs outnumber male entrepreneurs (British Council, 2018).

The case at the center of our research is Ghana's first and most prominent social entrepreneurship platform (anonymized as SEP). This organization is part of a complex social entrepreneurial network comprising social entrepreneurs, other entrepreneurs, foreign educational and cultural organizations, consultants, incubators, and accelerators. An embedded case offered us several advantages. First, we could perform purposive sampling of social entrepreneurs (operating at different stages of development) and partner organizations connected with SEP that were highly relevant in the market system (Bahl & Milne, 2006). We gained

access to SEP, five Ghanaian social enterprises (anonymized as SE 1–5), an international UK-based cultural organization (anonymized as UK-O), an international Swedish-based incubator (anonymized as SWE-O), a Ghanaian consultant, a Ghanaian communications agency, an e-learning platform, and two private Ghanaian incubators. Appendix A provides descriptions of their roles.

Second, the focus on SEP gave us access to influential players in the network and opportunities to discuss and validate findings over time with the research participants. Access to participants in business networks in Ghana (and in Africa generally) is typically challenging for foreigners. However, a personal relationship between one of the authors and the managing director of the communications agency enabled access to SEP and other actors. One consultant at the communications agency identified potential interviewees based on our selection criteria and introduced us to additional potential participants identified through secondary data sources (e.g., reports).

Third, the research setting allowed us to collect both primary (e.g., interviews, emails) and secondary data over time between 2017 and 2021. Descriptions of these data follow.

4.3.4.3 Data collection and analysis

Primary data in this study came from 17 in-depth semi-structured interviews conducted in two rounds during 2017–18 and 2019–20. At the time of the first round of interviews, the Ghanaian social entrepreneurial network and SEP were in a nascent state. The interviews sought to trace and explore the development of SEP and the broader social entrepreneurial network in Ghana and thereby aid understanding of how the market system

was shaped. Questions centered on the role and acceptance of social entrepreneurship in Ghana.

The second round of interviews focused on development of the social entrepreneurial network and how actors in and beyond it contributed to market shaping. Questions probed market-shaping efforts (i.e., manifesting as changes in the layers of the market system) based on criteria developed by Nenonen, Storbacka, and Frethey-Bentham (2019). Interviews, conducted in English, averaged 41 min in length and were audiotaped. The interviews were transcribed verbatim (yielding 183 single-spaced pages) and cross-checked for accuracy by one of the authors familiar with spoken English in Ghana (McLellan, MacQueen, & Neidig, 2003). Any remaining enquiries after the interviews were followed up by email in early 2021. Appendix B details the data-collection process.

To further ensure construct validity (Snow & Thomas, 1994) and the credibility of the case (Yin, 2014), we collected secondary data via desk research in parallel with and complementary to the primary data collection. The secondary data, comprising reports, websites, and media articles (365 pages in total), related to the history of and events and sequences in Ghana's social entrepreneurial scene. Appendix C presents a timeline of events from 2011 to 2020. We also explored the SEP member database to track the growth of the social entrepreneurial network and understand the (social) purpose of those organizations that connected with SEP. We furthermore accessed (social) purpose/mission statements from the company websites of these organizations.

The data analysis (in MAXQDA20) involved a thematic analysis (Braun & Clarke, 2006) with four rounds of coding. The first round, open coding, allowed identification of recurring patterns in the development of

SEP and the shaping of the market system. It also shed light on the events and actors involved at different points in time. We then revisited the literature on institutional work and market shaping and used axial coding (second round) to match quotes from actors with institutional work types. We again used axial coding during the third coding round, this time to match quotes with the five market-system layers leading to five distinct market-shaping patterns. The fourth coding round saw the coding system passed to a second coder within the research team for cross-checking, adjusting, discussion, and aggregation of complementary themes to assure internal validity.

4.3.5 SHAPING MARKET SYSTEMS FOR SOCIAL CHANGE: UNDERSTANDING MARKET-SHAPING PATTERNS

A market-system perspective (Baker et al., 2019; Giesler & Fischer, 2017; Nenonen, Storbacka, & Windahl, 2019; Sigala, 2016) facilitates holistic understanding of how markets can be shaped for social change. In this section, we show how the dispersed and collective market-shaping efforts of heterogeneous actors created a new market system for social change. We identified two stages of market shaping – *initiation*, during which a nascent market system for social change began to evolve, and *consolidation*, where the market system became viable. Both stages had their own set of market-shaping patterns that over time moved the *layers of the market system* toward social purpose and ethical market practices.

4.3.5.1 Initial stage

4.3.5.1.1 Market-shaping pattern 1: Implanting new market coordination mechanisms

Until 2014, social entrepreneurship in Ghana attracted little attention from both government and the wider public. Although the government incentivized locals to purchase products 'made in Ghana', the campaign did not gain traction (British Council, 2015). In response, UK-O and SWE-O initiated a social entrepreneurship program with two key themes – research and policy development.

Having used this approach successfully in other emerging economies, the two organizations transplanted it to the Ghanaian context (McKague & Oliver, 2016). They conducted a landscape study, identifying businesses with a social orientation and evaluating the overall viability of social entrepreneurship in Ghana (British Council, 2015). They deemed early activities in this program uncoordinated:

> *[W]e* were all acting in silos, so we were running projects, we were getting our funding, we were delivering. But when it came to more high-level issues, like, I mentioned, policy issues and research and looking into the network as a whole, we realized that some convening body was needed, where we could bring together both expertise, but also perspectives … and we wanted to be able to represent that on a national scale, and we thought that the best way to do that was to have a convening body where there was the opportunity to have members shake and influence research and policy and have a bigger voice to lobby on behalf of the sector.
>
> (SWE-O, 2019)

Both organizations accordingly realized they needed to take responsibility for driving social entrepreneurial activity and to this end founded a new, indigenous Ghanaian entity – the Ghanaian social entrepreneurship platform (SEP). The aims they established for SEP were to represent

different socioeconomic perspectives from across the country, connect social entrepreneurs, facilitate network activities, engage in knowledge transfer, and become a vibrant center for a flourishing social entrepreneurial network. However, as with all start-ups, SEP employees, managers, and volunteers needed training. UK-O and SWE-O therefore not only educated the management team on how to grow and orchestrate a network but also took care to nurture SEP.

> I mean all of these things that we are doing at the moment should be [*SEP's*] primary responsibility because they are the industry support organization. That is to encourage social enterprise growth, and so all what we are doing is just playing their role for now, because they are not as big as they can be.… The idea is that eventually they will be the ones conducting or committing all this research work. They will be the ones encouraging membership growth. They will be the ones leading these study tours and doing all these activities.
>
> <div align="right">(UK-O, 2017)</div>

The two organizations furthermore worked to educate Ghanaian businesspeople about social entrepreneurship (British Council, 2015). Surprisingly, many incumbent socially-oriented businesses were unaware they qualified as social enterprises:

> At first people did not see the relevance of it and … I think there was a whole misconception about what social enterprise is. I think people have seen it as another form of NGO.
>
> <div align="right">(PGI 2, 2020)</div>

> I didn't know my business is a social enterprise until somebody told me.
>
> <div align="right">(SE 4, 2020)</div>

Constructing a social entrepreneurial identity saw UK-O evangelizing the concept of social entrepreneurship to the broader public across the country, on social media, at trade fairs, exhibitions, and in media campaigns (British Council, 2014; Social Enterprise Ghana, 2018).

> We got funding to purchase ten stores. And then members that had products we got an area to showcase these beautiful products, what social impact they are also achieving and to kind of sensitize the public towards social enterprise.
>
> (SWE-O, 2017)

For example, in 2017, UK-O launched a campaign called 'I am social' to help Ghanaian citizens find 'their socialness' by purchasing Ghanaian local products. This work created awareness for social entrepreneurship and social purpose. The government and other international organizations (e.g., World Bank) complemented this work by launching new funding initiatives. Within two years, the number of Ghanaian businesses with a social purpose increased significantly – to more than 26,000 (British Council, 2016). However, many of these new businesses did not have a genuine social purpose; they launched expressly to receive funding. Similarly, SEP encouraged entrepreneurs to join the network of social entrepreneurs, even though some of them did not have an explicit social purpose (follow-up email, UK-O, 2021). This situation led, paradoxically, to social entrepreneurs with no declared social purpose co-existing with genuine social enterprises that did not define themselves as having social purpose and with 'real' social entrepreneurs aware of their social purpose. This outcome was also mirrored on the SEP member database, where we found nearly half of registered enterprises had no

declared social purpose on their company website. We refer to these businesses as 'pseudo-social enterprises'.

4.3.5.1.2 Market-shaping pattern 2: Promoting social entrepreneurial policy

The second reason for setting up SEP was to have *"a bigger voice to lobby on behalf of the sector"* (SWE-O, 2019). In essence, SEP was to be used as an indigenous vehicle from which to advocate for social entrepreneurship by mobilizing political and regulatory support for a formal social entrepreneurship policy:

> We have been creating this *policy* with the Ministry of Trade and Industry. With the support of the Ministry of Finance. That last year, that was a very predominant activity. It took up a lot of … time, because creating a policy is not an overnight job. And also bringing together the whole sector.… When you are doing these things, it is important that you do it right from the beginning.
>
> (SWE-O, 2017)

To drive approval of the policy, UK-O and SWE-O set about educating government bodies and government ministers. For example, UK-O organized three study tours to the UK, Kenya, and Hong Kong for ministers, industry leaders, CEOs of private-sector companies, and social entrepreneurs.

> At the study tour we recently organized, the Deputy Minister of Trade for Ghana indicated that he wants to be the champion for social enterprises in Ghana, which is a really good speak from any governmental agency. And he has committed to push through the social enterprise policy, which also is a very good momentum.

<div style="text-align: right">(UK-O, 2017)</div>

UK-O also coordinated four policy dialogue sessions in partnership with various government and development agencies. The sessions focused on developing skills, enterprises, and youth employment (British Council, 2018). Literature (e.g., Baker & Nenonen, 2020) positions educating as central to changing mental models and meanings. Educating appeared in all the market-shaping patterns we observed, and manifested as effort to legitimize social entrepreneurship at the highest regulative level. However, while hopes of securing official approval for the policy were high, a change in political parties in 2018 prevented its final adoption (Citi Newsroom, 2020; Reach for Change, 2017).

4.3.5.1.3 Market-shaping pattern 3: Bottom-up driven social entrepreneurial activism

Separate but in parallel to the instantiation of SEP, several social entrepreneurs initiated social entrepreneurial activism driven from the bottom up. These entrepreneurs had run their businesses with a social purpose, typically in response to problems they had observed first-hand (e.g., lack of waste management, high youth unemployment rate). Driven not by governmental funding initiatives or profit-making, but by a social mission and desire to lead by example:

> Social enterprises exist to bring benefit to a community. As a part of a community, it is like an ecosystem. You cannot survive without other people. And at the same time in a social enterprise context, you cannot survive by yourself. It is part of a market where you want people to be more conscious about how you are making profit and how you are giving back. You need to create an alliance

with other companies that believe in the same idea and then bring change forward to society maybe economically or socially or both.

(SE 1, 2018)

These social entrepreneurs passed on their entrepreneurial knowledge and experience to other (potential) entrepreneurs within their community or village, thus instigating what we refer to as 'peer-to-peer education'. They also shared their knowledge with business partners and their wider communities:

One of those days I went back to the community, then I start looking for them and I start educating them: How to stay away from men. It's important to understand that in Africa, especially in Ghana, young ladies feel that they gonna do change for themselves.... So, I started to educate them how to stay away from men and how to look for money.... To go into business.... How to be a self-employee. Something like to train them to become entrepreneurs.

(SE 4, 2020)

Together, UK-O and SWE-O were the central market shapers during the initiation stage. By establishing SEP as the central node for Ghanaian social entrepreneurship and advocating for social entrepreneurship policy, these organizations influenced rules and norms, representations, and the network layer of the market system. However, they had a mixed effect on the business definitions the entrepreneurs adopted. The response to funding opportunities made for strong growth in pseudo-social entrepreneurs, and although social entrepreneurial activity increased overall, it remained largely dispersed.

4.3.5.2 Consolidation stage

4.3.5.2.1 Market-shaping pattern 4: Connecting market actors

As reflected in the SEP membership database, SEP achieved significant membership growth (from 80 members in 2017 to 351 in 2021) and became firmly established as the central platform for social entrepreneurship in Ghana:

> Over the past two, three days from Monday … we have been to MDF; these are training hubs that are working together with *[UK-O]* to train over 200 new social enterprises in a program they are calling *[name of program]*. So, we are committed to train them, to educate them about all the opportunities in solving social problems profitably. That has been the contribution of *[SEP]* to the social enterprise landscape in Ghana.

> (SEP, 2019)

While UK-O and SWE-O still offered support, SEP now took full responsibility for orchestrating the social entrepreneurial network by attracting new social entrepreneurs and incubators:

> We are also bringing on board other social enterprises that do not have any agency or body to belong to, so they are left on their own, struggling on their individual business. So, there is no ecosystem, no mentors, no facilitators.

> (SEP, 2019)

Effort to create and diffuse knowledge about social entrepreneurship on social media and in the mainstream media was ongoing. SEP established a 'Social Thursday' program presenting the 'social entrepreneur of the week' on social media and hosted physical

events called 'Social Affairs'. The platform provided monthly newsletters featuring funding opportunities and networking events, and regularly participated in exhibitions and trade fairs, which ultimately resulted in a new market representation for social change:

> Through exhibitions, trade fairs, we have had our members displaying our products and also use those platforms to *[convince]* people about buying sustainable and social inclusive products. So, as I said, last two weeks we organized the SDG Investment Fair, where we had 24 of our members' …various products that are environmental-friendly.
>
> <div align="right">(SEP, 2019)</div>

Interestingly, while educating was still important in the consolidation phase, facilitating and enabling other actors' efforts (Lawrence & Suddaby, 2006) became more central:

> In the beginning, it sounded like an interesting concept, as I didn't know if it is my thing … but then you realize with a lot of workshops you are attending, you are actually a social entrepreneur solving community problems, using community-based solutions.
>
> <div align="right">(SE 3, 2020)</div>

4.3.5.2.2 Market-shaping pattern 5: Driving collective social entrepreneurial action

As SEP grew, its network members began seeing the organization not only as a source of information and training but also as a platform for engagement (Breidbach, Brodie, & Hollebeek, 2014) and idea exchange. Members started promoting SEP, and social entrepreneurs began connecting with one another via social media to engage in activities

beyond those organized by SEP. SEP, initially set up as a lobbying and information network, transformed into the leading social entrepreneurial platform. The collective voice grew stronger and Ghanaian entrepreneurs began collectively framing meaning around ethical and sustainable business practices:

> We need to find a way to essentially solve this problem. So, using the chemistry background … I decided to look into more of the plastic waste because everything in Ghana is plastic … we are a plastic society.

<div align="right">(SE 5, 2020)</div>

Advocating for social entrepreneurship policy continued:

> Just before Covid-19, we had a training session from *[name]* as to how to do advocacy. And we put pressure for the passing of the policy. But then all this came in. So we are still waiting to see if there will be a category called 'social enterprise' at the registration office.

<div align="right">(PGI 2, 2020)</div>

Meanwhile, collective social entrepreneurial action began compensating for the lack of government regulation. SEP provided the structure and governance mechanisms necessary for social entrepreneurs and local incubators to collaborate across Ghana, while social entrepreneurs continued educating other entrepreneurs. These developments, with the support of SEP, resulted in systemic learning (Calton et al., 2013). For example, female entrepreneurs began to feel more empowered to train other female social entrepreneurs in establishing a social business:

[Name] came to me last week. I introduced her to *[the idea of]* social enterprise business.… I suggest go to start your own home-made jump to start business.

(SE 4, 2020)

As this bottom-up movement within the social entrepreneurial network strengthened, the work of the government lessened as it eliminated social enterprise funding. This process created an interesting dynamic:

Previously, a lot of people thought that it was the responsibility of government to take up certain initiatives. Now they see that government cannot do it all.… So, I think that there is a gradual change. … And then there is a need that people have for employment. And society also sees a gap, and these are coming together to push the development of social enterprises.

(Communications agency, 2019)

The lack of governmental support led to a more concerted push by social entrepreneurs. However, in contrast to the dispersed social entrepreneurial activity in the initiation stage, SEP connected and coordinated actor activity during this consolidation stage. Consequently, despite little top-down regulation in place to encourage social entrepreneurship, SEP, social entrepreneurs, local incubators, and other actors in the social entrepreneurial network became stronger and more systematically involved in the supply-side changes promoting local and ethical produce. These actors also provided training and created many new jobs both directly and indirectly through social entrepreneurship (British Council, 2020). These developments led to a refined understanding of social purpose and ethical business practices:

> People are now more aware of what social enterprises are and what they truly mean and how they increase an impact in society.
>
> (UK-O, 2019)

> We're seeing much more successful and strong businesses growing and coming out of the sector.
>
> (SWE-O, 2019)

4.3.5.3 Layers of a market system for social change

The dispersed and collective market-shaping efforts of heterogeneous actors resulted in the layers of the market system showing new features characterized by social purpose and ethical market practices. In keeping with the business definition and purpose, a pragmatic model of *"solving community problems* [e.g., solutions to implement solid-waste management], *using community-based solutions [and] targeting the people who are really affected by problems"* (SE 3, 2020), also evolved, with a strong focus on environmentally sustainable and 'local first' business practices. *"Something more than just profit"* (SWE-O, 2019) became the purpose of doing business. Ghanaian entrepreneurs started businesses in a sustainable way while generating income (e.g., through upcycling and refurbishing) and educated other peers to do the same. Customers were now *"hearing the* [social purpose] *story more, they're liking it more, and they're starting to look for it and demand it"* (SWE-O, 2019).

Meanwhile, the network-layer-orchestrated social-entrepreneurial activity started to flourish. A *"lot of people are now interested in being social entrepreneurs because they know that now they can create an impact socially and environmentally through their businesses"* (UK-O,

2019). What initially started as dispersed social activity by purpose-driven actors began spreading among market actors, resulting in collective activity.

It was this 'collective' voice that made representations of social entrepreneurship 'real' to the broader population. Versatile market actors, intent on ensuring *"more officials coming to know that people are really doing business to solve society and public"* (SEP, 2019), promoted the 'socialness' of a business and its products through media, exhibitions, trade fairs, and catalogue listings. Finally, new norms and rules became legitimized, not by government but by SEP and the social entrepreneurial network:

> [H]aving a name to it and having a structure around the sector does mean that people start not only identifying us, but also implementing, … monitoring, like impact tracking, of their organizations…. [They] start to capture the impact of the collective sector, and I think that's probably been where the change has been.
>
> (SWE-O, 2019)

Particularly evident from our SEP case is the finding that social change had to diffuse through all layers of the market system to fully unfold. Fig. 2 schematically illustrates how the five market-shaping patterns influenced the formation of a market system for social change. It also shows how each of these patterns shaped multiple layers of the market system to account for social purpose and ethical market practices.

Figure 2: Market-shaping patterns creating and transforming market systems for social change

Initiation stage

Promoting social entrepreneurial policy

Actors
- International cultural organization (UK-O)
- International social incubator (SWE-O)
- Private local incubators
- Government

Institutional work
- Lobbying
- Advocating
- Educating governmental bodies and ministries

Implanting new market coordination mechanisms

Actors
- Social entrepreneurship platform (SEP)
- UK-O
- SWE-O
- Government and other funding bodies

Institutional work
- Vesting
- Creating and diffusing knowledge
- Educating market actors
- Constructing identity
- Evangelizing

Bottom-up driven social entrepreneurial activism

Actors
- Social entrepreneurs

Institutional work
- Framing meaning toward ethical and sustainable business
- Peer-to-peer educating
- Empowering communities

Market layers

Rules & norms — Awaiting top-down social entrepreneurship policy

Representation — Growing public awareness for social entrepreneurship

Network — Dispersed social entrepreneurial activity

Exchange — Initial social exchange practices by single entrepreneurs

Business definition — Developing (pseudo) social enterprise

Nascent market system for social change

Consolidation stage

Connecting market actors

Actors
- SEP

Institutional work
- Networking and growing the network
- Creating and diffusing knowledge
- Enabling
- Embedding and routinising

Driving collective social entrepreneurial action

Actors
- Social entrepreneurs
- SEP
- Private local incubators and other hubs

Institutional work
- Framing meaning toward ethical and sustainable business collectively
- Systemic learning
- Engaging the network
- Governing

Market layers

Rules & norms — Legitimization bottom-up through social entrepreneurship platform

Representation — Established public awareness for social entrepreneurship

Network — Orchestrated social entrepreneurial activity

Exchange — Ethical/social and sustainable business practices routinized

Business definition — Legitimized social enterprise

Viable market system for social change

4.3.6 **DISCUSSION**

4.3.6.1 Theoretical contribution

Understanding the link between market shaping and social entrepreneurship is particularly important in emerging economies where social entrepreneurial networks must compensate for market and government failures (Peredo & Chrisman, 2006; Prahalad, 2005; Sepulveda, 2015; Short et al., 2009). We have shown how the dispersed and collective market-shaping efforts of heterogeneous actors led to the creation and transformation of a market system for social change.

The first substantive contribution of our study comes from proposing a new conceptualization of market systems addressing social change. This holistic conceptualization spans the boundaries between market-shaping for improved economic (e.g., Azimont & Araujo, 2010; Kindstr̈om et al., 2018; Nenonen, Storbacka, & Frethey-Bentham, 2019), environmental (e.g., Ottosson et al., 2020; Yngfalk, 2019), and social outcomes (e.g., Faruque Aly et al., 2021; Lindeman, 2014).

Drawing from work on market practices (Kjellberg & Helgesson, 2006, 2007) and market systems (Nenonen & Storbacka, 2018; Nenonen, Storbacka, & Frethey-Bentham, 2019) and identifying how business definitions, exchange practices, networks, representations, and the rules and norms that guide value creation processes in the market need to change to comprise social purpose and ethical market practices, this conceptualization provides a much needed integrated perspective of market-shaping for reasons beyond economic growth. It also offers a new dynamic and systemic market view for social entrepreneurship that brings markets and ways of influencing market practices to the center of social

entrepreneurial activity – an area that is currently under-represented in the social entrepreneurship discourse (e.g., Slimane & Lamine, 2017)

Second, we highlighted the complex interplay of bottom-up social entrepreneurial action, top-down governmental action, and the intermediary role of SEP as an enabler of meso-level network structures. Implanting SEP in the Ghanaian social entrepreneurial network by UK-O and SWE-O was essential for engendering market-shaping. While an unsupportive government made bottom-up activism by actors in the social entrepreneurial network crucial for preventing social change from dipping below the radar, SEP, as an indigenous intermediary platform, proved critical to ensuring (through lobbying, advocacy, coordination, and education) multiple actors remained apprised of the benefits and practices of social entrepreneurship. SEP provided the necessary governance structure to coordinate emerging socially-driven market practices.

In extending work on collective action and bottom-up activism within social entrepreneurial ecosystems (e.g., Mato-Santiso & Rey-García, 2019; Thompson et al., 2018), our study shows that collective market-shaping action on a micro-level paired with meso-level network structures can indeed compensate for lack of governmental market-shaping action. Specifically, our work refines the two-staged process of social entrepreneurial ecosystem emergence elucidated by Thompson et al. (2018) because it emphasizes the critical interplay of the top-down and bottom-up forces that lead to the creation of a new market system.

More broadly, our study expands the market-shaping literature exploring the actions of a single actor or homogeneous collective of actors (e.g., Baker & Nenonen, 2020; Lindeman, 2012, 2014) because it presents a holistic picture of the market-shaping process as one that unfolds in a

non-linear, 'messy' way, involving multiple actors sometimes working together and sometimes not. These actors, moreover, change their roles across time. For example, SEP changed from an educational platform to an engagement platform featuring a broad range of social entrepreneurial activity, while changes in the government saw policymakers that had previously actively supported social entrepreneurship become passive observers. Due consideration needs to be given to these role changes because they affect the dynamics of the market-shaping process, particularly in emerging economies with unpredictable governments and resource constraints.

Third, our research equips scholars and practitioners with a new framework of five market-shaping patterns that influence the formation of a market system for social change. As evident from our case, these patterns affected multiple layers of the market system. We uncovered three distinct market-shaping patterns in the initiation stage of Ghana's social entrepreneurship scene – promoting social entrepreneurial policy, implanting new market coordination mechanisms, and social entrepreneurial activism. The first two patterns developed in tandem, each depending on the other; the third developed independently. Both top-down support by the government, UK-O and SWE-O, and bottom-up activism (although dispersed) were important during this initiation stage. Without the engagement of local business communities through SEP, social entrepreneurship could have been little more than an empty concept transplanted by neocolonial foreign institutions. Moreover, without top-down support, social entrepreneurship would have lacked a coordinated focus, continuing instead in a dispersed, arbitrary manner. Thus, all three

patterns laid the foundations for a market system perceived as indigenous to Ghana.

During the later – consolidation – stage, two new market-shaping patterns emerged from the previous ones: connecting market actors and driving collective social entrepreneurial action. These patterns built on and leveraged the newly established meso-level structure – SEP. SEP coordinated collective bottom-up action and became the central node for social entrepreneurs and other market actors. In so doing, it strengthened ties between actors and thereby increased resource density in the network. The increase compensated for lack of governmental support, a situation common to emerging economies. Building on these patterns, our research lays the foundation for further defining market-shaping strategies in emerging economies. It also responds to the call for developing market-shaping strategies in volatile, uncertain, complex and ambiguous environments (Flaig, Kindström, & Ottosson, 2021; Nenonen & Storbacka, 2020).

4.3.6.2 Implications for practitioners and policymakers

Our study indicates that shaping market systems for social change is probably best achieved through collective effort. Unless particularly powerful, a single actor (whether a government or an entrepreneur) rarely has the clout to shape market systems alone. While this situation may appear intuitive, it presents an important consideration on a strategic level. Much extant strategic marketing and management literature provides frameworks for focal actors to gain competitive advantage and innovation rents. A market-systems perspective, however, requires managers and social entrepreneurs to move from strategizing about their business to

strategizing about the wider network in which they are embedded. When they do, collaborative advantage and win-win-win outcomes become the ultimate goal (Nenonen & Storbacka, 2020). By extension, collective social entrepreneurial activism will likely deliver better results than individual action. This consideration is especially important in emerging economies where social enterprises must compensate for government and market failures.

Our proposed framework offers strategic pathways that can guide social entrepreneurs, social entrepreneurial platforms, and policymakers in their efforts to drive social change systemically. Actors within and beyond a social entrepreneurial network need to explore incumbent market structures and shape their actions accordingly. For example, if market structures do not feature platforms for entrepreneurial networks, then lobbying, advocating, vesting, educating, and evangelizing for social entrepreneurship become the top strategic priorities. In market systems with established market structures, networking, enabling, systemic learning, framing of meaning, and decentralized governance are potential strategies. The framework thus helps market actors identify how they can drive positive social change, what role they might play at different stages, and how (depending on the actions of other actors) they need to adapt.

Conceptualizing a market system for social change on five layers makes systemic change more practically manageable and conceivable. Policymakers can use this framework to legitimize social entrepreneurship and build greater awareness and understanding in an emerging economy (e.g., through media representations and funding opportunities) (British Council, 2015). However, shaping market system for social change is not just the responsibility of policymakers and regulators. The important role

of bottom-up legitimization through indigenous social entrepreneurial platforms enabling collaboration also needs to be acknowledged. As such, policymakers may be required to provide structural support for the formation of these platforms and networks.

Social entrepreneurs can, however, draw on the market-shaping patterns to organize collective social entrepreneurial action. While a few recent market-shaping studies highlight the social entrepreneur as a focal market shaper (e.g., Agarwal et al., 2018), we advise social entrepreneurs to engage in collective action and network building to make the best use of limited resources in emerging economies.

We furthermore encourage managers of social entrepreneurial platforms (like SEP) to see their role as a node for collective action and governance. In emerging economies, it seems platforms are best perceived as indigenous – as owned by the local entrepreneurship community. In contexts that feature less active government involvement, platforms wanting to generate greater influence over the upper layers of the market system (representations, rules and norms; Nenonen & Storbacka, 2018) should grow networks between social entrepreneurs while simultaneously orchestrating collective social entrepreneurial activism (as outlined in our fifth pattern). This approach should improve the likelihood of social enterprises securing success, namely formal legal recognition of social enterprise and informal acceptance of new norms, assumptions, and behaviors.

Last, our study offers implications for managers of social entrepreneurship platforms in developed economies. Consider, for example, Western countries that have been slow to develop and implement cohesive social entrepreneurship policy or legislation (e.g., the UK and

Germany) (British Council, 2015; OECD, 2021). This study provides useful guidance on driving social entrepreneurship activity under such circumstances.

4.3.6.3 Limitations and future research

Our research comes with limitations. Because it is explorative in nature, its findings are concerned not with generalization but with transferability and fit (e.g., Lincoln & Guba, 1985; Miles & Huberman, 1994). We consider that our findings can be transferred to other social entrepreneurial networks in emerging economies and most likely beyond. However, future research could investigate transferability in other contexts, specifically in developed economies where market failures are less salient.

In regard to Ghana, the fact that many people living below the poverty line have to shape market systems for social change should not be disregarded but investigated further. Building on work by Lindeman (2014), investigation could also focus on how bottom-of-the-pyramid market actors collectively engage in shaping viable market systems for social change.

Another research possibility arises out of the fact that during our study we interpreted the perspective of government bodies solely through secondary data because government interviewees were not forthcoming. Research in an emerging economy context where government does actively participate in research would be beneficial. As is evident in many empirical studies, we had to limit our research scope, which for us meant positioning it within market-shaping literature. Adopting an institutional entrepreneurship or effectuation theory approach (Sarasvathy, 2001) offers

the considerable potential benefit of providing complementary insights (e.g., Santos & Eisenhardt, 2009).

Further research is needed to extend and validate our findings and framework. Monitoring the social entrepreneurial scene in Ghana and the ongoing evolution of SEP would be useful; exploring the indicators that signal whether a market system for social change is fully 'formed' (if ever) is timely. How market systems in emerging economies balance stability and change is also of interest. Further investigation of the roles market actors play in different stages of market-shaping is relevant here. Finally, because our research provides an initial conceptualization of the social and ethical dimensions of a market system, we call for future studies that investigate the interplay of these dimensions in conjunction with the economic dimension, and how they jointly constitute a healthy, balanced, sustainable market system.

4.3.7 APPENDIX

A. Actors and their roles within the social entrepreneurial network

Actor	Brief description	Role	Contribution to a market system for social change
SEP	First and most prominent network of social entrepreneurs and other actors of the Ghanaian social entrepreneurial network. • Develops policies (e.g., social entrepreneurship policy) • Fundraises for early-stage social entrepreneurs • Conducts research to broaden understanding of the Ghanaian social-enterprise landscape	• Represent interests of the Ghanaian social enterprise landscape • Advocate for social entrepreneurship policy	• Building awareness of social entrepreneurship through events • Advocating for first social entrepreneurship policy and other policies promoting social entrepreneurship.
UK-O	International educational and cultural organization. • Conducts research to broaden understanding of Ghanaian social enterprise landscape • Develops policies (e.g., social entrepreneurship policy) • Provides training, business consulting, mentoring • Accesses funding and investment opportunities • Develops event/networking opportunities for social entrepreneurs • Supports and advises SEP	• Initiator of SEP • Initiate and advocate for social entrepreneurship policy	• Advocating for first social entrepreneurship policy and other policies promoting social entrepreneurship. • Building awareness for social entrepreneurship through events.
SWE-O	International social incubator with focus on initiatives benefiting children, young people. • Provides incubator and accelerator program for social entrepreneurs (funding, networking events, etc.) • Develops policies (e.g., social entrepreneurship policy) • Builds capacity (e.g., by supporting and advising SEP)	• Initiator of SEP • Initiate and advocate for social entrepreneurship policy	• Advocating for first social entrepreneurship policy and other policies promoting social entrepreneurship
SE 1	Manufactures products (e.g., moringa powder, moringa oil) from unused part of moringa tree. Sells along an implemented vertically integrated supply chain connecting 5000 farming families in Ghana to consumers.	• Member of SEP • Incubated by UK-O	• Educating farmers on sustainable planting of moringa trees and the importance of moringa • Improving nutrition and income of rural farmers through use of moringa trees • Creating sustainable employment opportunities for Ghanaians
SE 2	Developed app that helps Ghanaians determine the value of disposed plastic. The app scans empty plastics and calculates how much one should be paid based on number of plastic waste gathered.	• Member of SEP	• Tackling plastic-waste overflow through use of technology • Creating sustainable employment opportunities for Ghanaians • Educating locals on improving sanitation

SE 3	Converts city waste (eaten coconuts) flooding Ghanaian beaches into clean-burning, affordable fuels.	• Member of SEP	• Tackling of city waste through circular concepts • Rethinking an understanding of clean environment • Promoting notion that sustainable products contribute to a healthier life
SE 4	Creates sustainable products such as shea butter in rural villages; educates young women on (social) entrepreneurial skills and manufacturing of sustainable products.	• Member of SEP	• Educating and empowering young women in rural villages to become (social) entrepreneurs
SE 5	Converts waste from plastics and tires into fuels. Waste-purchasing program incentivizes Ghanaian citizens to collect the waste.	• Non-member of SEP	• Tackling city waste through circular concepts • Rethinking an understanding of clean environment • Creating sustainable employment for Ghanaians
PGI 1	A Sustainable Development Goals-focused hub in Tamale providing an incubation program. The hub's innovative approaches guide participants from ideation stage throughout implementation.	• Non-member of SEP	• Incubating innovative approaches of (social) enterprises working to deliver an improved social impact for the community or, ideally, nationally or globally
PGI 2	Innovation hub providing a platform for start-up support (including a social entrepreneurship program) in Kumasi. Includes co-working spaces, a funding database, a training room, and events space for social entrepreneurs and entrepreneurs.	• Member of SEP • Advocator for social entrepreneurship policy	• Advocating for first social entrepreneurship policy and other policies that promote social entrepreneurship • Establishing and providing a network connecting social entrepreneurs and entrepreneurs beyond their communities to tackle social or societal problems.
Consultant	Freelancer who conducts quantitative and qualitative research for Ghanaian social enterprises and the social entrepreneurship ecosystem in Ghana and advises them.	• Intermediary between social entrepreneurs and industry	• Contributing to building a social entrepreneurial network through collective action of social entrepreneurs and the broader industry
Communication agency	Communication and reputation management agency focused on the development of communication strategies located in Accra. Since 2013 the agency has hosted a yearly horticulture and floriculture show to create awareness of these topics and outline the unique income and job-creation opportunities inherent in them.	• Non-member of SEP	• Educating and empowering young Ghanaians to develop ideas for a greener, healthier Ghana through competitive events
e-learning platform	Platform connecting teachers and learners via mobile devices and fostering self-paced education.	• Non-member of SEP	• Contributing to opportunity for systemic learning through technology countrywide

B. Overview of data sources and data collection process

Primary data: semi-structured in-depth expert interviews	Interview period	Main goals	No. interviews	Interview partner	Length
	1st round: November 2017–January 2018	• Identify value-adding practices by versatile actors of the social entrepreneurial network in Ghana	5	SEP, 2017	29 min 38 sec
				UK-O, 2017	45 min 27 sec
				SWE-O, 2017	38 min 17 sec
				Communication agency, 2018	22 min 54 sec
				Social enterprise 1 (SE 1), 2018	32 min 38 sec
	2nd round: October 2019–June 2020	• Identify institutional work types that constitute and drive formation of a market system for social change	12	SWE-O, 2019	40 min 35 sec
				Consultant, 2019	1h 07 min 41sec
				Communication agency, 2019	33 min 32 sec
				SEP, 2019	48 min 02 sec
				Social enterprise 2 (SE 2), 2019	40 min 26 sec
				UK-O, 2019	25 min 41sec
				Social enterprise 3 (SE 3), 2020	49 min 48 sec
				Private Ghanaian incubator 1 (PGI 1), 2020	45 min 15 sec
				Social enterprise 4 (SE 4), 2020	58 min 45 sec
				Private Ghanaian incubator 2 (PGI, 2), 2020	52 min 11 sec
				e-learning platform, 2020	1h 02 min 19 sec
				Social enterprise 5 (SE 5), 2020	52 min 18 sec
Σ			17		**697 min 07 sec** Ø 41 min average interview length

Email correspondence	Email period	Main goals	No. emails	Email correspondents	Length
	February–May 2021	• Seek clarification regarding events in the Ghanian social entrepreneurial network • Provide additional information on events not listed in reports	15	SEP UK-O SWE-O	6 pages

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Data sources	Main goals	No. documents	Year	Length
Secondary data				
1. Reports 2. Books 3. Conference papers 4. Thesis 5. Newspaper articles	• Identify knowledgeable interview participants • Develop understanding of Ghanaian culture and economy	10 1 1 3 11	2007–2020 2012 2017 2014, 2017 2017–2020	365 pages

Data sources	Main goal	No. members	Year
SEP membership database	• Tracking growth of memberships and connections with SEP over time • Understanding (social) purpose of these organizations	80 210 351	2017 2019 2021 November 2017–March 2021

C. Timeline of key events of the Ghanaian social entrepreneurial network based on secondary data

2011
- Growth Mosaic, an incubator and accelerator, begins operations in Accra, Ghana (British Council, 2016)

2012
- SWE-O begins operations in Accra, Ghana (British Council, 2016)

2013
- iSpace, a tech and innovation hub, begins operations in Accra, Ghana (British Council, 2016)

2014
- First informal meeting of SWE-O, Impact Hub, and Growth Mosaic; need to collaborate to build up the social entrepreneurial ecosystem discussed. Afterwards, UK-O formally asks to join the movement (follow-up email with UK-O, 2021)
- SWE-O and Millicom introduce 'Tigo Digital Changemakers (TDC) Award' (Millicom, 2016; Reach for Change, 2017)
- SWE-O, UNICEF, and the European Union launch 'IMAGINEghana Challenge', a competition resulting in selection of 7 exceptional change leaders of innovations positively affecting the lives of children and youth (Reach for Change, 2017)

2015
- Overseas Development Institute (ODI) report indicates low level of social-enterprise development in Ghana. Of the few social enterprises operating in Ghana, none has reached medium-size operations (Social Enterprise Ghana, 2018)
- March:
  - Release of report on the social enterprise landscape in Ghana; includes UK-O study of ecosystem in Ghana (British Council, 2015)
- Association of Ghana Industries (AGI) prioritizes social entrepreneurship activity (British Council, 2016)
- National Development Planning Commission (NDPC) says Ghana has no social entrepreneurship policy (British Council, 2016)
- UK-O works with Social Enterprise United Kingdom, SEP, and Ministry of Trade and Industry (MoTI) to develop social entrepreneurship policy (British Council, 2016)
- MoTI declared prime location for social entrepreneurship policy activity (British Council, 2016)
- Impact Hub Accra begins operations in Accra, Ghana (British Council 2016)
- July:
  - Launch of SDG Philanthropy Platform (Social Enterprise Ghana, 2018)
- Launch of 'Women Innovate', a program organizing numerous opportunities for high-impact female social entrepreneurs to scale up faster. Opportunities include funding, mentoring, learning, and experience-sharing with other senior businesswomen in Ghana (Reach for Change, 2017)
- SWE-O provides grants, technical assistance, office staff, and office space for establishing SEP (follow-up email with UK-O, 2021)
- December 16:
  - **20 local leaders of the social entrepreneurial ecosystem (e.g., SWE-O, Impact Hub, Growth Mosaic, UK-O, BUSAC Fund Knowledge Management Platform, etc.) participate in decision/founding meeting convened to establish SEP; staff from UK-O observe; SWE-O joins SEP** (follow-up email with UK-O, 2021; Social Enterprise Ghana, 2018)
- December 16 (continued): UK-O connects SEP with MoTI (follow-up email with UK-O, 2021)

2016
- May:
  - SEP hosts networking events (outside Accra) deemed significant for expanding social entrepreneurial activity (British Council, 2016)

- **SEP key local driver of development of** social entrepreneurship policy; **first draft** of social entrepreneurship policy **created over Christmas** (follow-up email by UK-O, 2021)

2017

- Membership of SEP open to all organizations registered in Ghana after founding meeting (follow-up email by UK-O, 2021)
- March:
  - UK-O launches and hosts first 'Enterprise Africa Summit' in Ghana (558 delegates, 92 speakers, 45 exhibitors from 23 countries) (British Council, 2014)
  - Ministry of Trade & Industry and SEP hold workshop at UK-O to validate draft of social entrepreneurship policy and ensure it meets the concerns of all social enterprise sub-sector stakeholders (Social Enterprise Ghana, 2018)
  - **Meeting with members of SEP (UK-O, MoTI) regarding first step toward developing national** social entrepreneurship policy (Reach for Change, 2017)
- March (continued): Further development/refinement of social entrepreneurship policy (Reach for Change, 2017)
- SWE-O launches thematic accelerators (e.g., women's economic empowerment accelerator, youth job creation accelerator) (Reach for Change, 2017)
- November:
  - SWE-O and Ministry of Finance participate in inaugural interactive dialogue with Ghanaian corporations. Discussion focuses on how different actors can come together to achieve Sustainable Development Goals (SDGs) targets for Ghana by 2030 (Reach for Change, 2017)
  - Launch of 'Ghana Philanthropy and Impact Investment Forum', an association of corporate and private foundations and impact investors (Reach for Change, 2017)
  - Ministry of Finance and SEP holds breakfast for CEOs to launch 'Philanthropy and Impact Investors Network Ghana' (PIING), a SDGs initiative. This independent network is owned and managed by a community of individual foundations intent on achieving a higher collective impact (Social Enterprise Ghana, 2018)
- **Final draft of** social entrepreneurship policy **awaiting presentation to Cabinet** (since mid-2017) (follow-up email by UK-O, 2021; Reach for Change, 2017)
- **Number of registered SEP members reaches 80** (Adomdza et al., 2017)

2018

- March: Social Enterprise Month on Citi FM Friday – features social enterprises, funders, etc. (Social Enterprise Ghana, 2018)
- October:
  - PIING and SEP host policy dialogue for key stakeholders in public sector with the aim of creating enabling regulatory reforms and a conducive environment (Social Enterprise Ghana, 2018)
  - Consultation workshop focused on creating 'Impact Wholesale Fund for Ghana' held in conjunction with several ministries and the social entrepreneurial ecosystem. SEP is part of the establishment of a National Advisory Board for Impact Investing in Ghana and of launching 'Impact Investing Ghana' (Social Enterprise Ghana, 2019)
  - SEP and Hapa Foundation (a hub) hold promotional tours (general assemblies) in 10 Ghanaian capitals; goal is to increase SEP membership to 1000 new registered social enterprises (SE Ghana, 2018)
- Focus on gender equality; UK-O publishes report on role of social enterprises in supporting women's empowerment (British Council, 2018)
- **Number of registered SEP members reaches 117** (Social Enterprise Ghana, 2018)

2019

- Accra SDG holds investment fair to facilitate collaboration between investors and sustainable public and private sector projects/businesses (Social Enterprise Ghana, 2019)
- 'Think Ghana Foundation' and SEP organize 'Ghana Bar Camp', an open, participatory workshop for change-makers and entrepreneurs (Social Enterprise Ghana, 2019)
- June:
  - National Advisory Board hosts launch of 'Impact Investing Ghana' (IIGh) (Social Enterprise Ghana, 2019)
- October:
  - SEP participates in Social Enterprise World Forum (SEWF) organized by UK-O in Addis Ababa. One of SEWF's aims is to increase visibility of social enterprise on the global stage (Social Enterprise Ghana, 2019)

- UK-O runs pilot project 'Enhancing Employability for Urban Youth' designed to help young men and women in cities develop (i) skills needed in today's rapidly changing job market and (ii) grow their own social enterprises (Pioneers Post, 2021)
- November:
  - SEP holds event at SWE-O for social entrepreneurs; aim is to have attendees empower one another and exchange ideas (Social Enterprise Ghana, 2019)
  - Twenty-four SEP entrepreneurs exhibit, network, and pitch for investors at the 'Accra SDG Fair' (Social Enterprise Ghana, 2019)
- December:
  - SEP chooses 7 social entrepreneurs to exhibit free of charge at the 'Made in Ghana Fair' (Social Enterprise Ghana, 2019)
  - 'Impact! Africa Social Entrepreneurship Summit' takes place in Kenya (Pioneers Post, 2021)
- Social entrepreneurship policy still awaiting government approval

2020
- December:
  - SEP holds post-dialogue with relevant stakeholders to view draft of social entrepreneurship policy revised by MoTI (Citi Newsroom, 2020)
  - SWE-O signals aim to expand draft social entrepreneurship policy towards an impact investment policy positioning Ghana as a destination for impact funds (Citi Newsroom, 2020)
  - MoTI assures that, alongside the proposed policy, funding for social enterprises will increase (Citi Newsroom, 2020)

4.3.8 REFERENCES

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4.4 MARKET INNOVATION TO FOSTER SOCIAL CHANGE IN GHANA (TRANSFER PAPER G)

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Actors can through their deliberate activities reconfigure and modify an existing market or form a completely new market. This process is called market-shaping e.g., (Kjellberg, Azimont, & Reid, 2015, p. 6-7; Nenonen, Storbacka, & Windahl, 2019, p. 618; Nenonen, Fehrer, & Brodie, 2021, p. 236). However, market-shaping can also be a vehicle to bring about positive social change. An example would be the introduction of micro finance services to people in developing countries so that people can found their own business or extend it. This can not only foster economic growth but similarly positive social change, e.g., strengthening the inclusion of disadvantaged population groups and improving their living conditions.

4.4.1 SOCIAL ENTREPRENEURSHIP AS A DRIVER FOR POSITIVE SOCIAL CHANGE

Markets are not static but constantly "in the making" (Kjellberg et al., 2012, p. 220). Following the logic of value co-creation (Woratschek, 2020; Vargo & Lusch, 2016), various market actors (e.g., for-profit and not-for-profit organizations, suppliers, customers, competitors, volunteers, media, government) can co-create markets through their coordinated interaction and collaboration (Storbacka & Nenonen, 2011, p. 255). For example, co-creation could be done by sharing knowledge or jointly founding a new organization.

Social entrepreneurship is the "process of identifying, evaluating and exploiting opportunities aiming at social value creation by means of commercial, market-based activities" (Bacq & Janssen, 2011, p. 376). Social entrepreneurs aim at solving societal problems and thus, bring about social change (e.g., Alvord, Brown, & Letts 2004, p. 260). This is illustrated by a study analysing the relationships between social entrepreneurs, the government, and international organisations in Ghana (Kullak, Fehrer, Baker, Woratschek, & Sam-Cobbah, 2022).

At first sight, emerging economies seem to be lagging with entrepreneurial activities as they are more concerned with issues such as widespread poverty, limited financial capital, high unemployment rates and limited community infrastructure compared to developed economies. However, a closer look reveals that these economies provide fertile ground for social entrepreneurial activities (Mirvis & Googins, 2018, p. 2). In Ghana, the number of social enterprises aiming to tackle social and environmental problems has grown substantially (British Council, 2016, p. 00; 12). Not infrequently, these social enterprises compensate for government and market failures (Sepulveda, 2015, p. 852).

4.4.2 MARKET-SHAPING IN GHANA

Kullak et al. (2022) analysed social entrepreneurship in two interview rounds from 2017 to 2020. As a result, two phases with a total of five activity dimensions (market shaping patterns) are identified. These activity dimensions change the institutions that ultimately lead to market-shaping. Here, institutions are defined as structures of laws, rules, norms, and social conventions governing actors' behaviours and expectations as well as regulating business operations and ethics (Lawrence & Suddaby, 2006).

In the first phase (initiation), an emerging market system for social change begins to develop. In the second phase, the market system becomes viable (consolidation).

A) Initiation phase

1. **Introducing new coordination mechanisms:** Social entrepreneurship in Ghana received little attention from both the government and the general public until 2014. In response, two international not-for-profit organisations initiated a social entrepreneurship programme and founded the Ghanaian Social Entrepreneurship Platform (SEP). The objectives of the SEP were to represent different socio-economic perspectives from across the country, connect social entrepreneurs, facilitate networking activities, transfer knowledge and become a vibrant centre for a thriving network of social entrepreneurs.

2. **Promoting social entrepreneurship policies:** Another reason for establishing the SEP was to mobilise many social actors for policy and regulatory change. As a rule, institutions can only be brought about by a critical mass of willingness to change.

3. **Bottom-up driven social entrepreneurship:** Social entrepreneurs often responded to problems they had observed first-hand (e.g. lack of waste management, high youth unemployment). They were not driven by government funding initiatives or the profit motive but by a social mission and a desire to take a leadership role. They passed on their entrepreneurial knowledge and experience to other (potential) entrepreneurs in their community or village and initiated peer-to-peer

education. They also shared their knowledge with business partners and their wider communities.

B) Consolidation phase

4. **Networking of actors:** the creation and dissemination of knowledge about social entrepreneurship in the media continued. SEP set up a "Social Thursday" programme where the "Social Entrepreneur of the Week" was presented on social media, and organised physical events called "Social Affairs". It offered monthly newsletters with information on funding opportunities and networking events and regularly took part in exhibitions and trade fairs. Actors were increasingly enabled and facilitated to practice social entrepreneurship.

5. **Promoting collective social entrepreneurship:** SEP, which was originally founded as an advocacy and information network, became the leading platform for social entrepreneurship. Ghanaian entrepreneurs began to compensate for the lack of government regulation, with the SEP providing the structure and governance mechanisms for social entrepreneurs and local incubators to work together across Ghana. Furthermore, social enterprises trained others. These developments, with the support of the SEP, led to systemic learning.

The SEP received significant membership growth and became firmly established as the central national platform for social entrepreneurship in Ghana to take over full responsibility.

4.4.3 TO PUT IT IN A NUTSHELL

1. Market shaping means reconfiguring an existing market or creating a new market.

2. Market shaping (e.g., a market for social entrepreneurship) can be a driver toward social change through social entrepreneurs and the collaboration of many different actors.

3. Social entrepreneurship is a market-based process aiming at co-creating social change.

4. A social entrepreneurship platform enables and facilitates market-shaping to co-create social change.

5. An analysis in Ghana showed that a market for social change can be shaped by five activity dimensions.

6. In the initiation phase the activity dimensions are introducing new coordination mechanisms, promoting social entrepreneurship policies, and bottom-up driven social entrepreneurship.

7. In the consolidation phase the activity dimensions are networking of actors and promoting collective social entrepreneurship.

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CHAPTER 5: VALUE CREATION IN SERVICE ECOSYSTEMS

5.1 SERVICE ECOSYSTEM (FR)AGILITY IN THE FACE OF TURBULENT EVENTS (SCIENTIFIC PAPER 5, EXTENDED ABSTRACT)

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5.1.1 RESEARCH AIM

The increasing occurrence of turbulent events, such as geopolitical conflicts, natural disasters, environmental calamities, cyber-attacks, and global health emergencies, together with growingly more complex service networks have exposed the fragility of service organizations (Kabadayi, O'Connor, G. E., & Tuzovic, 2020; Vredenburg, Kapitan, & Jang, 2023). These events impact the ability of service ecosystems to adapt and self-adjust at macro (i.e., service systems), meso (i.e., service organizations), and micro (i.e., service frontline employees) levels (Vargo & Lusch, 2016), diminishing ecosystems functionality and service continuity (Frow, McColl-Kennedy, Payne, & Govind, 2019; Wei Wei, Laud, & Chou,

2019), resulting in negative outcomes (Achrol & Stern, 1988; Chatterjee, Feng, & Nakata, 2023; Ererdi et al., 2022). Therefore, understanding how service ecosystems can embrace the agility to withstand or recover from turbulent events has become a top service research priority (Field et al., 2021).

This paper adopts the Pearson and Clair's (1998) definition of crisis to define turbulent events as occurrences that interrupt normal service operations and jeopardize service ecosystem functionality and uses "turbulent events" instead of "crisis" to highlight a crisis-as-event perspective. This perspective investigates actors' reactions to a crisis and characterizes effective crisis management by the individuals and organizations' self-adjusting abilities to bring a service back to normal in the aftermath of an adverse event (Williams et al., 2017).

Service ecosystem functionality during turbulent events depends on an ecosystem's ability to adapt to changing situations and meet new requirements (Finsterwalder & Kuppelwieser, 2020; Kuppelwieser & Finsterwalder, 2016). Hence, agility has gained prominence as a critical requirement for ensuring service continuity (Naslund & Kale, 2020). Though agility research encompasses various organizational contexts and units of analysis (Pinho, Pinho, Deligonul, Cavusgil, 2022), the literature lacks a clear conceptualization of Service Ecosystem Agility (SEA) that can enhance an understanding of maintaining or restoring an ecosystem's function in the face of turbulent events (Fehrer & Bove, 2022). Agility is not a silver bullet that is universally applicable in every situation and must be employed judiciously under appropriate conditions and be commensurate with the turbulent event (Ahlbäck, Fahrbach, Murarka, & Salo, 2017). Therefore, understanding turbulent events and their outcomes

is imperative to calibrate the required level of agility (i.e., when, how much, and what dimension of agility is needed) and undertake agile efforts cost-effectively (Teece, Peteraf, & Leih, 2016).

This paper addresses two key questions: 1) How can Service Ecosystem Agility (SEA) be conceptualized and what dimensions does it have and 2) Of the dimensions constituting SEA, which one is the ideal driver to respond to a specific turbulent event effectively and efficiently?

5.1.2 CONCEPTUAL DEVELOPMENT

An outcome-based categorization of turbulent events

Turbulent events appear to encompass a wide range, from minor situations like staff illness and organizational misconduct to major incidents such as natural disasters and terrorist attacks (Ritchie, 2004). Broad definitions have been criticized for lacking specificity and hampering effective responses (e.g., Burnett, 1998; Sheth & Uslay, 2023). To enhance crisis response, categorization based on characteristics like severity, intensity, time pressure, and associated ecosystem impacts is advantageous (Burnett, 1998; Ritchie, 2004).

Employing Jaakkola's (2020) typology approach, we develop an outcome-based categorization of turbulent events derived from current conceptualizations in the business and management literature. The literature demonstrates that turbulent events share commonalities regarding four key characteristics: unpredictability, unexpectedness, volatility, and troublemaking tendencies. Unpredictability refers to the inability to accurately forecast event details, hampering planning and efficient response (Wang, Deng, Sheng, & Jia, 2024). Unexpectedness

refers to the shock when an event occurs, challenging prompt and informed decisions and actions (Kabadayi et al., 2020). Volatility describes continuous shifts post-event that complicate response (Achi, Adeola, & Achi, 2022). Finally, troublemaking highlights subsequent challenges that unfold, exacerbating situations and escalating tensions (Campbell, Inman, Kirmani, & Price, 2020).

While turbulent events share common traits, scholars often distinguish between them based on four key characteristics: size, severity, time, and impact. These characteristics provide the foundation for our outcome-based categorization of turbulent events: Size pertains to the scale or magnitude of a turbulent event assessed by criteria such as magnitude, the extent of geographical scope, the size of the affected population, and the size of the sector or organizations affected. Severity denotes situation gravity and the extent of adverse effects (Trkman, Popovič, & Trkman, 2021), spanning minor to catastrophic (Arnold & Marinova, 2023). Some scholars conceptualize severity as the seriousness of an event, broadly defined as the degree to which damages incurred by a turbulent event are significant and threaten the functionality of an organization (Rasoulian, Grégoire, Legoux, & Sénécal, 2023). Time characterized by duration (persistence length) and the speed of onset (escalation rate). Impact signifies the consequences and effects of a turbulent event on stakeholders within service ecosystems.

Based on the commonalities and differences, we introduce the umbrella concept of complexity as a contrasting feature which differentiates various turbulent events. Complexity presents the multidimensional nature of a turbulent event, characterized by interrelated factors of size, severity, time, and impact, that interact with unpredictable,

unexpected, volatile, and troublemaking, rendering crisis management and response challenging. The greater the complexity of a turbulent event, the more imperative it becomes to adopt a comprehensive, ecosystem-oriented approach with interventions from higher-level actors to ensure an efficient and effective response.

Building upon the proposed concept of complexity, we delineate three categories of service outcomes in the face of turbulent events: service disturbance, service disruption, and service disaster (3Ds). It is worth mentioning that these categories exist along a fluid continuum; there may be turbulent events that do not fit perfectly into one category or another.

A service disturbance stems from less complex turbulent events characterized by their short duration or incremental onset, small-scale size, with minor and tolerable severity and benign impact on the service ecosystem. Service disturbances can be inconvenient and interrupt the regular functioning of a service ecosystem at the micro level by challenging the self-adjusting abilities of both frontline employees and customers. However, due to the low levels of complexity, they often respond to effective and efficient responses of such micro-level actors.

A service disruption arises from turbulent events with moderate complexity characterized by their mid-range duration or rapid onset, medium-scale size, with serious but manageable severity and damaging impact. Service disruptions, if not adequately addressed, have the potential to harm a service ecosystem at both micro and meso levels, impacting frontline employees, customers, and service organizations. Due to their level of complexity, service disruptions go beyond the self-adjusting abilities of micro-level actors and necessitate interventions from meso-

level entities, primarily the service organization, for an effective and efficient response.

A service disaster emanates from highly complex turbulent events characterized by their long-term duration or sudden onset, large-scale size, with catastrophic and debilitating severity and disastrous impact. Service disasters, if left unaddressed, have the potential to inflict significant harm on the entire service ecosystem. Due to the high degree of complexity, an effective and efficient response to service disasters goes well beyond the capacity of micro- and meso-level entities and demands coordinated efforts from macro-level forces such as governments, and national and international organizations.

Service ecosystem agility (SEA)

As turbulent events vary in their complexity, resulting in various outcomes (i.e., service disturbances, service disruptions, and service disasters) for service ecosystems, it is advantageous to categorize agility respectively to understand how it contributes more effectively and efficiently to respond to these outcomes. Due to the emphasis on ecosystem resilience in crisis response (Fehrer & Bove, 2022; McColl-Kennedy et al., 2023), it is pivotal to articulate the distinction with agility. Resilience involves positive adaptations to restore equilibrium disrupted by change (Hartmann, Weiss, Newman, & Hoegl, 2020; Luthans, Avolio, Avey, & Norman, 2007). Thereby, it enables post-crisis ecosystem operation (Fehrer & Bove, 2022). In essence, while resilience is often reactive, focusing on recovery after turbulent events, agility is inherently proactive, denoting the ability to rapidly respond and adapt during and following such events (Rego et al., 2022). Moreover, agility not only deals with the unpredictability,

unexpectedness, volatility, and troublemaking characteristics of turbulent events, but also addresses variations in the complexity of such events by highlighting the speed and quickness of response (Pinho et al., 2022).

Given the recent mega-disruptions such as the COVID-19 pandemic with implications for entire service ecosystems (Vredenburg et al., 2023), there is a need for an integrated conceptualization of agility that transcends systemic views of the market to embrace an ecosystem perspective, acknowledging the interconnectedness of ecosystems' entities. In conceptualizing SEA, marketing agility (Kalaignanam et al., 2021) does not fully consider the integrative nature of service in that services are processes that typically involve the simultaneous integration of multiple stakeholders, activities, and resources for value creation (Parasuraman, Zeithaml, & Berry, 1985; Zeithaml, Bitner, & Gremler, 2018). In a service environment increasingly marked by turbulent events, the agility of actors across all levels of an ecosystem is crucial to deal with the outcomes of such events.

We define the three-dimensional concept of SEA as the ability of a service ecosystem to swiftly leverage, mobilize, and coordinate the adaptive and self-adjusting qualities of service ecosystem entities across micro, meso, and macro levels in response to turbulent events to contain event outcomes, restore ecosystem functioning, and preserve service continuity efficiently and effectively. Our conceptualization of SEA comprises three interconnected dimensions: Frontline Employee Agility (FLEA), Service Organization Agility (SOA), and Systemic Agility (SA), which are essential to synergistically embracing agility within a service ecosystem.

Frontline ecosystem agility (FLEA)

Following Salmen and Festing (2022), we recognize both trait and ability pathways as integral to understanding FLEA. Agile frontline employees possess inherent personality traits and learned skills that enable agile behaviors (Braun, Hayes, DeMuth, & Taran, 2017). Individual competencies (e.g., situational awareness) and behaviors (e.g., improvisation) represent two resources frontline employees can leverage during turbulent events (Doeze Jager, Born, & van der Molen, 2022; Naslund & Kale, 2020). While all employees in the organization play an important role, we focus on front-line employees because of their proximity and close interactions with customers which give them unique access and responsibility to mitigate negative outcomes from turbulent events.

Agile employees overtly demonstrate agile behaviors during direct interactions with customers, identifying processes needing adaptation based on customer requirements, and exhibiting a willingness to modify and reimplement service processes when necessary (Rasouli et al., 2015). They may also respond to change by monitoring the environment and rethinking standard procedures to generate opportunities (Doeze Jager et al., 2019, 2022; Snyder & Brewer, 2019). Thus, we define FLEA as the reactive traits and adaptive abilities of frontline employees that enable them to effectively leverage resources for proportional response to efficiently contain and mitigate turbulent event outcomes and resume routine service operations.

Service organization agility (SOA)

SOA encompasses a service organization's ability to adjust to the rapid, uncertain, and unpredictable changes following turbulent events (Nagel & Dove, 1998; Overby, Bharadwaj, & Sambamurthy, 2006). It involves an organization's proactive sensing and adaptation capacity to promptly respond to shifting environments (Goldman, Nagel, & Preiss, 1995; Zhang & Sharifi, 2000). Agile organizations continuously reconfigure and redefine their processes, resources, and strategies (Ashrafi, Kuilboer, & Koehler, 2006; Sambamurthy, Bharadwaj, & Grover, 2003).

While current conceptualizations of organizational agility consider environmental changes to be either internal or external to the organization (Christopher, 2000), an ecosystem-oriented perspective that acknowledges service organizations as nested in service ecosystems is warranted. Building on Findsrud's (2020) definition of agility, SOA requires a proactive and reactive balancing of adaptive (i.e., changes to resources based on shifts in the environment) and creative abilities (e.g., experimenting to develop new or improve existing resources) to manage resources amidst turbulent events. Accordingly, we define SOA as the adaptive ability of service organizations to effectively integrate resources from across the organization for a targeted response to efficiently contain and mitigate turbulent event outcomes and resume routine service operations.

Systemic agility (SA)

SA foregrounds the pivotal role that macro-level actors, such as national and international organizations and governments, play in enabling service ecosystem self-adjustment by altering the rules and institutional logics of

ecosystems (Vargo & Lusch, 2016) and offering additional resources to meso and micro entities facing turbulent events (Gabler, Richey, & Stewart, 2017). The agility displayed by macro-level actors may be decisive in preserving the functioning of an entire service ecosystem in the face of turbulent events.

Janssen and van der Voort (2020) assessed governmental response to the COVID-19 pandemic by evaluating adaptive (e.g., decentralizing authority, or instating bottom-up information flows) and agile (e.g., quickly responding through internal management practices) governance abilities. Such abilities of higher-level actors can affect the micro and meso-level outcomes for individuals and service organizations (Beirão, Patricio & Fisk, 2015). Hence, we define SA as the adaptive ability of macro-level entities to effectively mobilize resources across the ecosystem and coordinate resource allocation for a calibrated response to efficiently contain and mitigate turbulent event outcomes and resume normal service operations.

Contingency-based framework for matching SEA to 3Ds

Following the outlined conceptualizations, we utilize contingency theory to develop a framework premised on the idea that aligning SEA dimensions with 3Ds categories facilitates effective and efficient crisis management. The contingency theory to business strategy proposes that organizations can achieve higher performance when their internal processes and strategies fit the characteristics of external factors (Drazin & Van de Ven, 1985). One such external factor shaping organizations' actions and outcomes is the business environment (Chatterjee et al., 2023; Morgan et al., 2019). Our propositions are as follows:

Frontline employee agility (FLEA) for service disturbance

Our framework proposes an ideal fit between service disturbances and FLEA. Agile frontline employees can efficiently utilize available resources to maintain or restore service processes affected by a service disturbance and contain detrimental outcomes (Naslund & Kale, 2020; Salmen & Festing, 2022). For instance, a restaurant may experience a service disturbance if the weather delays staff arrival just before a busy dinner service, causing an acute shortage. The remaining staff must effectively respond to the turbulent event, efficiently reorganize, inform the kitchen, reassign tables, communicate internally, attend to customers, and avoid failure. Response time and customer communication are critical to prevent escalation (Zhai, Zhong, & Luo, 2019). Frontline employees' impactful rapid response by prioritizing appropriate actions over routines can contain the event's complexity at a much lower level and prevent service disruption. Therefore, our first proposition is:

Proposition 1: Frontline Employee Agility (FLEA) will be the ideal dimension of SEA to respond to service disturbances efficiently and effectively.

Our first proposition is based on the following justifications: 1) Service disturbances are low-complexity outcomes of turbulent events with minimal impact beyond the initial point of occurrence; 2) Frontline employees are closest to the point of disturbance to respond quickly and effectively through situational adaptation to prevent further escalation with minimal coordination; and 3) FLEA avoids unnecessary effort and over-utilization of resources as coordination needs are minimal given the low complexity of service disturbances.

Service organization agility (SOA) for service disruption

Our framework illustrates an ideal fit between service disruptions and SOA. Addressing such disruptions requires agile organization-wide responses to mitigate consequences. Adaptability and willingness to change processes drive SOA as a behavioral change moderator (Edvardsson & Tronvoll, 2022). For instance, in 2021, a one-day cyberattack on aviation IT operator Sita breached passenger data but was swiftly contained (Farrer, 2021). Due to adaptable management (Kullak, Baker, & Woratschek, 2021), Sita directly contacted customers about the attack. Information system capabilities allowed transparent communication and ongoing processes (Findsrud, 2020). The organization-wide effects exceeded frontline capacity but did not require systemic agility given the limited scope. Neither FLEA nor SA alone could effectively and efficiently address the disruption. However, SOA, in conjunction with FLEA, provided the essential combination of adaptive and self-adjusting abilities. This example signifies the pivotal role of SOA in responding to disruptions that cause turmoil across an organization but stop short of permeating the wider service ecosystem. Thus, our next proposition is:

Proposition 2: In addition to FLEA, service organization agility (SOA) will be the ideal dimension of SEA to respond to service disruptions efficiently and effectively.

Our second proposition is based on the following justifications: 1) Service disruptions are more complex than service disturbances and require mobilizing organizational resources to contain disruption spillover and prevent escalation to higher levels; 2) Unlike the minimal mitigation of FLEA, SOA provide a proportional response by utilizing organizational

resources while avoiding excessive efforts; and 3) FLEA alone would be insufficient given the moderate complexity of service disruptions while SA would overutilize resources.

Systemic agility (SA) for service disaster

Finally, we propose an ideal fit between service disasters and SA. In such cases, FLEA and SOA are insufficient as highly complex outcomes strain ecosystem ties, causing rapid resource inefficiency (Thompson-Whiteside et al., 2023), and impairing ecosystems' self-adjusting abilities. However, SA can restore ecosystem functionality through efficient coordination and allocation of resources. For instance, in 2005 when Hurricane Katrina impacted sizable areas in the U.S., its extreme impact triggered healthcare service disasters via extensive facility damage, patient displacement, and care discontinuation. Immediate resource coordination and allocation by the government and other macro-actors were needed but lacking, exposing fatal systemic fragility (Rodríguez & Aguirre, 2006). Response delays, insufficient resources, and poor coordination exceeded individual and organizational capabilities. Criticism centered on the federal government's slow mobilization of sufficient assistance and ineffective communication around rescue and relief. This demonstrates SA's vital role during service disasters, providing coordination beyond the abilities of individuals and service organizations. Therefore, our final proposition is:

Proposition 3: In addition to FLEA and SOA, systemic agility (SA) will be the ideal dimension of SEA to respond to service disasters efficiently and effectively.

Our third proposition is based on the following justifications: 1) Service disasters are highly complex outcomes of turbulent events

requiring widespread mitigating efforts; 2) Unlike FLEA and SOA, SA can coordinate macro-level resources and adopt policies to address cascading system failures and avoid under-response; and 3) FLEA and SOA lack sufficient capacity to address high complexity service disasters while SA provides a response matched to the complexity of the outcomes.

Figure 1 illustrates the SEA-3Ds fit and appropriate dimension of agility associated with each category of turbulent event outcomes. Misalignment between SEA dimensions and turbulent event outcomes (i.e., SEA-3Ds misfit) drives disproportionate responses, either through ineffective under-response or inefficient over-utilization of resources. Ineffectiveness occurs when the mobilized SEA dimension lacks the competency to address the complexity profile of the event outcomes. For instance, FLEA and SOA both hit limitations when confronting high-complexity service disasters, lacking the adaptive and coordinating capacity of macro-level actors. In contrast, inefficiency arises when the activated dimension of SEA exceeds the complexity requirements of the turbulent event outcomes. For example, mobilizing organizational or macro-level resources to address minimal service disturbances incurs unnecessary costs without proportional value.

5.1.3 CONTRIBUTIONS

Future research studies should investigate validating the conceptual framework and propositions developed in this paper through empirical analysis across service contexts. Further, this article puts forth an agenda to enrich the understanding of SEA and its dimensions, illustrated in Table 1.
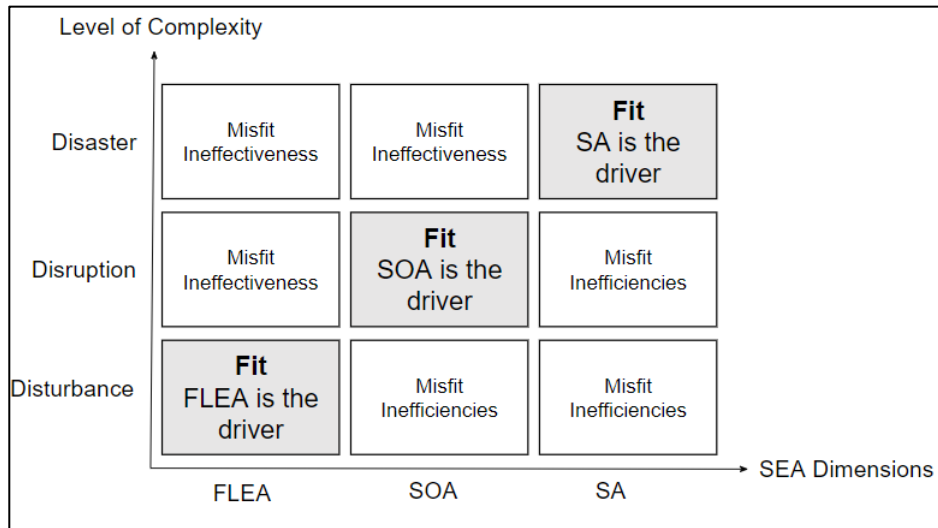
Figure 1: SEA-3Ds framework

This paper offers several theoretical implications. First, responding to recent calls for research on agility within service ecosystems (Field et al., 2021), this paper makes a timely contribution by introducing the novel concept of Service Ecosystem Agility (SEA) which expands the prevailing focus on agility at the organizational level in the extant literature (Felipe et al., 2016; Pinho et al., 2022). By conceptualizing SEA dimensions of FLEA, SOA, and SA, our paper goes beyond extant resilience-crisis conceptualizations (Fehrer & Bove 2022) and adds a much-needed theoretical perspective to understand agility across multiple levels of service ecosystems.

Second, this paper enhances our understanding of turbulent events by providing an outcome-based categorization of such events that, unlike existing definitions in the literature, caters to the unique needs of service organizations nested in ecosystems (Vredenburg et al., 2023). Our categorization of the 3Ds provides much-needed conceptual clarity to

distinguish turbulent events: service disturbances, service disruptions, and service disasters. This advances our understanding of how different turbulent events can uniquely impact service employees, organizations, and wider ecosystems.

Third, advancing the nascent literature on crisis management and response within service ecosystems (Fehrer & Bove, 2022), this paper presents an integrative conceptual framework and a corresponding research agenda that can guide various actors at multiple levels of service ecosystems in addressing turbulent events. Service scholarship notes the importance of coordinated responses, not just within single organizations but across ecosystems during crises (Edvardsson & Tronvoll, 2022). Accordingly, our proposed framework and research agenda lay the conceptual groundwork for future studies to continue examining the effectiveness of matched response combinations between ecosystem levels and categories of turbulent events.

Service Ecosystem Agility (SEA)	● What are the enablers of and challenges for the implementation of SEA?
	● What role does technology play in implementing SEA to achieve intended outcomes?
	● How can SEA be implemented in different service contexts (e.g., critical services, social services, or B2B vs B2C services)?
	● How can multiple actors of a service ecosystem co-create SEA and, similarly, achieve intended outcomes for all actors involved?
	● How does the proposed framework need to be adjusted/extended to address multiple crises simultaneously?
	● How can different dimensions of SEA be adjusted to move from misfit to fit conditions as proposed in the framework?
System Agility (SA)	● What are the macro-level enablers and challenges in implementing SA?
	● What roles do different actors (e.g. non-profit or non-government organizations) play in implementing SA?
	● How do international collaborations, unions, or treaties affect the implementation of SA?
	● What are the various outcome variables that define the success of SA?
	● What is the difference in the effectiveness of SA between different countries, especially between the Global North and Global South?
	● How different would the implementation of SA be in different types of disasters (i.e. natural vs biological)?

Service Organization Agility (SOA)	● What are the internal enablers and barriers in service organizations to implement SOA? ● What organizational resources are needed to implement SOA? ● What are the economic outcomes of SOA for service organizations? ● How can SOA be implemented differently by for-profit and nonprofit/not-for-profit service organizations? ● What is the relationship between FLEA and SOA (and vice versa)? ● How does the proposed framework fit into service organizations in highly regulated sectors?
Frontline Employee Agility (FLEA)	● What personal and interpersonal skills could enable or prevent successful implementation of FLEA? ● What is the required organizational culture and resources needed to implement FLEA? ● What role can FLEA play in managing customer engagement and experience? ● How can service organizations support low-paid FLEs to implement FLEA? ● What are the possible unintended consequences of implementing FLEA? ● What tensions can emerge among FLEs when they show different levels of FLEA in the same situation?

Table 1: Proposed research agenda

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CHAPTER 6: CONCLUSION

Social interaction can be the lever for enhanced value creation. Fostering an understanding and advancing knowledge in this field has gained traction, especially due to increasingly changing business environments along with the occurrence of different types of crises. To move the field forward on how social interaction can be purposefully applied as a driver to enhance value creation processes, this dissertation is based on two theoretical underpinnings: the service-dominant logic, particularly the logic of value co-creation, and the jobs-to-be-done theory. While the former underlines the importance of considering multiple actor's social interaction and sheds light on how value co-creation among multiple actors occurs, the latter emphasizes that the success of value creation depends on a solid understanding and investigation of the problem (the "job") a customer has in a specific situation. Specifically, this dissertation investigated the interplay and collaboration of multiple actors – ranging from dyads (firm and customer; fashion online and offline retailing), triads (firm, customer, accompanying persons; fashion offline retailing), networks of actors (e.g., audience, musicians, social purpose organizations, interns, mentors, volunteers, for-profit organizations; cultural sector), a market system (e.g., social entrepreneurs, international not-for profit organizations, government, business incubators; social entrepreneurship) to a holistic conceptualization from dyadic to a service ecosystem perspective (various service research contexts).

Following the introduction and structure of this dissertation in chapter one, chapter two stated the gist of the three underlying theoretical lenses (service management, marketing research, and innovation

management). The third chapter encompassed an empirical and conceptual exploration of how value creation can be enhanced in for-profit organizations at the micro-level of aggregation. In doing so, this dissertation took a problem-solving (jobs-to-be-done) perspective to explore customer needs and investigate how (e.g., through what service) customers can be supported to better fulfil their needs in a shopping situation. On a micro level, enhanced value creation processes require a profound, problem-based analysis of customer needs, for instance, using the JTBD theory, and based on that the provision of tailored services to fulfil these needs. In other words, adopting a problem-solving (or jobs-to-be-done) approach offers a valuable shift in how to deal with customer's problems and develop a solution. This opens knowledge that especially in an offline fashion retailing context, shopping companions are often a neglected but much-needed vehicle to fulfil customer needs. Due to this finding, this dissertation further delved into holistically exploring the roles shopping companions, compared to consumers' self-roles, perform. Due to a lack of current conceptualizations of consumer journey literature, this dissertation coined the social consumer job journey explicitly incorporating social others and thus, unravelled through what roles (decider, gatekeeper, and influencer) shopping companions can enhance value creation processes.

Drawing on service-dominant logic as a theoretical foundation, the two scientific papers in chapter four zoomed into value creation processes in a social purpose organization context on the meso- and macro-level, thereby broadening the scope to multiple economic and social market actors as units of analysis. The findings underline the importance of market actor's social interaction beyond the firm and the customer. They show

that various market actors can take on the role of value co-creators to enhance sustainable value creation processes. In particular, social purpose organizations can stimulate growth by allowing diverse social and economic market actors to integrate resources (e.g., volunteering service) on a physical engagement platform and by that, jointly co-create value. Consequently, through this collaborative approach, social purpose organizations can innovate their business model and can successfully overcome external shocks (e.g., limited financial resources). This contemporary logic implies that the management of the social purpose organization has to adopt a manager's mindset evolving to a value co-creation logic.

By adopting a market system perspective, this dissertation further focused on how actors can deliberately shape and transform a market system for improved social outcomes and positive social change. Despite a lack of financial governmental support, a market system for social entrepreneurship could be shaped in an emerging economy through the market actor's institutional work - reflected in five distinctive market-shaping patterns. While most market-shaping literature focuses on economic outcomes, this scientific paper contributes to the nascent market-shaping literature stream on improved social outcomes yielding positive social change. Taken together, value creation processes do not only unfold in dyadic relationships (e.g., the firm and the customer) but also within networks of versatile actors embedded in a service ecosystem. Through deliberate actions, market actors beyond the firm can have the clout to enhance, reconfigure, and sustainably innovate value creation processes. In doing so, on a meso and macro level, interactive, purposeful and joint collaboration of multiple market actors fosters value co-creation,

facilitated through engagement platforms, aiming at improved social and economic growth and social change for service organizations, a collective or society at large. This actors' behaviour and their joint activities can lead to service innovations (on a micro-level), business model innovations (on a meso-level), or market innovations (on a macro-level).

Chapter five zoomed out to conceptually take on a multi-level perspective, aiming to deepen the knowledge of how service ecosystems can embrace agility to withstand or recover from turbulent events. In doing so, this dissertation conceptualized an understanding of service ecosystem agility, comprised of three interrelated dimensions (Frontline Employee Agility, Service Organization Agility, and Systemic Agility) as well as three categories of outcomes that service organizations may encounter following a turbulent event: service disturbance, service disruption, and service disaster, building on the argument that turbulent events impact the ability of service ecosystems to adapt and self-adjust, thereby diminishing the ecosystem's functionality and service continuity. The proposed framework and future research agenda set the stage for further research in this nascent field.

In summary, this dissertation empirically and conceptually investigated dyadic and multiple actors' social interactions on different levels of aggregation, diffusing from a micro to a macro level. The results of this dissertation spark a more fine-grained and holistic understanding of social interaction: A solid investigation of customer needs based on the JTBD theory can enhance value creation among dyads. Furthermore, efficient interaction between economic and social actors - enabled and wanted by the management - can lead to business model innovations or even market innovations. Equally important, the theoretical and

managerial implications of the results provide guidance and point toward potential application in for-profit and not-for-profit organizations.

The findings of this dissertation also shed more light on the two applied theories: First, the JTBD theory should be broadened in acknowledging that social others, as social reference groups, and services (as opposed to solely products) can be a vehicle in fulfilling customer needs and jobs, especially in a context with a high level of social interaction such as offline fashion retailing. Therefore, this theory should be utilized more in such contexts as it is not limited to product innovation. Second, the application of the JTBD theory fostered an understanding of how it can be applied in service management. Extending the logic of value co-creation, the research findings contribute to a refined understanding of what and how versatile *social* market actors (e.g., volunteers, social entrepreneurs, shopping companions) can - through their interactive actor-to-actor collaboration, in conjunction with economic market actors - enhance value creation processes, leading to, for example, business model innovation or market innovation.

Last, this dissertation seeds opportunities for further research in this space. Since the findings contribute to knowledge advancement of social interaction mainly in an offline context its conceptualizations and research findings should be subject to a test of applicability to other similar service research contexts. For example, how can value creation processes be fostered through social interaction for positive social change in an online context (e.g., on online engagement platforms)? Additionally, this dissertation sets the stage to spur the following overarching question for future research to build on: How can value creation processes be *sustainably* enhanced in for-profit organizations as well as not-for-profit

organizations? This emphasizes the need for more longitudinal studies. However, it should not go unmentioned that given the advent of digital transformation and artificial intelligence new market actors have also entered the scientific stage. This inevitably raises the question and opens a myriad of research avenues worthy of further exploration. For example, how dyadic and multiple social interaction of market actors in conjunction with technological actors (e.g., generative artificial intelligence chatbots, avatars) unfolds (e.g., in the metaverse) and how value creation processes can nevertheless be enhanced for positive social change.

APPENDIX A: LIST OF CONFERENCE AND WORKSHOP CONTRIBUTIONS

(Presenting author(s) underlined)

Kullak, F., Woratschek, H., & Baier, D.: The Role of Shopping Companions in Consumer Journeys. 23rd Service Marketing Workshop, 01 March 2024, Saarland University, Germany.

Kullak, F., Peine, L., Raki, A., Burggraf, S., Kabadayi, S., & Myrden, S.: (Fr)agile? Service Ecosystem Agility as a Response to Different Types of Crises in Turbulent Environments. 9th Conference of the Bavarian Service Research Cluster (BSRC), 03 November 2023, online.

Kullak, F., Baier, D., Woratschek, H.: Advancing the Understanding of Customer Needs in Fashion Retailing: A Jobs-to-be-Done Perspective. 13th European Marketing Academy (EMAC) Regional Conference, 21.-23 September 2022, Kaunas, Lithuania.

Kullak, F., Fehrer, J., Baker, J. J., Woratschek, H., & Sam-Cobbah, J.: Collective action within and beyond social entrepreneurial networks: A market-shaping perspective. 50th European Marketing Academy (EMAC) Annual Conference, 25.-28. May 2021, Madrid, Spain, (online).

Kullak, F., Baker, J.J., & Woratschek, H.: Leveraging the resources of others: Social purpose organizations as engagement platforms. 11th European Marketing Academy (EMAC) Regional Conference, 16-19 September, 2020, Zagreb, Croatia, (online).

Kullak, F., Fehrer, J., Baker, J. J., Woratschek, H., & Sam-Cobbah, J.: Market Work for Social Good in Emerging Economies. Market Shaping (MASHIN) Move 2020 Digital Colloquium, 23 June 2020.

Kullak, F., Baker, J.J., & Woratschek, H.: Leveraging the resources of others: Social purpose organizations as engagement platforms. 49th European Marketing Academy (EMAC) Annual Conference 2020, Budapest, Hungary [cancelled due to Covid 19 pandemic].

Kullak, F., Baker, J.J., & Woratschek, H.: Social enterprise business models that leverage networks. Australian and New Zealand Marketing Academy (ANZMAC) Conference, 2-4 December, 2019, Wellington, New Zealand.

Kullak, F. & Woratschek, H.: Jobs-To-Be-Done for Enhancing Value Co-Creation: Empirical Findings in Retailing. (Poster Presentation), 48th European Marketing Academy (EMAC) Conference, 28.-31. May 2019, Hamburg, Germany.

Kullak, F., Baier, D., & Woratschek, H.: Value Creation in Fashion Retailing: Empirical Findings of a Jobs-To-Be-Done Framework Application. 5th European Conference on Data Analysis (ECDA), 18-20 March 2019, Bayreuth, Germany.

Fehrer, J., Kullak, F., & Sam-Cobbah, J.: Engagement Practices in Social Entrepreneurial Business Models: A Systemic Perspective. Australian & New Zealand Marketing Academy Conference (ANZMAC) 2018, 03.-05.12.2018, Adelaide, Australia.

Baier, D., Kullak, F., Woratschek, H.: ”New“ Techniques for Site Engineering: Kano and Jobs-To-Be-Done: Revisited. 6th German-Japanese Workshop on Advances in Data Analysis and Related New Techniques and Applications (GJSCRT), 11-12 August 2017, Tokyo, Japan.

APPENDIX B: LIST OF THIRD MISSION PRESENTATIONS

Kullak, F.: Festival of Young Artists Bayreuth: Like a phoenix from the ashes - The development of a successful business model over seven decades. Practice lecture, Stepping Stone Programe, 04 August, 2021, Bayreuth, Germany.

Kullak, F.: Festival of Young Artists Bayreuth: Like a phoenix from the ashes - the development of a successful business model over seven decades. Practice lecture, Kultursalon as part of the 70th anniversary of the Festival Young Artists Bayreuth, 29 July 2020, Bayreuth, Germany.

"The rest is still unwritten"
(Natasha Bedingfield)