Customer engagement and relationships in multi-actor service ecosystems

Abstract

With the growing realization that most service ecosystems consist of interactions among multiple participants, including customers, employees, and others, there are increasing calls for research on the interdependent nature of customer engagements and relationships in multi-actor service ecosystems. This special issue addresses these calls with 22 articles (including three invited articles), classified along five distinct groups, including a) Co-creation, collaboration and socialization among actors, b) Actors’ (dis)engagement, c) role of the ‘other’ actors, d) dark side of multi-actor service ecosystems, and e) emerging trends – digital technologies and others. This editorial begins by reviewing the multi-actor service ecosystems literature to identify some important research gaps. Next, it briefly describes the 22 articles included in this special issue arranged along the above five themes and their major findings. Finally, the guest editors discuss the implications of these findings and some useful directions for future research in this area of growing importance.

Keywords: customers; ecosystem; employees; engagement; multi-actor; relationships; service
1. Introduction

Early research on service encounters defines these as dyadic interactions between customers and service providers who both play specific roles (Surprenant & Solomon, 1987). However, broader interpretation have become more common subsequently, moving beyond the service dyad, and including customer interactions with elements other than the frontline service employees, such as the physical environment, service processes, other customers and technology (Patrício, Fisk, Falcão e Cunha, & Constantine, 2011). Moreover, relationships beyond the dyad are being regarded from the perspective of service dominant (S-D) logic (Chandler & Vargo, 2011). Recent research focuses on advancing the knowledge about customer engagements in a multi-actor service ecosystem, which is theoretically grounded within the S-D logic (Alexander, Jaakkola, & Hollebeek, 2018; Fehrer, Woratschek, Germelmann, & Brodie, 2018; Lusch, Vargo, & Gustafsson, 2016; Vargo & Lusch, 2017). An extended view of the service ecosystem highlights the interdependent role of different participants engaged in multiple co-existing processes, indicating a many-to-many service experience (Vargo & Lusch, 2016). Hence, there are increasing calls for more research on how different service engagement contexts are interconnected and how different individuals within the service ecosystem coordinate their engagement with multiple objects at the same time (Dessart, Veloutsou, & Morgan-Thomas, 2015), as “one cannot fully understand the activity at one level without viewing it from another” (Vargo & Lusch, 2017; p. 13).

In an increasingly networked environment, the customer – service provider relationships are changing quite rapidly, making customer experience a highly dynamic and iterative process (Patrício, Gustafsson, & Fisk, 2018). A service ecosystem consists of multiple participants, including employees, focal customers, fellow customers, social media communities and technologies that are constantly interacting with each other (Brodie, Fehr,
Jaakkola, & Conduit, 2019). With such interdependent relationships, it has become crucial for managers to take into account the role of multiple actors when framing strategies for service encounters as well as recovery in case of service failure. For example, service consumption may take place in the presence of an audience, many of whom may be fellow customers. The experiences of the focal customers and their subsequent emotions may influence the fellow customer’s perceptions about the service delivery process and outcomes. This influence, however, is not only restricted to an interactive and experiential service setting or during the consumption process. With rapid growth of technology-enabled interfaces such as the social media or customer complaint forums in recent years, the impact of a customer’s experience on other potential customers may transcend beyond the service setting, through e-Word-of-Mouth (eWOM), which is emerging as a very powerful social tool. Additionally, the rapid growth of Artificial Intelligence (AI) and new intervening digital technologies and devices such as smartphones apps, advanced robotics, Intelligent Agents, Internet of Things (IoT) and Self-serving technologies (SST), are fundamentally altering the interplay between customers and organizations – thereby changing the roles of all involved actors (Larivière et al., 2017).

In this context, current research on customer engagement generally focuses on dyadic interactions, a micro-level engagement that involves customers’ relationships with specific focal objects such as the product, the firm or the frontline employees (Alexander et. al., 2017). In this context, Larivière et al. (2017) indicate that “service encounter 2.0” is paving way for changing interdependent roles of technology, employees, and customers as enabler, innovator, coordinator and differentiator. However, exploring a broader context of service encounter within which individuals operate and interact influencing each other is still overlooked. A recent research stream calls for broadening the scope of engagement research in multi-actor service encounters (e.g., Alexander et al., 2017; Breidbach & Brodie, 2017; Li, Juric, & Brodie, 2017). Another niche areas that may require special attention is the role of
other customers or fellow customers within a service ecosystem because customers may affect each another directly through interpersonal encounters or indirectly by being a part of the environment (Martin, 1996). Similarly, Tombs and McColl-Kennedy (2003) indicate that by being a part of the service environment, other customers may affect the focal customer’s affective and cognitive responses. More recently, Ludwig, Barnes and Gouthier (2017) evaluate the emotional and cognitive reactions of the observing customers and suggest that firms should embrace the positive contagion that occurs between the delighted customer and observer while attempting to minimize the impact of jealousy.

A recent study on the effects of social presence on focal customer’s reaction to service failure shows that social presence may lead to higher negative word-of-mouth (NWOM) intentions for customers after a service failure compared with when they are alone (He, Hu, Chen, Alden, & He, 2017). Another stream of literature focuses on individual customers’ reactions to justice directed towards other customers during service recovery (Mattila, Hanks, & Wang, 2013) and suggests that the strength of the recovery attempt influences the observing customer’s reactions and evaluations. Through a series of experimental studies, Hillebrandt and Barclay (2017) show that individuals make judgments about the overall justice and outcome satisfaction based on other people’s emotions like anger or guilt. In a social networking context, Pan, Hou, Lin and Niu (2018) study the impact of friends’ and crowd’s reviews on customers’ posting behavior. Weitzl and Hutzinger (2017) investigate the effect of firm generated responses to negative comments posted online on bystanders’ favorable and unfavorable brand-related reactions. Others explore the growing importance of customer – to – customer interaction (C2C) and inter customer helping during service failures and its impact on focal customer’s satisfaction with the brand (Yi & Kim, 2016; Kim, 2017).

However, despite the growing influence of third parties in service research, the role of other
customers has received limited attention, possibly because it is not easy to predict or manage the reactions of other customers in any service settings (Kim & Baker, 2017).

To conclude, there seems to be a pertinent need to widen the lens of service encounters beyond a one-to-one interaction perspective and to accommodate the role of other members of multi-actor service ecosystems in the research on customer engagement and relationships. This special issue addresses this need by identifying specific gaps in the customer engagement and relationships literature about the role of the other customers; the ways in which they interact with the firm and the focal customers; the impact of the interdependent nature of their relationships with each other on the service delivery process and outcomes, and the responses from all the participants involved in these interactions.

2. Literature review and research gaps

Recent research acknowledges the existence of multi-actor service ecosystems and emphasizes the importance of a holistic engagement involving other actors and not just the customers (Harmeling, Moffett, Arnold, & Carlson 2017; Alexander et al., 2018). There are multiple aspects that need to be investigated when studying the role of fellow customers, in order to provide a holistic view of the multi-actor service ecosystems. This section briefly reviews the literature on each of these aspects of multi-actor service ecosystems and also identifies some important categories of research gaps that merit researchers’ attention.

2.1. Customer to customer (C2C) interactions

C2C interaction is a way of co-creating and co-producing service experience (McColl-Kennedy, Vargo, Dagger, Sweeney, & van Kasteren, 2012). For example, Yi and Kim (2016) study inter-customer helping as a form of C2C interaction in the context of self-service technology failure. There is, however, a growing need to explore the importance of C2C
Potential areas of future research may include the following topics, among others:

- Factors that promote or inhibit C2C interactions
- Different motives that encourage customers to help each other
- Customers characteristics that influence their preference for receiving or refusing help from other customer or from frontline employees
- How inter-customer helping can influence focal customer behavior?
- Customer citizenship behavior (CCB) from the perspective of other customers
- Potential use of C2C interactions as a service recovery strategy

2.2. Role of fellow customers in inferring justice-related outcomes:

Following a recent incident, where United Airlines violently yanked a passenger from an overbooked flight, backlash erupted from other passengers who were present during the incident. In no time, the video went viral on social media and soon other customers, who were not present during the incident, joined the flurry of outrage. Days after the incident, United, the world’s third largest airline in terms of revenue and fourth-largest in terms of passengers carried, suffered a $1.3 billion drop in market value. This clearly suggests the growing power of the ‘other’ customer on social media and impact it can have on the brand value. This incident throws light on the significant role of fellow customers in forming justice perceptions based on other’s emotions, even when they themselves were not the subject of unfair treatment. This provides for the following possible avenues for future research

- Impact of fellow customers’ and other employees’ presence on the affective reactions and cognitive responses of the focal customers
• Impact of focal customers’ emotions and actions on third-party observers (e.g., empathy, jealousy or even disgust) depending on their nature

• Social effects of the focal customers’ emotions and actions on the fairness and justice perceptions of the other customers.

2.3. Role of fellow customers in pre- and post-service delivery situation

One might think that the role of fellow customer is relevant only during the service consumption process. However, with technology playing the role of an enabler of connections and relationships, the role of fellow customers has gained salience even in pre-and post-service encounters. A pre-service encounter may involve focal customer seeking advice on a service provider from other customers (a customer asking for hotel suggestions on trip-advisor for example). A post-service encounter may be a situation where the customer shares his/her (un)favorable experiences online. In both situations, the other customers can influence the focal customer’s perception about the service firm. Hence, future research may explore the following topics to provide deeper insights into this phenomenon:

• Impact of other customer’s presence or experiences on the focal customer’s evaluations and judgments during their decision-making process

• Effects of the focal customer’s experiences on the other customers’ evaluations and judgments about their own experiences

2.4. Role of other customers in causing service failures

Service failures are inevitable in service encounters due to intangibility and heterogeneity of services. Dysfunctional customer behavior or negative C2C interaction in a service environment can cause perception of negative service experience, and has a direct influence on the focal customer’s overall service experience and may lead to decreased loyalty and
repurchase intentions and increased negative word-of-mouth (Harris & Reynolds, 2004; Huang, 2010) and customer cynicism (Balaji, Jha, Sengupta, & Krishnan, 2018). Hence, future research may explore the following topics:

- Possible antecedents of service failures caused by other customers (e.g., perceived incompatibility, types of customers, susceptibility to emotional contagion, social norms conformation and other individual as well as contextual factors

- How to formulate and manage recovery strategies pertaining to service failures caused by other customers?

2.5. Influence of other customers on customer brand relationships

Other customers’ perceptions may also influence customer brand relationship (Sreejesh et al., 2017). Previous research shows that an individual’s evaluation of fellow customers can significantly influence focal customer’s satisfaction (Grove & Fisk, 1997; Wu, 2007) but there is still limited research on the effects of fellow customers’ perceptions on the focal customer’s relationship with the brand or service satisfaction. This is another potential topic for future research that may be included in this special issue.

2.6. Influence of other actors in multi-actor service ecosystems

Finally, past research on service ecosystems mostly focuses on the role of customers and employees with little or no attention to the other entities that may influence customer engagement and relationships, such as self-service or digital technologies, social media communities etc. Hence, we need to use a holistic, multi-actor perspective in order to capture the contextual, dynamic and systemic aspects of the interactions among the different actors, especially with the growing popularity of online service encounters that involve the use of
new technologies to deliver the service and engage with the customers to provide them superior service experience (Sklyar, Kowalkowski, Tronvoll, & Sörhammar, 2019).

3. Special issue – Themes and articles

This special issue attracted 51 submissions from service researchers across the world out of which 19 articles survived the rigorous review process with at least two and up to four rounds of revisions. The guest editors also invited several prominent scholars in the area of multi-actor service ecosystems and include three such invited contributions in this special issue. These 22 articles are grouped into five themes, which also collectively address all the six categories of research gaps identified from the literature review as described earlier. This section briefly describes each of these articles and their contribution to this literature.

3.1. Co-creation, collaboration and socialization among actors

One of the major themes in multi-actor service ecosystem literature is the process by which the multiple actors (e.g., customers, employees, and others) interact with each other in a collaborative manner in order to co-create their service experiences (Patrício et al., 2018). In the first article of this special issue on this theme, Akbar and Hoffmann (2020) describe a sharing-based product service system (PSS) as an economic arrangement that enables mutual access to shared products and their functions. They provide six specific propositions about the value creation process in PSS by integrating knowledge from diverse streams of research on this topic. Specifically, they propose that, 1) PSS can only offer value-in-use and cannot deliver value-in-use, 2) customer uncertainty about the ability of a PSS to ensure access may lower its value-in-use, 3) subjective (e.g., transaction and sunk) costs may also lower the value-in-use offered by a PSS, 4) core tangible value-in-use of a PSS offers an economic substitute for ownership by providing access to its functions, 5) PSS offer intangible value-in-use such as expressive and hedonic benefits beyond the sole value of ownership, and 6)
sharing by a community of customers is necessary to co-create the value-in-use of a PSS. Through these propositions, the authors highlight that managers may not have full control over the process by which they create value-in-use for their PSS and they may need to rely on a number of external factors in this regard, which they can only indirectly influence.

In the next article, Nguyen, Alaoui and Llosa (2020) explore the role of interchangeability between service providers and users in the context of peer-to-peer collaborative services using an online platform. The authors use the construal level theory to hypothesize mediating effect of perceived social proximity in the process by which interchangeability influences trust, which in turn affects participation intention. Using an online survey of 222 accommodation rental participants, including both hosts and travelers, the authors confirm the mediating role of social proximity. These findings extends the current literature on collaborative consumption by delineating the impact of interchangeability can the attitude and behavior of the participants in a collaborative service environment. According to the authors, this research may encourage platform-based businesses to motivate their users to experience both sides of the exchange relationship to improve their future participation.

Next, van Tonder, Saunders, and Farquhar (2020) introduce a conceptual framework with four specific propositions about customers’ resource integration approaches towards each other during the processes of socialization and service exchange, under the influence of either self-reliant or compliant practices as endorsed by their service providers. Specifically, the authors propose that service providers that endorse compliant (self-reliant) self-service user practices, would have customers follow a demanding (responsive) resource integration approach during socialization coupled with an authoritarian instructional approach. These approaches would be coupled with independent behaviors from other customers and their skill development being unsupported (supported) during service exchanges, which may be insufficient (sufficient) for them to engage with each other. According to the authors, this
framework extends our knowledge about the roles played by customers during socialization and resource integration with other customers in the self-service context, which may be used to help develop other customers’ skills and improve their ability to make a meaningful contribution to the value co-creation process in a multi-actor service ecosystem.

In a similar vein, Pinna, De Simone, Cicotto and Malik (2020) also recognize customer engagement in the value co-creation process as a useful proposition for firms as it may help them understand consumer needs, encourage them to participate in service delivery process, improve their perceptions about the uncertainty and risk involved in dealing with the firm. In this context, the authors underline the limited knowledge about the impact of support from the co-workers, supervisors and the organization on the sales employees’ levels of customer engagement and their intention to quit. Using data from 481 employees in an Italian retail chain, the authors show that the support from co-workers, supervisors and organization has significant positive effects on work engagement. However, only the support from the organization (and not from co-workers or supervisors) coupled with work engagement positively affects job satisfaction. Finally, work engagement, job satisfaction and organizational support negatively impact employees’ intentions of quit the organization. All these findings highlight the importance of a strong work engagement in the process by which the different types of support influence job satisfaction and turnover intentions. However, this study also highlights the limitations of support from co-workers and supervisors compared to organizational support in this regard, which is an important implication for senior managers who may be trying to implement value co-creation in their organizations.

Finally, in the fifth paper under this theme, Sugathan and Ranjan (2020) highlight the importance of studying the cases when service co-production may fail by exploring the customers’ internal attributions and impression management concerns. Specifically, they note that contrary to the common idea of a self-serving bias, co-production failure may trigger
internal attributions by customers wherein they may accept the blame for the failure. In this article, the authors explore the differences in the impact of various internal attributions on the customers’ behavioral intentions in the future. Using two experiments under different types of co-production settings, the authors show that the attributions to customers’ own effort and ability have different effects on their intentions towards co-production in the future. Moreover, the customers’ perspective of their ability being fixed or flexible may also moderate the impact of their ability attributions. The authors explain the mechanism underlying the effects of different self-attributions by the customers using an impression management process triggered by social presence of others.

Overall, all these five articles examine and explain the complex process by which different actors involved in the multi-actor service ecosystems are motivated to collaborate and socialize with each other in order to co-create their service experiences. From the results reported in all these articles, it is clear that service managers need to understand the differences in the motivations of the customers, employees and others involved in this interactions, in order to manage their expectations and perceptions more effectively.

3.2. Actor (dis)engagement

In the first article under this theme, Clark, Lages and Hollebeek (2020) acknowledge the rapid growth in the research on customer engagement in recent years, which has provided useful insights on its conceptualization, valence, measurement, and theoretical foundations. However, they argue that despite considerable knowledge about the role of focal customers in the process of customer engagement, by focusing on their brand attachment/loyalty, there is little research on the role of ‘other’ actors, particularly on ‘multiple’ actors who may be active at the same time. The authors address this research gap by using stakeholder theory to build their premise about the diverse goals and interests held by the different actors, and posit
differences in the perceived value-based effects across actors argue in response to positive or negative customer engagement. Specifically, the authors develop a multi-actor typological framework, which incorporates both positive and negative customer engagements and their value-creating and eroding effects as perceived by the actors with respect to fellow customers and the firm. According to this framework, customers’ brand engagement may influence their engagement with the stakeholders that they are connected to. Therefore, the authors argue that the actors’ engagement should be seen within the context of their collaborative networks and interdependencies with other actors rather than being viewed in isolation.

Ho, Chung, Kingshott and Chiu (2020) explore the factors that influence the e-commerce firms’ operations in the context of a multi-actor service ecosystem characterized by network-based operations and collaborative systems that facilitate multidirectional information and business exchanges through the Internet. Specifically, they map the interactions among the different types of participants, including customers, employees, business partners, social media players and technologies, and their influence on the e-commerce firms’ performance. Using data collected from a major e-ticketing service provider for 288 weeks (January 2013 to December 2018) in Taiwan, they find significant differences in the impact of customer engagement across diverse social media communities on the acquisition of new customers and retention of existing customers as well as the service firm’s financial performance. Thus, it seems that successful resource integration by providing better employee service, extending business partnerships, and incorporating service innovation, helps online service providers improve their service delivery processes and customer database management, which in turn lead to increased customer consumption and superior customer experience.

On similar lines, Shawky, Kubacki, Dietrich and Weaven (2020) delve into the role of social media to show it has become a pervasive communication tool by creating connections and opportunities for customer engagement. According to the authors, social media players
such as Facebook and Twitter have redefined what used to be simple dyadic interactions between customers and marketers, and transformed those into more complex interactions among multiple groups of actors, including customers, organizations, stakeholders, and non-customers, who constitute multi-actor service ecosystems. This study helps advance our knowledge about the customer engagement process on social media and offers a multi-actor engagement framework with appropriate measures to operationalize different stages of customer engagement, namely connection, interaction, loyalty, and advocacy. The authors use 32 interviews to explore the process by which marketing practitioners and users establish and maintain customer engagement on social media.

Finally, in the fourth articles in this section, Katsifarak and Theodosiou (2020) aim to provide a holistic view of the impact of actor engagement on the service firm’s performance outcomes within an e-market ecosystem. Specifically, the authors use a rich panel dataset from 1332 online clothing retailers over a seven months period within the Etsy ecosystem to explore the influence of online reviews on these retailers’ performance. The results show no significant impact of either positive or negative engagement behaviors on the online retailers’ performance. The authors explain these results by arguing that positive reviews do not have a significant influence as these represent normal customer experiences, whereas negative reviews offer important feedback to the retailers, which may motivate them to take corrective actions that could help offset some of the damage from the negative reviews. Interestingly, they also find that greater volumes of either low positive engagement or disengagement behaviors result in poorer performance, possibly because these behaviors signal mediocre quality or non-credible reviewing behaviors.

Overall, all the four articles on this theme clearly highlight the need for more research in order to provide deeper insights into the process by which the different actors in a multi-actor service ecosystem decide to engage or disengage themselves from each other. A couple of
these papers (e.g., Ho et al., 2020; Shawky et al., 2020) dwell on the increasing role of social media in the process by when customers and service providers engage with each other and the unique characteristics of these media that either facilitate or debilitate these engagements.

3.3. Role of the ‘other’ actors

This theme relates with the most popular element of multi-actor service ecosystems studies in the current literature, namely the ‘other’ actors. Hence, it is not surprising to see several authors address this topic in their submission to this special issue. However, only four of those made it past the rigorous review process, possibly because it is not easy to make a unique and novel contribution on such a well-researched topic. In the first paper on this theme, Nguyen, Ferraro and Sands (2020) acknowledge the importance of customers as critical actors in any service ecosystem as reflected by the significant influence of their presence and interaction on the service delivery and consumption processes. Hence, these authors highlight the role of ‘fellow’ customers on the service experience, evaluations, and subsequent outcomes for the ‘focal’ customers, in the context of customer-to-customer interactions within service encounters. Specifically, this article explores the effect of congruence with the fellow customer characteristics on the focal customers using two empirical studies. In the first study, congruence in customer characteristics has a significant impact on the focal customer’s satisfaction, hedonic value, and purchase intention. Moreover, consumption involvement moderates the impact of congruency on the focal customer’s satisfaction and purchase intention. In the second study, status enhancement enhances the positive impact of congruent fellow customer characteristics on the focal customer outcomes. These findings have useful implications for service managers and frontline employees as they could use these to develop a better understanding about the potential impact of similarities among their customers’ characteristics, say in terms of language, ethnicity or nationality, to be able to anticipate their expectations and manage their service experience more effectively.
In the next article, Kim and Baker (2020) extend their own earlier work (Kim & Baker, 2017) by addressing the paucity of research on the role of other customers in the service recovery process and its impact on multiple actors in the service ecosystem, using a mixed-methods approach across three studies. In the first study, these authors use a qualitative method (content analysis) to explore the other customers’ participation in the recovery process. In study 2, they assess the impact of service receiver’s perceptions and in study 3, they test the support giver’s perceptions, using between-subjects experimental designs with three (other customer support: emotional, information, no support) \(\times\) two (employee extra role behavior: in-role, extra role) conditions. Overall, they find support for most of their hypotheses and extend the current literature on the role of ‘other’ customers in supporting the recovery process in the aftermath of a service failure, which in turn may affect the focal customers’ evaluation of the service recovery, their citizenship behavior, and behavioral intentions toward the service provider firm.

Next, Chen, Chen, Zhan, & Sharma (2020) extend these ideas by exploring the process by which ‘other’ customers’ complaint behavior may affect the ‘focal’ customers’ complaint intentions in response to a service failure, which affects multiple customers involved in the same service encounter. Specifically, these authors use social information processing theory to hypothesize a ‘complaint contagion effect’, in the form of a positive effect of the ‘other’ customers’ complaint behavior on the ‘focal’ customers’ complaint intentions. They also suggest that anger plays a mediating role and social identification with other customers, perceived credibility of the other customers, and the focal customers’ prior relationship with the service provider may play a moderating role in this process. They use four experimental studies to test the presence of complaint contagion effect and the hypothesized mediating and moderating effects. Overall, this article provides a useful conceptual framework for future research on the role of focal and other customers in service failure and recovery processes.
Finally, Fujita, Harrigan, Soutar, Roy and Roy (2020) explore the impact of social media in the form of an institution’s brand pages on the current member relationships, in the form of facilitating more frequent, immediate, and larger-scale interactions with them. Specifically, these authors find that ‘other’ users demonstrate engagement behaviors and their recognition of similarity with each other leads to a stronger identification with the institution for the focal members, through an increased perception of brand page sociability and identification with the page. Moreover, institutional distinctiveness mediates the influence of other-user engagement behavior on member-institution relationships. Based on these findings, the authors suggest that even traditional (conservative) institutions may be able to use social media to improve their visibility and utilize their member-owned identity resources to allow focal members to reinforce their self-concepts. Overall, this article contributes to the current knowledge on the dynamic group processes that are enabled by the various engagement tools used by institutions on their brand pages, which may also be applicable to other contexts.

3.4. Dark side of multi-actor service ecosystems

There is growing evidence about the ‘dark side’ associated with the proliferation of the sharing economy, such as increased cost of housing and disruption of everyday lives of the regular residents due to the popularity of short-term Airbnb rentals, and increases in the cost of public transportation due to the demand-driven surge pricing models used by ridesharing platforms (e.g., Uber, Ola etc.), and the abuse and lack of maintenance of the bicycles and other shared equipment touted by the proponents of sharing economy (Breidbach & Brodie, 2017). However, despite the debate on these issues in the popular press and social media, there is hardly any empirical academic research that examines their exact nature and impact on customers and other players in the multi-actor service ecosystems. Interestingly, this special issue include four articles that examine this topic from different angles.
The first article on this theme, is an invited article by McColl-Kennedy, Cheung and Coote (2020), has three specific objectives, including a) to understand the tensions and trade-offs made by actors through their activities and interactions in the service ecosystem driven by their diverse perspectives; b) to explain how actors manage to resolve the tensions through trade-offs by identifying focal relationships and the relative influence of focal actors, and c) to propose a conceptual framework of tensions and trade-offs in multi-actor service ecosystems using the Institutional Logics and Practice (ILP) theory. Specifically, the authors demonstrate that actors exhibit different forms of focal relationships, with their worldviews influencing their perceived roles and practices, and a misalignment of these worldviews resulting in significant tensions. According to the authors, it may not always be plausible or beneficial to reconcile the actors’ conflicting goals and practices because of the enduring nature of the worldviews of the focal actors. The authors develop and test these ideas using twenty-seven in-depth interviews in the context of a chronic disease (Cystic Fibrosis), consisting of nine patients, eight significant others including parents, spouses or partners, and eleven healthcare professionals including doctors, nurses and allied health providers.

Datta (2020) addresses the hidden costs associated with performance-based contracts (PBC), which represent an innovative advanced service strategy that offers product-service solutions by increasing customer value and reducing the costs of operations. Specifically, the author uses agency theory and service-dominant logic to build a theoretical framework to study the hidden costs of PBCs. The research also uses a multiple exploratory case study approach to explore the drivers of hidden costs during the design, delivery and adaptation phases of PBC. Specifically, the author uses the data from five PBCs from the UK defense industry to identify four major hidden cost drivers for PBC, including supplier relations, contract complexity, customer relations, and cost estimation problems. The author also presents a set of testable propositions to guide future research and managerial practice.
The next article on this theme by Sarkar, Sarkar and Balaji (2020) explores the influence of service denial on ‘other’ customers’ perception of the service provider in a shared service context. Specifically, the authors extend the current literature on the ‘other’ customers’ perceptions and brand relationship quality, by examining the impact of service denial to some customers based on their unfavorable physical appearance, unsuitable behavior, or dissimilarity with the target customer group, on the ‘other’ customers’ relational and behavioral outcomes toward the service provider. Using four studies in restaurant context, the authors show explain the underlying process by which service denial influences the ‘other’ customers’ recommendation intention toward the service provider through the concepts of cold and hot brand relationship quality. They also provide evidence about the moderating role of ‘other’ customers’ social value orientations (e.g., altruistic, egoistic, and competitive) on the impact of service denial on brand relationship quality.

Finally, Sharma, Jain, & Behl (2020) address the lack of research on the role of other customers or bystanders in service failure settings by using a mixed methods approach to explore the impact of visible service transgressions on distant third-party customers in a shared service context. Specifically, they use a netnography study to show that distant third-party actors are affected most by unethical service transgressions that violate the prescriptive norms of social and human behavior. Alarmingly, such transgressions may also make these distant third-party actors engage in negative e-Word-of-Mouth (eWOM) against the transgressor. The authors use these findings to develop a conceptual model based on moral identity theory, moral judgment, distrust, and moral reasoning choice to explain the effect of ethical service transgression on distant third-party customers’ intentions to engage in negative eWOM and brand avoidance. Overall this study highlights the strategic significance of the other customers in a triadic setting for firms and makes a useful theoretical contribution to the current literature on ethical service transgressions, moral identity, and third-party customers.
3.5. Emerging trends – digital technologies and others

Finally, this special issue also includes four papers that push the boundaries of current research on multi-actor service ecosystems by looking beyond what we already know about all the themes described earlier and present some emerging trends on this topic. For example, the first article on this theme is an invited article contributed by Morgan-Thomas, Dessart and Veloutsou (2020), which uses a technology-centric perspective on consumer engagement in the digital ecosystem to focus on the engagement with brands on social media-based brand communities. Specifically, these authors argue that with the growing influx of technology in our everyday lives, consumer engagement is becoming a socio-technical phenomenon that combines consumer actions with digital technology, which are components of engagement practice and subject to continuous and mutually recursive change. Using a mixed methods exploratory design with qualitative data from interviews, netnography, and observation, the authors explore how consumers engage in the digital ecosystem through actions with physical devices, digital haptics, and platforms. Their findings highlight how the digital nature of the engagement ecosystem generates new kinds of engagement practices including uncovering, appropriating, and cultivating. Overall, this article extends current literature on engagement by offering a holistic view of engagement practice that encompasses multiple technologies and rejects technological mediation. The authors also present some original theoretical insights into the influence of digital technologies on consumer engagement process.

The next article by Peltier, Dahl and Swan (2020) highlight the importance of value co-creation in integrating inputs from multiple actors within service ecosystems in the context of for service innovations and extend its role from the traditional business-to-consumer (B2C) interactions to the emerging consumer-to-consumer (C2C) communications context, which is changing how service ecosystems establish and create value for service innovations. Specifically, they develop a Digital Information Flow Continuum that includes B2C, external
provider and consumer co-created (B2C/C2C combined) and C2C digital communications. Using Service-Dominant Logic (SDL), these authors assess the impact of digital information flow elements on the perceptions and usage likelihood for telemedicine (TM) services. Using data from an online survey with 827 health consumers collected as part of a healthcare organization’s TM launch, they show that the Digital Information Flow Continuum has a direct influence on the acceptance of the TM innovation and an indirect effect through value perceptions of comparable service quality relative to alternatives and ease of access to care. Overall, this article contributes to the sparse literature on the role of value co-creation in customer-to-customer interactions involved in multi-actor service ecosystems.

Kharouf, Biscaia, Garcia-Perez and Hickman (2020) continue in the same vein to explore the impact of consumer-to-consumer interaction, content engagement and communication on consumers’ online experiences. Specifically, they use a sample of 1726 participants from four countries (United States, United Kingdom, Brazil and South Africa) to explore online event experiences and their effects on consumers’ behavioral intentions towards mega events. They find that online content engagement and effective communication positively affect consumers’ online experience and their behavioral intentions towards the event. Online consumer-to-consumer interaction also show a positive effect on consumers’ future behavioral intentions. These findings highlight the need for event organizers to reconsider the rising importance of consumers who are likely to follow the event online and to understand the factors that shape their online experience. Overall, this research may also have useful implication for other services with a strong online experiential component, such as online entertainment services such as streaming movies or online sports telecasts.

Finally, the last paper included in this special issue is an invited article contributed by Holmqvist, Wirtz and Fritze (2020), which extends the current literature on multi-actor service ecosystems in a brand new direction by exploring the challenges in the adoption of
technology-enhanced multi-actor interactions at the customer interface by luxury brands. Specifically, the authors combine the research on luxury brands and multi-actor interactions in non-luxury contexts to explore how luxury brands can adopt digitally enabled multi-actor service encounters. The authors supplement their literature review with insights gleaned from interviews with luxury brand managers to caution against simply adopting approaches from non-luxury contexts as they risk undermining the luxury service experience. Instead, they recommend a set of propositions at the intersections of the physical, digital, and social realms on how luxury brands can adapt the use of digital multi-actor interactions to augment rather than imperil their brand image. Overall, these propositions suggest that using digital technologies may help luxury brand managers enhance their customers’ experience through hedonic escapism, strengthen their brand communities, and be able to simultaneously provide conspicuous customers with greater visibility and discreet customers with social exclusivity.

4. Discussion, implications and recommendations

As described in the previous section, this special issue consists of 22 articles addressing five distinct but related themes on customer engagement and relationships in multi-actor service systems. Interestingly, most of these articles focus on customer engagement and only a few on relationships (e.g., Chen et al., 2020; Fujita et al., 2020; McColl-Kennedy et al., 2020; Sarkar et al., 2020). Similarly, there are many articles exploring the influence of ‘other’ customers on the attitudes and behaviors of the ‘focal’ customers but only a few explore the role of other entities, such as employees (Kim & Baker, 2020; Pinna et al., 2020) or technologies (e.g., Ho et al., 2020; Holmqvist et al., 2020; Morgan-Thomas et al., 2020). Interestingly, many papers in this special issue explore and highlight the growing role of social media in multi-actor service ecosystems (e.g., Fujita et al., 2020; Ho et al., 2020; Morgan-Thomas et al., 2020; Shawky et al., 2020). Overall, all the 22 papers included in this
special issue provide some very useful insights into the roles of different actors in the multi-actor service ecosystems but clearly there is room for much more research on the areas that have not received much attention in the past as well as this special issue (Brodie et al., 2019; Lusch et al., 2016; Vargo, Akaka, & Wieland, 2020).

First, there is a definite need for more research on the challenges and opportunities faced by service managers in managing relationships with not only customers but other actors, such as employees, channel partners, support services providers, and other internal and external stakeholders that directly or indirectly interact with each other (Lusch et al., 2016). In this context, past studies provide useful directions by exploring the role of shared intentions in the emergence of service ecosystems with interdependent relationships among the actors at micro, meso and macro levels (Taillard, Peters, Pels, & Mele, 2016), relationships among shared services centers (SSCs) and their internal clients (Banoun, Dufour, & Andiappan, 2016), role played by support services providers (Story et al., 2020) and supply chain partners (Stolze, Mollenkopf, & Flint, 2016)). Future research on these relationships and interactions among the different types of actors would help provide more comprehensive insights into the way these may influence the experiences and evaluations of these actors and how these could be managed more effectively and profitably by the service managers.

Second, the emerging digital technologies such as artificial intelligence, blockchain, augmented, virtual and mixed realities etc. are changing the way businesses manage their interactions and relationships with customers, employees, channel partners and actors involved in multi-actor service ecosystems (Frey, Trenz, & Veit, 2019). Hence, there is a clear need for more research on the implications of the infusion of these innovative technologies and how these would shape the future of multi-actor service ecosystems (Lütjen, Schultz, Tietze, & Urmetzer, 2019). Recent research provides some useful insights and directions in this regard by exploring the inter-firm and intra-firm changes due to the advent
of digital servitization (e.g., Skylar et al, 2019), role of social platforms in transforming the
service ecosystems (Letaifa, Edvardsson, & Tronvoll, 2016), and diffusion of sustainability-
oriented user innovations in service ecosystems (Trischler, Johnson, & Kristensson, 2020).

Finally, there is also a growing body of literature on the emerging role of innovation in
service ecosystems (e.g., Chandler, Danatzis, Wernicke, Akaka, & Reynolds, 2019), which
highlights the importance of institutional reconciliation pressures (tensions, divergences,
expected value, and service) and innovation characteristics (recursivity, temporality,
complementarity, and continuity). Similarly, others investigate the role of social innovation
(Aksoy, Alkire, Choi, Kim, & Zhang, 2019) and technologies in this context. Based on these
studies, there is a need for research on the role and impact of different types of innovation in
multi-actor service ecosystems through a study of organizational norms, rules, and beliefs.

Acknowledgements

All the guest co-editors for this special issue express their gratitude to the two chief editors of
the Journal of Business Research, Professors Anders Gustafsson and Naveen Donthu, and the
Elsevier editorial team for their invaluable guidance and support throughout the process of
planning and managing this special issue. They would also like to thank all the submitting
authors for their overwhelming response to the call for this special issue, resulting in more
than 50 submissions out of which 22 articles were finally accepted (including three invited
articles), which make a timely and useful contribution to the growing literature about
customer engagement and relationships in multi-actor service ecosystems. Finally, the guest
editors thank all the reviewers who spared their invaluable time and effort to review all the
papers in a timely manner despite all the challenges posed by their busy academic lives, the
changes in the editorial management system and the ongoing Covid-19 pandemic.
References


role of resource integration. *Journal of Business Research.*

https://doi.org/10.1016/j.jbusres.2020.02.008


https://doi.org/10.1016/j.jbusres.2020.05.038


https://doi.org/10.1016/j.jbusres.2020.03.015


https://doi.org/10.1007/s12927-017-0004-4.


Nguyen, S., Alaoui, M. D., & Llosa, S. (2020). When interchangeability between providers and users makes a difference: The mediating role of social proximity in collaborative services. *Journal of Business Research.* https://doi.org/10.1016/j.jbusres.2020.03.021


design: from customer value constellation to service experience blueprinting. *Journal of

research impact. *Journal of Service Research*, 21(1), 3-16.

continuum and technological innovations in service ecosystems: A service-dominant logic

Pinna, R., De Simone, S., Cicotto, G., & Malik, A. (2020). Beyond organisational support:
Exploring the supportive role of co-workers and supervisors in a multi-actor service

customers’ perception of discretionary service denial. *Journal of Business Research.*
https://doi.org/10.1016/j.jbusres.2020.02.036

Sharma, I., Jain, K., & Behl, A. (2020). Effect of service transgressions on distant third-party
https://doi.org/10.1016/j.jbusres.2020.02.005

managing customer engagement on social media. *Journal of Business Research.*
https://doi.org/10.1016/j.jbusres.2020.03.030


