The servicescape and the effects on interaction
The servicescape and the effects on interaction
A case study of Clas Ohlson
Abstract

Date: 31th May
Level: Master Thesis
Authors: Thomas Peters & Vincent Twint
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Title: Servicescape and the effects on interaction
Problem: How does the servicescape affect the interaction between customer and employee?
Aim: Achieving a deeper understanding about the elements of the servicescape at Clas Ohlson and how these elements might affect the interaction between customers and employees
Method: Qualitative research approach – a single case study
Conclusion: Variety of views and interpretations among customers concerning the effect of the servicescape on their interaction with an employee.
Keywords: Servicescape, environmental dimensions, atmospheric stimuli, interaction, service encounter, Clas Ohlson
Acknowledgments

This thesis could not have been realized without the participation of a few people.

First we would like to thank our tutor Mikael Holmgren for his great contribution and critical review that made us not to overcome hills but mountains during the process. Besides that, we would like to thank the tutors Tobias Eltebrandt and Angelina Sundström for their input and suggestions in the field of marketing. Third, we would like to thank the students whose constructively criticized our work and provided necessary suggestions during the process of writing this thesis.

Thomas
I would like to thank Vince for his great contribution, encouragement and assistance to accomplish our thesis and master International Marketing.

Vincent
With this master thesis I am ending my studies of International Marketing in Sweden. I want to thank my friends and family who have supported me during my stay in Sweden and especially while writing this thesis. I know Thomas for several years and we have been working together for a few years now. It has been a pleasure to work with Thomas and I want to thank him for his contribution, inspiration and enthusiasm.

Västerås, Sweden May 2011

Thomas Peters
Vincent Twint
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1 Introduction

Chapter 1 presents the background information of our study. Thereby, the problem specification and relevance for both theoretical and practical matters will be discussed. The last part of this chapter focuses on the aim of our study and thereby the research and strategic question will be presented.

1.1 Background

The retail sales constitute currently about 45% of private consumption and are in turn responsible for nearly 60% of the Gross Domestic Product (GDP) in Europe (Tumpel-Gugerell, 2010). This underlines the importance of the retail sector for the overall European economy. Currently physical stores are still of major importance for this sector since online retail sales only account for 5.5% of the total number of sales (Reuters, 2010). Bitner (1992) states that the servicescape, which is the environment where the service is delivered and where customers interact, can either support or interfere the accomplishment of both internal and external goals. This shows the importance for managing the servicescape in the stores. Hightower et al. (2002) argues that organizations that are caring about the servicescape are better able to create, retain or extend competitive advantages. Following this, one might say that with the upcoming competition of the Internet the servicescape has become more important. Bettencourt and Gwinner (1996) recognize that the contact with the customer in a store creates an opportunity for companies to distinguish themselves. This contact with the customer creates, as a result, a competitive advantage that can be addressed by companies for competition among physical stores but also the competition with online stores.

Marketers recognize the servicescape that can be used in order to affect behaviors and create an image (Lovelock & Wirtz, 2007, pp.289-290). While both customers and employees can be affected, the question arises whose preferences and needs have to be addressed. The level of involvement of employee and customer in the servicescape, which is the so-called level of service setting, determines who have to be addressed. Making use of the servicescape to affect customers is typically more applicable for companies where customers have a higher level of involvement. Retailers deal with the involvement of both customers and employees in their stores and are labelled as interpersonal services (Bitner, 1990). Since customers also make use of the servicescape one may say that the management of elements of the servicescape to affect customers is thus applicable. Research shows that the servicescape of a (retail) store can have a significant impact on customer behavior (Bitner 1992; Turley & Milliman 2000). While the servicescape has effect on the behavior of customers, it has a result on the business turnover (Underhill, 2009). According to Turley &
Milliman (2000) the servicescape planning is even considered to be a determining factor between a business success or failure. This shows that it is important for retail stores to have a servicescape that encourages the buying behavior of customers. From this the question arises, through what mechanism does the servicescape affect customers tendency to buy. A first mechanism is the servicescape that affect the (internal) response of customers and so affect the customers’ tendency to buy. A second mechanism is the interaction between customers and employees and this will be the starting point and focus for our study (Bitner, 1992; Turley & Milliman 2000).

1.2 Problem specification

With the focus on the interaction between customers and employees one may question if, and how, both interact with each other. According to Bettencourt & Gwinnter (1996) it does not only depends on the employees and customers character and commercial skills. Bitner argues that it also depends on the servicescape. One may question what the purpose of interaction is and to what extent the interaction itself is desirable (e.g. if negative servicescape experiences lead to interaction, is this desirable?). Various studies already showed that interaction has a positive effect on the customer’s tendency to buy. Underhill states that if employees interact with customers the chance that customer’s purchase a product increases (Underhill, 2009, p.33). Gruner & Homburg (2000) state that interaction between an employee and a customer can enhance the success for new products. While the effect of these interactions is clear, the question about how the servicescape affects the interaction remains. Without a deeper understanding about how the servicescape affects the interaction the full potential of servicescape management and planning cannot be accomplished. One may say that some servicescape elements might encourage interaction between customers and employee by for example the placement of equipment where more information is preferable by customers. It can also be argued that the servicescape elements can inhibit interaction by for example a servicescape that is aiming on self-service.

According to leading studies a lot has been written about the impact of the servicescape on employee behavior as well as the impact of the servicescape on customer behavior (Bitner, 1992; Turley & Milliman, 2000). Very limited research is done concerning the servicescape in relation to the interaction between customers and the employees (Bitner, 1992, p.68). Since the management of this servicescape might be beneficial for (retail) stores, it is of importance to understand how it affects these interactions and so research is needed in this particular field. In fact, we only found only one study dealing with this topic. A case study, at a hotel, by Berglund and Halverasson (2008) that is aiming on this topic also faces the same servicescape usage level as a retail company. Their study found that the servicescape for encouraging employee
approach behavior might not be in line with the customers’ desires and needs. But customers’ preferences concerning interaction in a hotel differ from other commercial settings. In a hotel the servicescape has to be directed on smoothness and uncomplicatedness as much as possible (Berglund & Halversson, 2008). While the positive effect of interactions for commercial settings is proven, it differs for a hotel and its customers because stimulating interactions might not be preferable in a hotel setting. The results of their study are therefore not applicable for other commercial settings. Their study can also be judged as very limited since in their study only the company perspective is examined, by a single interview with the manager of the hotel.

Our study is directed on the deeper understanding of what elements of the servicescape affect interaction and how they affect these interactions. A case study in a commercial setting (retail store) will be of value since also customers are users of the servicescape. In our study Clas Ohlson (in Västerås, Sweden) is selected for conducting a single case study. Our study will contribute to the body of knowledge by providing an in-depth understanding of different perspectives. First we will look at how the servicescape is designed and the motivations behind it seen from a company perspective. Second we will examine the customer perspective regarding this servicescape and the interaction. We conducted a preliminary research aiming on the layout of this particular store. So one can therefore expect that we are familiar with the layout of Clas Ohlson and to a certain extent with the servicescape. This existing knowledge function as a foundation for further research at Clas Ohlson. While this study is focusing on interaction, it is aimed on the interaction between customers and employees of a company rather than the interaction among customers. With this focus we explore customers and company perspective rather than only the customers perspective. Covering both perspectives contributes to the aim of our study about getting a deeper understanding.

1.3 Research and strategic question
The following research question is formulated that serves as the starting point and shows what will be examined in our study:

*How does the servicescape affect the interaction between customer and employee?*

In order to address the practical relevance and companies perspective the following strategic question has been formulated:

*How could retailers use the servicescape in order to affect the interaction between employees and customers?*

1.4 Outline of study
In chapter 1 we gave the background information of our study. In chapter 2 we will explore the theoretical field. The chapter starts with providing definitions of
services, servicescape and interaction. We give theories that serve as a foundation for our study. In the end of the chapter our own conceptual framework that will be used in our study is illustrated. Chapter 3 clarifies what research approach is most appropriate for our study and provides detailed information about the methods that are utilized to conduct the research. In chapter 4 the data from empirical research will be given. It concerns primary data out of an interview, observations and interviews with customers that visit the store. Chapter 5 shows interpretations of the empirical data and combines this with the theories from chapter 2. Finally, chapter six shows conclusions and with the discussion it comes back to the research question and strategic question that are stated in the first chapter. Chapter 6 also shows implications for further research. The following figure 1.1 shows the outline of our study. As the figure shows, each chapter is interconnected with each other. In chapter five we go back to the theory and our conceptual framework presented in chapter 2 and therefore a reciprocal arrow is designed.
2 Theoretical framework

In this chapter the theoretical field of the servicescape and its relation with the interaction between customers and employees will be discussed. After explaining relevant definitions the framework of Bitner (1992) will be discussed as well as the modified framework of Turley and Milliman (2000). Both function as a basis for our conceptual framework that we developed for this study that is presented in the end of this chapter.

2.1 Understanding service

While products and services differ in nature from one other Lovelock and Wirtz (2007) state that companies that sell products also include service components. For a retail company these components can be found in a number of elements like; providing more information about products; helping customers in the store. In this way these companies can be classified as organizations with service elements. In our study we follow this explanation. We refer to the definition of Grönroos (1990) who explains a service as: “A service is a process consisting of a series of more or less intangible activities that normally, but not necessarily always, take place in interactions between customer and service employees and/or physical resources or goods and/or systems of the service provider, which are provided as solutions to customer problems”.

The ability of the servicescape to affect behaviors and to create an image is, as stated in the first chapter, particular apparent for organizations that also face service elements since services are produced and consumed simultaneously (Jobber, 2004, p.792-793). The customer is at the place where the service is offered and this place may have a strong impact on customers’ perceptions of the service experience (Bitner, 1992, p.57). Products and services differ in elementary aspects from each other. As mentioned above; services are, unlike products, consumed and produced simultaneously. Thereby services cannot be stocked and are perishable. The intangibility of services makes it difficult to evaluate and together with the variability of services it is more difficult to standardize (Jobber, 2004, p. 792-793). As a distinction between products and services is made, we make use of this distinction in order to explain why we used the theoretical models presented later in this chapter.

2.2 Understanding servicescape

Until now the term servicescape is used but within this theoretical field various authors mention other terms for the servicescape. Examples are: environmental dimensions, atmospheric stimuli and physical surrounding. These terms are used in our study as synonyms of the servicescape. According to Zeithaml et al. (2006, p.317) the servicescape can be defined as: “The environment in which the service is delivered and in which the firm and the customer interact, and any
tangible commodities that facilitate performance or communication of the service”

The given explanation of organizations with service elements in the previous paragraph 2.1 has to be taken into account while continuing reading. Where Bitner (1992, p.58) argues that the level of service setting affects the importance of physical surroundings a distinction between service levels of different organizations has to be made. In “Table 2.1: Typology of Organizations and their services Based on Variations in Form and Usage of the Servicescape”, that Bitner (1992) presents for categorizing organizations and their services. The table includes two dimensions. Both dimensions will be discussed briefly.

**Table 2.1: Typology of organizations and their service based on variations in form and usage of the servicescape**

<table>
<thead>
<tr>
<th>Servicescape Usage</th>
<th>Complexity of the Servicescape</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-service (customer only)</td>
<td>Elaborate</td>
</tr>
<tr>
<td></td>
<td>Golf Land Surf ’n Splash</td>
</tr>
<tr>
<td></td>
<td>ATM</td>
</tr>
<tr>
<td></td>
<td>Ticketron (computerized event ticketing technology)</td>
</tr>
<tr>
<td></td>
<td>Post office Kiosk</td>
</tr>
<tr>
<td></td>
<td>Movie theatre</td>
</tr>
<tr>
<td></td>
<td>Express mail dropoff</td>
</tr>
<tr>
<td>Interpersonal service (both customer and employee)</td>
<td>Elaborate</td>
</tr>
<tr>
<td></td>
<td>Hotel</td>
</tr>
<tr>
<td></td>
<td>Restaurant</td>
</tr>
<tr>
<td></td>
<td>Health clinic</td>
</tr>
<tr>
<td></td>
<td>Hospital</td>
</tr>
<tr>
<td></td>
<td>Bank</td>
</tr>
<tr>
<td></td>
<td>Airline</td>
</tr>
<tr>
<td></td>
<td>School</td>
</tr>
<tr>
<td></td>
<td>Dry cleaner</td>
</tr>
<tr>
<td></td>
<td>Hot dog stand</td>
</tr>
<tr>
<td></td>
<td>Hair salon</td>
</tr>
<tr>
<td>Remote service (employee only)</td>
<td>Lean</td>
</tr>
<tr>
<td></td>
<td>Telephone company</td>
</tr>
<tr>
<td></td>
<td>Insurance company</td>
</tr>
<tr>
<td></td>
<td>Utility</td>
</tr>
<tr>
<td></td>
<td>Many professional services</td>
</tr>
<tr>
<td></td>
<td>Telephone mail order desk</td>
</tr>
<tr>
<td></td>
<td>Automated voice-messaging-based services</td>
</tr>
</tbody>
</table>

The vertical dimensions in table 2.1 focuses on the variable who is performing activities in the servicescape. Three possibilities are presented. One concerns solely the customer and is represented by “Self-service”. The other opposite concerns solely the employees and is represented by “remote service”. In the middle of both a combination of customer and employee is made and is represented by “Interpersonal services”. The essence of this vertical dimension is the relative level of involvement that determines whose needs and preferences (customer/employee or both) should be focused on concerning the management of the servicescape. An example for this can be found in telephone companies who only interact on distance with customers. As a result it are only the employees who make use of the servicescape and only employees’ needs and preferences have to be taken into account.

The horizontal dimension in table 2.1 determines the level of complexity of the servicescape. As the figure shows there are two possibilities. The first option is characterized by many elements and forms and is therefore complicated and defined as “Elaborate”. The second option covers a more simple service environment with only few elements, few spaces and few forms. This is represented in the figure as “Lean”. It is suggested that the organizations categorized in the cell elaborate and interpersonal services is the most complex for making servicescape decisions (Bitner, 1992, p. 58-59). As the type of organization determines whether customers, employees or both are affected by the servicescape, organizations need to be classified (Zeithaml et al., 2006, p.321).

Research by Zeithaml, Berry and Parasuraman (1988) shows that the servicescape communicates with and also affects employees of the company next to customers. Early research already stated that the servicescape affects the employee’s satisfaction, productivity and motivation (Becker 1981; Davis 1984 and others, as cited in Bitner, 1992). Therefore, the servicescape should support needs and preferences of both customers and employees if both make use of this servicescape (Bitner, 1992, p.57-58).

### 2.3 Understanding interaction

Interactions take place in organizations that provide services to their customers. These interactions have, as suggested by Bitner (1992) and Turley & Milliman (2000), an effect on internal responses of both customers and employees. Consequently these internal responses lead to behavior for both. In the context of interactions between customers and employees the term service encounter is defined by Surprenant & Solomon (1987, p.87) as: “The dyadic interaction between a customer and organizations that provide services”. In our study this term will be addressed by using the term interaction.
Zeithaml et al. (2006, p. 125-126) subdivides three types of service encounters.

- The first is called remote encounters and occurs without any direct human contact.
- The second type concerns phone encounters and is directing, as it indicates, on the encounter between the end customer and the employee of an organization over phone.
- The third type of encounter deals with the contact between customer and employee in direct contact and therefore called the face-to-face encounter.

Within a retail company a variety of interactions can be distinguished. Where interactions can take place between only employees, interactions can also take place among only customers. A third type is the interaction between a customer and an employee (Baron, Harris and Davies 1996, cited in Verhoef et al., 2009, p.34).

2.4 Framework impact of servicescape on customer and employee

We explained previous that a retail organization faces service elements while selling products. Bitner (1992) provides a framework for a deeper understanding of the role of the servicescape that applies for organizations that face service elements, like retailers. The model is presented in “Figure 2.1: A framework for understanding environment-user relationships in organizations and their services”. As the framework shows customers and employees perceive a mixture of environmental dimensions. Both may respond internal on this perceived servicescape, cognitive, emotional and physiological. The internal responses of individual customers and employees to the environment affect their behavior and affect the interaction between and among customers and employees (Bitner, 1992, p.59).

As the framework contains four main groups, each following subparagraph will pay attention to these groups. Subparagraph 2.4.1 is covering the first two groups “environmental dimensions” and “holistic environment”. Then the “internal responses” will be discussed in 2.4.2 and finally the group “behavior” will be discussed in 2.4.3.
Figure 2.1: A Framework for Understanding Environment-User Relationships in organizations and their services

![Diagram of environment-user relationships]


2.4.1 Environmental dimensions and servicescapes

The environmental dimensions take account for the first part of the framework and concern an extensive list of elements that constitute the servicescape. These dimensions the environmental are “all of the objective physical elements that can be controlled by the firm to enhance or constrain employee and customers actions” (Bitner, 1992, p.65). It is ultimately the total configuration of environmental dimensions that defines the servicescape (part holistic environment) rather than only single elements. Paragraph 2.5 and 2.6 will come back to this list and discuss these elements and add other environmental elements. As the figure shows the servicescape affects the internal responses, these will be discussed after explaining the environmental dimensions. In figure 2.1 the environmental dimensions are subdivided into three categories:

1) Ambient conditions
A number of leading researchers identified ambient conditions to affect perceptions of people’s responses to the environment (Baker, 1987 et al., cited in Bitner, 1992, p.66). It concerns elements like temperature, lighting and noise. Where the importance of these conditions for customers is widely known, lots of studies also have proven the effect of ambient conditions on influencing employee performance and job satisfaction (Bitner, 1992, p.66)

2) Space/Function
The spatial layout concerns the arrangement of equipment, machinery and furnishings (including size and shape). Functionality refers to ability of these items to facilitate performance and how they contribute to the accomplishment
of goals (Bitner, 1992, p.66). Much empirical research in behavior and psychology illustrated the effects of spatial layout and functionality but always from the employee’s point of view (Bitner, 1992).

3) Signs, Symbols & Artifacts
The signs, symbols and artifacts refer to items in the servicescape that serve as signals that communicate about the place to its users. They can be used in different ways like labels, for direction purposes and communicate rules of behavior. Other items in the environment can communicate less directly by giving implicit cues about the meaning of the place, norms and expectations for behavior (Bitner, 1992, p.66).

2.4.2 Types of behavior: internal responses
Three different internal responses affect behavior in the environment. The servicescape does not directly cause people to behave in a certain way but do lead to specific emotions, beliefs and physiological sensations that in turn affect the particular behavior instead. The theory applies for customers as well as employees. The first internal response concerns the cognitive response. It is about the servicescape that affects people’s beliefs; people and products found in the particular place and beliefs of the place itself. According to Broadbent et al. (1980), as cited in Bitner (1992, p.63) the servicescape can be seen as nonverbal communication form in this way. The second response concerns emotional response to the servicescape. Mehrabian and Russel (1974), as cited in Bitner (1992, p.63) found that “emotion-eliciting qualities of environments are captures by two dimensions: pleasure-displeasure and degree of arousal”. This means that all environments (manmade or natural) are reflected by people’s emotional response to the place in these two dimensions. This leads to certain predictability of behavior, with respect to the particular environment, when measuring emotional responses by use of these two dimensions (Bitner 1992, p.63). The third internal response focuses on servicescape that affects people in a physiological way. These physiological responses may affect directly whether people stay and enjoy an environment or not. Research from Riley and Cochran (1984), as cited in Bitner (1992, p.64), shows that “environmental design and related physiological response affect whether a person can perform his or her job function”.

For all types of internal-responses the service setting, as discussed in paragraph 2.2 which is focusing on who should be directed the employee or/and customers, is essential in order to create a servicescape which lead to most preferable internal responses and therefore indirectly to preferable behavior. Nevertheless internal responses are still on individual level and therefore
individual personality traits play a role in one's reaction to its servicescape (Bitner, 1992, p. 64-65).

2.4.3 Types of behavior: individual & social interactions
Mehrabian and Russel (1974), as cited in Bitner (1992, p. 60), state that “individuals react to places with two general, and opposite, forms of behavior: approach and avoidance”. The approach behavior consists of all positive related behaviors directed to a particular place like: desire to stay, work, explore and affiliate. The opposite behavior such as desire not to stay, work, explore and affiliate are included in the avoidance behavior and negatively related (Bitner, 1992). Individual reactions to the environment result in positive as well as negative behavior for both customers and employees as figure 2.1 shows. The servicescape also affect interactions between customer and employee by nature and quality of the conversation. Especially in interpersonal service settings it occurs most directly (Bitner, 1992, p. 61). Support for this statement is found by the scholars Bennett & Bennett (1970) by arguing: “all social interaction is affected by the physical container in which it occurs”. These interactions are affected in terms of duration of the interaction and the actual progression of events. This is in line with Forgas (1979), as cited in Bitner (1992), who states that servicescape do affect possibilities and limitations of social episodes like those between customers and employees. Thereby Forgas (1979), as cited in Bitner (1992) argues that the physical environment can create a subset of social rules, conventions and expectations that serve the nature of the social interaction. Since it is about individuals who react by a certain behavior by servicescapes. This could differ by individuals or by group.

2.5 Framework for retail atmospherics
As discussed in the previous paragraph Bitner (1992) distinguishes three environmental dimensions that affect both customers and employees internal responses and lead to behavior responses. Berman and Evans (1995) divided the environmental dimensions into four different categories;

1) The exterior of the store
2) The general interior of the store
3) Store layout and design elements
4) Interior displays

These new defined categories overlap Bitner’s (1992) presented categories of environmental dimensions. While Turley and Milliman (2000) support the presented model of Bitner (1992) and use this as a basis, they combine it with the categories presented by Berman and Evans (1995). Thereby a fifth category is added and integrated to complete the typology, it is the category human variables that they add to this framework. Figure 2.2 shows the framework of Turley & Milliman (2000). It is a modified version of the original framework designed by Bitner (1992).
Figure 2.2: The influences of retail atmospherics

In the presented framework the underlying concept is the same as the framework of Bitner (1992), although it seems to be less complex. In Turley & Milliman’s framework five atmospheric stimuli lead to behavioral responses. While both customers and employees are affected by the atmospheric stimuli they affect each other through interactions. Like Bitner’s (1992) framework the servicescape affects the characteristics of individual people to determine their response (Turley & Milliman, 2000). The reciprocal arrow between employees and customers on the right side of the figure illustrates the interaction between them.

2.6 Servicescape elements and Conceptual framework

In our study a number of elements will be addressed that may affect the interaction between customers and employees.

2.6.1 Servicescape elements

Both frameworks show a number of categories concerning the servicescape that affect responses and behavior of both customers and employees. Berman and Evans (1995) provide an even more comprehensive list of four categories. This list of atmospheric elements is expanded by Turley & Milliman (2000) and shows five categories, each contains a number of elements. Our study is focussing on three categories which are selected out of the list of Berman & Evans (1995) and Turley & Milliman (2000).

- The general interior of the store
- Store layout and design elements
- Human elements

Out of these three categories we took the relevant elements that are in line with the definition from Zeithalm et al. (2006) of the servicescape which was given previous in chapter 2. Another category that is suggested by Berman & Evans (1995) concerns exterior elements. Since interactions take place inside the store this category can be excluded. The category Interior Displays is not selected because it does not have any relation with interactions between customers and employees it is not examined in our study either.

As a result we created 4 categories for our study. The elements that will be examined in our study can be found in each of the categories and presented in table 2.2.

Table 2.2: Detailed overview of servicescape elements

<table>
<thead>
<tr>
<th>Design elements</th>
<th>Ambient elements</th>
<th>Placement of elements</th>
<th>Human elements</th>
</tr>
</thead>
<tbody>
<tr>
<td>Width of aisles</td>
<td>Lighting</td>
<td>Merchandise</td>
<td>Waiting cues</td>
</tr>
<tr>
<td>Space design</td>
<td>Music</td>
<td>Equipment</td>
<td>Crowding</td>
</tr>
<tr>
<td>Functionality</td>
<td></td>
<td>Cash registers</td>
<td></td>
</tr>
</tbody>
</table>

Source: Own table
2.6.2 Conceptual framework
Where the categories and elements are already explained in the previous paragraph we discuss the conceptual framework for our study in this paragraph. As explained earlier we used the frameworks of Bitner (1992) and Turley & Milliman (2000) for the development of our conceptual framework. The framework is shown in figure 2.3.

Figure 2.3: Conceptual framework

In figure 2.3 the interaction between customer and employee positioned in the centre. The categories that might have an effect on this interaction are connected and positioned around this box. These categories represent the servicescape of the store. Since we don’t want to limit ourselves to specific elements in our study. Therefore, further research may reveal other elements of the servicescape that affect the interaction. We added an extra category to the conceptual framework that is called “Unclassified elements” in order to keep our research approach open. Eisenhardt (1989) supports this approach by stating that researchers preliminary elements, with some reference to extant literature, but should have a certain clean theoretical slate. The reason for this is that preordained theoretical perspectives (or propositions) may limit and bias the findings.
3 Methodology discussion
In chapter 3 we describe the methodology background of our study. Insights will be given in the steps that are taken in our study by using a model that determines the research design. In paragraph 3.1 we explain the chosen epistemology. Paragraph 3.2 discusses the theoretical perspective that we selected which is in line with the chosen epistemology. In the next paragraph we explain our methodology choice and in paragraph 3.4 we give an overview of the methods that are used to collect the required primary data. The sampling methods are discussed in paragraph 3.5. We also discuss the taken steps in our study and review our method. In the last paragraph the precautions, limitations and ethical consideration are covered.

The nature of any research problem should be driven by the methodology involved. Figure 3.1 will be used as a foundation for this chapter to clarify the taken steps concerning the methodology. A research design contains four elements that can be used to structure a research (Crotty, 1998). The first three elements in figure 3.1 function as a basis for the element methods in order to select and argue the appropriate method. The figure gives an overview of the selected elements which will be explained in the upcoming paragraphs.

**Figure 3.1: Four elements of research design**

![Figure 3.1: Four elements of research design](image)

*Source: own figure adapted from Crotty, M., “The Foundation of Social Research” (1998)*
3.1 Epistemology  
Crotty (1998) provides the following definition for epistemology:

“Epistemology is concerned with providing a philosophical grounding for deciding what kinds of knowledge are possible and how we can ensure that they are both adequate and legitimate” (Crotty, 1998).

Our study is based on the constructionism form that argues that there is no objective truth that is in contrast with the objectivism form that is based on the objective truth. In detail the contructionism form underlies that different people can experience the same phenomenon in a different way and therefore it permits a researcher to analyse these views within a context or situation (Crotty, 1998). The experiences of individual customers and the servicescape in the Clas Ohlson store (Västerås) were analyzed.

3.2 Theoretical perspective  
The theoretical perspective within our study is grounded on the epistemology of interpretivism and examines the servicescape in a store, the interaction between an employee and a customer and the customers view on the servicescape during that interaction. According to Orlikowski and Baroudi (1991) interpretivism can be defined as;

“Interpretive studies assume that people create and associate their own subjective and intersubjective meanings as they interact with the world around them. Interpretive researchers thus attempt to understand phenomena through accessing the meanings participants assign to them” (Orlikowski and Baroudi, 1991)

The interpretivism style is in line with the constructionism form, where it is likely in our study that customers have different views about the interaction and the servicescape. Through the interview with Henrik Ohlander we gain the information of the servicescape seen from a company perspective. The views of the customers can be compared with the view of Ohlander that could result in a more in-depth study. We can also compare the observations of the customers with the interviews to indentify similarities or contradictions.

Through the observation we interpret the actions and behavior of the customers and during an interview their own interpretations were portrayed. This shows the interpretive character in our study. Furthermore Myers (1997), as cited in Kelliher (2005) and Fisher (2007), state that the interpretive perspective is concerned with the uniqueness of a particular situation and therefore it provides a suitable theoretical perspective for our study that aims at gaining a deeper understanding of a phenomenon at Clas Ohlson. Besides that interpretivism can be characterised as a perspective where inspiration is from qualitative concepts,
where the focus is on understanding what is happening in a given context and where it is possible to have different constructed realities and different actors’ perspectives (Carson et al, 2001 cited in Levy, 2006). We attempt to get a deeper understanding on the interaction between customers and employees in relation to the servicescape.

3.3 Methodology
Our study only contains a qualitative research approach. Qualitative research is a form of obtaining primary data where findings do not arrive from statistical procedures or other means of quantification (Strauss and Corbin, 1999 cited in Levy, 2006). This form is according Miles and Huberman (1994 cited in Levy, 2006) based on understanding data in the form of words, like observations and interviews. This approach gives us the opportunity to interpret a specific situation and to gain a deeper understanding of the phenomenon at Clas Ohlson. In our study the behaviour and interpretations of people toward the servicescape was examined.

3.3.1 Case study
Since our study aims at investigating a phenomenon, a case study seems most appropriate. Yin characterizes a case study as a study with a broad view where the researcher relies on more sources of evidence than only one primary source (Yin, 2003). In addition a case study examines one case in detail with the goal to develop a full understanding of the case as possible (Puch, 1998 cited in Silverman, 2010). Our study can be classified as a single descriptive case study to analyze a particular situation at Clas Ohlson. The company has been chosen for various reasons. First interactions are highly required in the store, because customers need assistance to find their desired product. Second asking an employee is a common activity stressed by Swedish shoppers (Ohlander, 2011). Third we conducted a previous research in a marketing study that fostered our relationship to Clas Ohlson and knowledge has been gained concerning the store layout that provides a good starting point for us for further research.

3.4 Methods and data collection
The following methods are used to collect the required primary data for our study.

3.4.1 Observations
Observations are a method to collect primary data. According to Silverman (2006) observations are the fundament for understanding another culture while making use of qualitative research (Silverman, 2010). There are several conditions and situations where an observation will be appropriate as a method. Powell and Steele (1996) state that doing an observation can be suitable when the researcher would like to have for example direct information or tries to understand a process or unfolding event. Bitner (1992, p.68) even state that in
the case of researching the effect of the layout on the interaction between customers employees, observation is an appropriate method. In our study this is applicable since the study is partly focusing on gaining a deeper understanding of a process, i.e. the interaction between people (employee and customer). We took the observation of the servicescape in the store as a starting point. We described and analyzed the servicescape in order to get a deeper understanding which was needed before we started with the observations and interviews with the customers.

Observation can be done obtrusively, this means that people know they are observed, or observation can be done unobtrusively which is the opposite. This could have an influence on the data collection (Powell and Steele, 1996). We chose for an unobtrusive observation to observe the customers in the store. It is known that people act different when they know that they are being observed which could influence the outcome. This form of observation requires some ethical consideration. The ethical issues will be discussed in detail in the last paragraph of this chapter. In our study we designed an observation form that is used to describe the actions and behaviour of customers, this observation form can be found in appendix I. We started with a pilot to test the content of the observation form and from there observations where hold on different days, times and with various durations which is explained more in detail in appendix II. During the observations in the store, customers were watched unobtrusively and only observed when an interaction took place with an employee. We only observed and we didn’t participated in the interaction process. In total 42 customers have been observed. In the observation form we used numbers to point out the sections in the store. These numbers correspond with the map in the store showed in appendix III.

3.4.2 Interviews
Another method to gain primary data is the use of interviews. According to Fisher (2007) there are three forms of interviews, for this study we chose the so-called semi-structured interview. In this form the interviewer and the interviewee decide together the direction of the interview (Fisher, 2007). We used a semi-structured interview to gain the desired information from store manager Henrik Ohlander. The purpose of this interview was to gain a deeper and more complete understanding of the decisions made by the company regarding to the servicescape. The interview was send in advance to the store manager in order to give him the opportunity to prepare. The transcript of the interview was send afterwards to gain approval of the store manager. The semi-structured interview can be found in appendix IV.

Furthermore semi-structured interviews with the customers were hold to get a deeper understanding of their interpretations and experiences regarding to the
interaction that took place. We tried to find out and to picture the interpretations and experiences of customers concern the servicescape and the interaction. We took a wide and open approach which means that there is space for unexpected and new data. After the observation customers were asked to talk with us about the interaction. The total number of customers we interviewed is 29. There is a difference between the total number of observations and interviews, because 13 customers did not have the time to cooperate or were not able to speak English. The interviews with the customers include nine questions, all related to the interaction and the servicescape. The questions were also tested during the mentioned pilot and some of them are adjusted to increase the quality. Some terms were changed e.g. the term interaction was simplified in the term talk to make sure the customers would understand our questions. An example of a semi-interview can be found in appendix V.

### 3.5 Sampling methods

There are two sampling methods termed as probability and non-probability sampling. In our study the **non-probability sampling** method is used. This sampling method is not aiming on a statistically representative sample, but is focused on the phenomenon that has to be implied in the sample which is in contrast with probability sampling that is based on the premise that all members of a population have the same probability to be selected. Sampling criterions can be formulated to estimate the result (Levy, 2006). We determined two criteria; first one includes that there has to be an interaction between an employee and customer and second the customer has to be well willing to participate after the interaction. These criteria had to be fulfilled otherwise the collection of data could not be completed. To increase the chance of assistance from the customers, we asked the store manager to instruct his staff to inform the customers about a possible interview afterwards. We used behaviour sampling that samples on a random basis whereby all the customers in the store were watched (Bryman, 2008, p. 263). The customers who interact with an employee were observed and afterwards we asked them to participate. The sampling on different days and different times minimized the chance of getting a false impression of the situation. Moreover it decreases the dependability of our study.

### 3.6 Method discussion

It is important to justify the taken method steps in the research process to ensure the level of trustworthiness. The trustworthiness of qualitative research is often justified by the perspective of the positivist advocates (Shenton, 2004). The terms reliability and validity are essential criterion for measuring the level of quality in quantitative studies (Golafshani, 2003). In qualitative studies many researchers prefer to use a different terminology to differentiate themselves from the positivist perspective. In 1985 Lincoln and Guba introduced four criteria that should be used by qualitative researchers for making their study
trustworthy (Lincoln and Guba, 1985 cited in Shenton, 2004). In our study we used these four criteria to show the trustworthiness.

- Credibility (in preference to internal validity)
- Transferability (in preference to external validity and/or generalisability)
- Dependability (in preference to reliability)
- Confirmability (in preference to objectivity)

3.6.1 Credibility
According to Merriam, (1998 cited in Shenton, 2004) credibility deals with the question, “How congruent are the findings with reality?”. There are several criteria that can be used to enhance the credibility. One can highlight the term triangulation, this involves combining different methods within a study (Shenton, 2004). Examples of such methods are observation, focus groups and individual interviews. Barbour, (1998 cited in Golafshani, 2003) even states the necessity to apply triangulation in qualitative research. Another component of triangulation includes the use of a wide range of informants in order to gain a fruitful understanding of a situation or phenomenon. In our study we made us of observations, interviews with customers and one in depth interview with the store manager in order to gain triangulation. The observations and interviews were hold to examine customers perspective and the in depth interview with the store manager gave us more insight from company perspective. In this way we got views from several perspectives that could strengthen the triangulation in our study. According to Shention (2004) the advantage lies in comparing and verifying views and experiences against the informants. During the interview Ohlander we refered to some statements from interviewed customers in order to compare and verify their views. In our study a group of 42 customers have been observed and 29 of this group has been interviewed. In our opinion many views and experiences were examined through these methods. The total number of observations and interviews are determined according to the answers, experiences and stories that were collected. With the observations and interviews a level is reached where no new answers, experiences and stories are collected.

3.6.2 Transferability
The second criteria transferability is explained by Merriam (1998) as “the extent to which the findings of one study can be applied to other situations” (Merriam, 1998 cited in Shenton, 2004). The findings of a qualitative study are specific and aiming on a particular situation. However Gross (1998, cited in Shenton, 2004) and others are convinced that their studies provide a kind of basis that can be used for other situations and environments. Lincoln and Guba, (1985) and Firestone, (1993) as cited in Shenton (2004), state that it is the responsibility of the researcher to ensure that enough contextual information about the fieldwork is provided to enable the reader to understand its essence. Discussing the
generalisability of a research one can say that this topic is one of the most common tests concerning validity in quantitative research (Winter, 2000). However in the case of qualitative research it is considered to be of little, or even of no relevance (Marshall, 1996). Researchers are focusing on in-depth understanding in combination of context and time specific situation (Levy, 2006). There are even scholars (e.g. Wolcott, 1990, Denzin, 1997, cited in Winter, 2000) who criticize these term, therefore it has been changed into the term transferability which emphasize and reflects the aim in a more suitable way. According to Maxwell (1992 cited in Winter, 2000) most qualitative research limits to 'internal' generalizations or no form of generalisability is involved. In our study the generalization of the research is not relevant, we focus on getting a deeper understanding of the interactions in the store in relation to store's servicescape. Our interpretations and findings could apply for other situations or cases, but that is not the aim of our study.

3.6.3 Dependability
Lincoln and Guba (1985, cited in Shenton, 2004) use “dependability” instead of the term “reliability” that is used as a criteria for quantitative research. It is also given that the dependability issue can be addressed more directly by reporting more in detail and creates the option for future researchers to repeat the same study (Shenton, 2004). In respect to this criterion we hold the observations and interviews in the store at different days and different times. We observed separately which could mean that we interpreted situations differently. Eisenhardt (1989) states that the use of multiple investigators not only enhances the creativity during the study but also often have complementary insights. This increases the richness of data and their different perspectives and thus increases the likelihood of surprising findings. We developed a thorough understanding of the used methods to enable our audience to determine the quality of our conducted study.

3.6.4 Confirmability
The last criteria confirmability relates to the level of objectivity within a research. According to Patton (2001 cited in Shenton, 2004) ensuring objectivity contains a difficulty whereas even questionnaires are designed by humans and so human skills and perceptions are involved in that matter. The findings and results have to derive from our collected data instead of our own preferences. We have to make the note, that the interpretations we have made could be influenced slightly by our preferences.

3.7 Precautions, limitations and ethical consideration
The following precautions have been made in the process of collecting primary data. First we discussed the interview and observation forms with other students and our tutor in order to erase mistakes. The approach and research content was also discussed with another tutor to gain ideas. Second the interview was send in
advance to the store manager to make sure he could prepare and the interview was recorded so we were able to listen again to our conversation. The familiarity of English terms among the Swedish customers was taken into account to avoid language misunderstandings. After the pilot, we decided to simplify some words to avoid problems, for example the term interaction was changed into talk. During the pilot it became clear that we had to make sure that we didn't wear clothes that could be related to the uniform of Clas Ohlson employees. During the pilot we were approached several times by customers who thought that we were working for Clas Ohlson. Customers who assume that we belonged to the company could react and respond in a kind of way that was not favourable for our study. Finally, the store manager was asked to instruct his staff to inform the customer after the interaction that there is a possibility that they will be interviewed. In this way the chance that customers responded positively on our request to cooperate with the interview increased.

The following limitations were identified; for the observation a limitation was found in the language aspect, where most of the interactions took in the Swedish language, we were not able to follow that conversation. Nevertheless this limitation made that we took distance and that served the purpose of our unobtrusive observation. Another limitation is the length of the interview with the customer. It was necessary to keep these interviews short, because the customers were not available for a long time for taking an interview off where also the concentration level could drop. The last limitation concerns our own interpretations due to our own observation style.

We informed the store manager and its staff about the research approach, purpose and its implications. We respected the wishes of the customer and we made sure that the customers were not disturbed during their interaction because this could harm the customers shopping experience as well as the company's image. The results of the observations are only used for the purpose of our study and customers’ opinions are respected confidentially. Last point can be the issue of dependency. It was important that it was clear for the customers in the store that we worked independently and without any other interests besides doing research. We are aware that we observe unobtrusive and this requires some ethical consideration. Therefore, we make sure that the results of the observations are only used for this study.
4 Empirical data

In chapter 4 we present the empirical data that is collected through observations, an interview with the store manager and interviews with customers at the Clas Ohlson store in Västerås. The chapter starts with a brief profile of the company in 4.1. From there the servicescape of Clas Ohlson will be described in 4.2. In the next paragraph 4.3 we provide information about the servicescape according to our own observations, the observation of interaction between customers and employees and the interviews with customers. In this paragraph we present data to gain a deeper understanding by collecting opinions, views and experiences among the customers.

4.1 Company profile

Clas Ohlson was founded in Insjön in 1918 and the headquarter is still located in this Swedish town. The company started as a mail order business and nowadays the company position itself as a retail company. A wide range of products in the categories Kitchen, Multimedia, Garden/Home, Machinery, Sport/Camping and the Last Buy section are offered in the stores located in Sweden, Norway, Finland and United Kingdom. A floor map with all categories can be found in appendix III. The company is known for its quality, uniqueness and service and opens every year 10 to 20 new stores in the mentioned countries. In total 3500 people are working for the company. Since 1999 Clas Ohlson has been listed as a medium sized company on the Stockholm Stock Exchange (Clas Ohlson, 2011). The Clas Ohlson store located in Västerås has been opened in September 2011. The store is located at the top level of the Kvarteret Igor Mall. The location at top level is common for Clas Ohlson stores in Swedish shopping malls.

4.2 The servicescape

Store manager Henrik Ohlander (2011) explains that the headquarter in Insjön gives strict guidelines how the servicescape should look like. He and the staff can change minor aspects like the choice of music in the store and the level of light that is changed into a higher light intensity in the store. Clas Ohlson has a specialized department for decisions concerning the servicecape. For the major changes like the replacement of a shelf, this department has to be asked for approval. The Clas Ohlson folder and the searching systems make it easier for customers and employees to find products and the required information, also during interactions. Ohlander states ‘Keeping it simple for the customers is one of the main goals’. These search tools are important, because the store offers almost 15000 products. The PC’s at the info desks and service desk and the numbering of shelves are also ways of helping customer and employee with searching problems. Ohlander says that he instructs his staff to move around in the store so people can easily start an interaction (Ohlander, 2011).
For Ohlander music brings the store alive and makes sure that there is no silence. An environment that is not alive is not attractive for customers. Ohlander also brought up that creating an open environment for customers is needed. This gives them the feeling they are welcome. Ohlander stated that some aspects have to be improved in the store. An example is the illogical numbering of the shelves that currently causes problems for customers and employees to find products. In the store there are three contact points for customers as the floormap in appendix III reveals. These are the two info desks and the customer service desk that is located next to the cashier desks (Ohlander, 2011).

Ohlander highlights that the placement of equipment and the functionality element are very important, because the company offers many products that have to be placed in a way customers can find them e.g. don’t place products too low or too high in the shelves. Ohlander believes that employees are essential for the company. They have to provide the customers the required service standard. Ohlander mentioned that it is positive that customers can try products like the vacuum cleaners, camera’s and computer keyboards. He stated that customers need to get a feeling with the product before the buy it, of course some products don’t need this. Concerning the crowdedness in the store Ohlander explains that around lunchtime it is always the most crowded time in the store. Ohlander also argues that customers as well as employees have to be addressed by the servicescape, because both have to feel comfortable in the store. The employees have to be addressed in a certain way to protect them and to keep the sickness rate low. Currently the layout and functionality is too much focused on the customers and too less on the employees. An example is that the employees are not able to sit and therefore they have to stand during their work. Interviewed customers stated that the previous store was more logical designed. Ohlander commented that the old store was larger than the current store and he agrees that some aspects in the design can be changed. Illustration 4.1 gives an impression of how the servicescape of Clas Ohlson looks like (Ohlander, 2011).
Ohlander believes that in 90% of the cases the customer starts an interaction and he is convinced that interactions are important for Clas Ohlson and the customers. From a company perspective interaction is needed to provide the required service and to convince people to buy a product. For a customer interaction is desirable to make sure all the information is gained before buying a product. Ohlander explains that it is sometimes difficult for his employees to deal with crowdedness and waiting cues, because every customer and situation is unique and take therefore time. The following quote of Ohlander shows how employees deal with waiting customers: “Making contact with customers that are waiting shows that you noticed them and this increases their patience” (Ohlander, 2011).

4.2.1 Design elements (width of aisles, space design, functionality)
We observed that most of the aisles in the store were wide enough and that the design is aimed on providing customers enough space. However we observed small areas in the store where the aisles are not wide enough to move smoothly. During observations we noticed that interactions took place in every section in the store except the sports and camping section. Most common section where interactions took place was the section multimedia. This is also the place where the info desk is located. We observed the movement of customers and employees to other sections. This movement can indicate for example that customers could not find a product or they would like to discuss the product with an employee. Movement within the same section was also observed where customers aimed on gaining useful information of a product instead of finding their desired product. We can state this because we saw customers walking in front of the employee and showing the product first before they continued the interaction.
We noticed during the observations that in some situations the servicescape was not designed in the right way which means that they couldn’t find the product. For example we saw a customer and employee sitting on their knees during an interaction because the product was placed very low. In another case we observed a customer and employee who were searching for a product for 10 minutes. First they started searching in one particular shelve, but without success. After that they moved within the section and the employee used the Clas Ohlson folder. The employee also asked one of her colleagues for help. Information. After a while the customer found the product by coincidence, a small cassette was placed at the corner of a shelve down to the ground.

It was observed that during interactions the customer and employee did not face any difficulties while moving through the store. We also observed a lot of customers with strollers and older aged people with a crutch or wheel chair. The families with strollers were moving in the store without facing any problems during an interaction. Of course customers who have a stroller move different than others without one, they move a little bit slow, more careful and more on the main aisle which is wider. In our interpretation the older aged people also did not face any problems with the movement in the store. They moved slow and very careful in the store. We observed that people with a crutch don’t want to bother other people. They looked out for the environment to protect themselves.

We interviewed customers who visit Clas Ohlson on a regular basis and they experience the aisles as wide enough, however others state that during busy times, the aisles are not wide enough to interact with the employee as they would like to. Sometimes having more space was preferable in order to try products or move free during an interaction. Another element is the space design. The feeling and experience of customers concerning the space design in the store is diverse. Some customers told us that they liked the space design, it gives them the space to move free and gives them the organized feeling. One customer said during the interview “I feel home at Clas Ohlson”. Others compared the current store with the previous Clas Ohlson store (in Västerås) and argued that the previous store was designed better for interaction. In their opinion the store was organized in a way products were found easier and faster. Their opinion was based on their perception that the previous store was smaller, shelves where lower and there was a full overview of the total store because no walls were placed. The current store with a few walls gives them less overview. A quote during the interview was “There is a lack of overview, where is the exit?” The customer mentioned that the lack of overview made her to start an interaction with an employee to find the exit. It also occurred that objects the eye contact with the employee during the interaction.
According to interviewees some products are located illogical and placed too low in the servicescape context. For them this causes searching problems and it also causes difficulties during the interaction like irritations (example cassettes given previously). One customer reports an incident in this context, where a product could not be found within a quarter of an hour in assistance with the employee. From the customers perspective this incident was caused by the illogical product placement and had an effect on the duration of the interaction in the way that it was extended. In this example the customer said that she experienced the interaction as negative.

4.2.2 Ambient elements (lighting, music)
There are lights positioned in the store to highlight all the products and to make the experience for shoppers comfortable. We experienced the light intensity as acceptable. We did not experienced the light as too sharp. During our observations we noticed that the music and its volume differ from time to time. We could hear the music through the whole store where in some sections the music was played loud. Besides the in-store music, the music from the shopping mall itself is also noticeable in Clas Ohlson. This music was louder compared with the music played in-store. We observed that in one section the music was very loud because a few youngsters changed the music volume of stereo’s to test them. We saw an older couple leaving the section with loud music and shaking their heads if they were judging on that. We observed that an employee dropped the volume 20 minutes later to a lower music volume.

In the interviews customers told that during the interaction they experienced the lighting of the store as comfortable. They told us that the light highlights the products and that the light gives them a positive and open feeling. However some interviewees reported too sharp lighting, especially when they talked with the employee and stood still. During the interviews some customers told that the light did not have an effect on the interaction or their stay in the store. Where customers did not notice that music was played during the interaction with the employees, others experienced the music positively as well as negatively. The choice of music (genre) was a reason why people experienced it as positive or negative. We interviewed customers and heard statements like “The music is fun”, “I don’t like the loud music after a whole day working” and “The music is good but too loud for me”. Some customers mentioned that they faced problems to understand the employee in a proper way due to the loud music, this made them feel uncomfortable.

4.2.3 Placement of elements (merchandise, equipment and cash registers)
As the store covers around 15,000 products, Clas Ohlson offers IT-based searching systems, which allow customers to search for their desired products. In the store two info desks are established to assist customers in the search for their desired products. There is also a service desk located next to the cashier
desks at the end of the store. In the store we noticed that there are Clas Ohlson folders placed where the whole assortment is covered. We observed that during interactions employees as well as customers use the folder frequently. The folder seems to be easy to use and customers use the folder to search for products and for assistance during interactions with employees. An example of a searching system and a folder is given in illustration 4.2.

**Illustration 4.2: Placement of elements**

![Illustration 4.2: Placement of elements](image)

*Source: Twint, V., Peters, T., 2011. Store Layout Clas Ohlson. [Photograph] (Clas Ohlson, Västerås).*

We have seen a lot of products placed in the shelves that are related to each other for example coffee filters and coffee cans or glasses and spectacle cases. All the shelves in the store are categorised and products are all numbered. We noticed some illogical aspects in the categorisation. The numbering starts with 100, 200 and so on. While moving through the store the sequence of the numbering is not chronologic any more which confused us. We noticed that the cashier desks have an extra shelve where shoppers can put their bags or products on. Furthermore the cashier desks seemed to be designed in a way that it serves the purposes of customers. We saw that many interactions started at the info desks or service desk. Customers wait in line for the info desk to get assistance. We noticed in observations that these desks simplify the interaction between customers and employees. The customers can put for example a product on the desk or an employee uses the computer at the desk to search for information. It is observed that employees demonstrate products by unpacking the product and explain how it works during interactions with customers. Talking about the placement of equipment we observed customers who tried vacuum cleaners, camera’s, lamps and other equipment. For the cash registers
we observed that customers seemed to like to talk with the employee after they bought a product. We did not see that the cash registers blocked any form of interaction. Besides that we observed that employees couldn’t sit when they work at the cashier desk. This means that they also cannot sit during the interaction and that can cause discomfort for the employee. Interviewees mentioned that they appreciate the testing and trial of products in the store as well as the demonstration of a product by an employee. According to the customers this convinced them to buy the product, others said that they are used that products are exposed for trial.

A few customers who interacted with the employee at the cashier desk were asked about the convenience of the desks. One customer stated “I like the design of the cashier, I could place my products on it and the height of the desk was nice” another customer said that the cashier desk was okay. It is designed in a way that customers can have easily face-to-face contact with the employee because they can interact close to each other.

4.2.4 Human elements (crowding, waiting cues)
We observed that the last buy section in the store forms the waiting cue to the cashier desks. The waiting cue is one line that leads to 4 cashier desks. We observed that the waiting cue could become long in a fast time and that it is not an exception when 10 customers are waiting. During observations it became clear that in the morning most customers are older people. We observed that during lunchtime a lot of middle-aged customers visit the store and after the lunch younger customers like students visit the store. We experienced the level of crowdedness during lunchtime as the highest. Our findings were confirmed during the interview with the Ohlander (2011).

Another element that we observed is the level of crowdedness in the store. While customers had a conversation with employees it occurred a number of times that other people were waiting in the surrounding of the interaction, mostly behind the customer and some near the customer at the info desk. Interruptions occurred by waiting customers during an interaction. Where customers asked the employee quickly for help others started a whole interaction while the interaction was going on. We observed an interaction where two girls that passed by and said hello to an employee. The girls seemed to know the employee, we observed that the customer did not like this disturbance through observing her reaction. She was distracted and looked a few times to the girls. Talking about waiting cues we observed that most people are patient. But in some cases people tried to rush other people in front of them. We saw one man who seemed to ask an employee to open an extra cashier desk. The employee refused this and showed that the line was becoming smaller.
A number of interviewees felt disturbed by others during the interaction. They argued that the possibility of other customers that could interrupt is enough to feel like that. We interviewed a customer where the interaction seemed to be disturbed by two girls. She was asked and said “I did not like the disturbance, I am talking with an employee she has to give me attention instead of her friends”. Another customer stated that other customers were listening to their conversation and in her opinion this is not proper behaviour and this disturbed her. One interviewee got distracted because other customers were passing by continuously and talked loud. There were also customers who liked the flow of people during the interaction. In an interview a couple mentioned that crowdedness is good in a store also during their talk with an employee. “Good stores have a lot of customers” and “in busy times employees also give attention to others what means that they focus less on us”. Another element is waiting cues. Some interviewees also explicit mentioned that waiting in a cue for a few minutes is not a big problem, they told us that they are used to that in Sweden. During the interview others mentioned that they don’t like it that people are waiting behind them while the talk with an employee. They got the feeling that they have to hurry up. Once a customer argued: “Because of the people waiting behind me I did not got a personal treatment of the employee”. Interviewees mentioned that in some cases it was positive that people were waiting behind them so they could share product information and start a talk to stand the time.

4.2.5 Unclassified elements
We observed besides previous mentioned elements also other servicescape elements in the store that might affect the interaction. During our observations we saw customers talking with an employee and taking off their jackets. It is also observed that an employee interrupted during an interaction between a customer and another employee. In the interview with this customer he argued that he felt annoyed because another employee disturbed the interaction. The customer said: “I had to wait, I did not liked it”. The customers had to wait for a moment because the employees were discussing. In the interview there were customers who said that the temperature in the store was too high. They argued that the temperature is good for in the winter but too warm for the summer period. Customers argued that this affected their interaction in a way that they did not felt comfortable and wanted to end the interaction fast so they could leave the store. Others mentioned that the temperature was not a problem. We interviewed customers who said that the service and the characteristics of the employees during the interaction had a positive effect on them. In special we noted the term honesty during the interviews. One customer stated “I really appreciate the honesty of the employee, he really wants to help me instead of only selling products”. In another interview a customer argued that he felt disturbed by another employee. This other employee interrupted the interaction and asked his colleague to help him. It took a while before they could continue their
interaction. Another element that was mentioned by customers was the cleanliness in the store. Where some appreciate the clean floors another customer point out the dust free shelves. They told that many other stores in Västerås are less clean compared to the Clas Ohlson store. Interviewees also mentioned that telephone calls of other customers in the surrounding had a disturbing effect on their interaction with an employee. They said that they don’t like it when people are calling in the store, it disturbed them especially when they were talking with an employee. They were distracted by the phone calls of others. One customer said “I don’t understand why some people have to call in the store when other people are talking with each other”. 
5 Interpretation

This chapter presents the empirical data and we interpret the data to the theories and our conceptual framework. Paragraph 5.2 provides an interpretation of the collected findings. We focus on the categories with their elements out of our conceptual framework.

5.1 Clas Ohlson

According to Henrik Ohlander interactions are essential for the company, “We need interactions with customer to sell our products and to make sure we can reach our sale targets”. Our observations in the store showed that for Clas Ohlson interactions with its customers are common and we might say that customers are used to ask employees. Zeithaml et al. (2006, p.125-126) subdivided three types of service encounters to define the interaction. The third type is called face-to-face encounter and deals with the customer and employee in direct contact. We interpret that this classification is also applicable for the contact customers and employees have together in the Clas Ohlson store.

During observations we noticed that in most cases the customer start an interaction, but we also observed that employees started an interaction. Ohlander stated “The customers in a store have to be addressed by the servicescape but also the employees play a role in the store”. Bitner (1992) provided a concept for categorizing organizations based on variations in form and usage of the servicescape. We explained the category interpersonal service in chapter 2. In this category both customer and employee are the ones involved in the usage of the servicescape within an organization. According to interviews and observations, Clas Ohlson can be placed in this category. During our observation we noticed the complexity of the servicescape in the store, where 15000 products have to be placed in the store in a logic way. Ohlander mentioned in the interview that Clas Ohlson has a special department that is only focusing on the servicescape in the stores. He stated “For major changes in the store we have to ask the headquarter for approval”.

Bitner (1992) distinguishes also two levels of complexity of the servicescape. Where the element elaborate is complicated the opposite element lean covers a simple servicescape level. Clas Ohlson has an elaborate level of complexity because the servicescape has many elements and forms. Servicescape elements; music, the placement of merchandise and products in the store are examples of the complex process. The combination of an elaborate complexity of the servicescape together with the interpersonal level is considered to be the most complex form to manage (Bitner, 1992). We suppose, that managing the servicescape is a challenging task for Clas Ohlson.
Ohlander told during the interview that the servicescape of the Clas Ohlson store in Västerås needs to be designed in a way that an open atmosphere is created and customers feel welcome. With this welcome feeling in a friendly environment customers feel comfortable which could encourages customers and employees to start interactions. Ohlander told during the interview that the staff always greets customers in order to attempt to increase the friendly environment. We noticed that the employees greet the customers and in our interpretation they try to give customers a comfortable feeling. Also the building is characterized by elements that contribute to create a friendly and open environment. Examples are a lot of windows at the entrance to increase the light intensity and the large size of the store to give customers space during their shopping. Underhill (2009, p.46) argues that greeting can also have an opposite result where customers could experience this as to exaggerate and might not be willing to start interactions at all. Greeting people to early can give them a rushed feeling, customers greeting too late can cause the feeling among customers that they are not important.

Another way in which interactions are stimulated are the contact points in the store. The design of the contact points make it easier to interact e.g. the height of the desk and makes it possible to place products, customers are thus able to show products more easy and don't have to carry the product during the interaction. According to Ohlander “The contact points show the customers where they can expect our help”. The staff is instructed to move around in the store. It is also possible that employees are stocking shelves in the store. These attempts ensure that the staff is close to the customers and this gives the customers the opportunity to start interactions easily. While being close to the customers it remains unclear if customers want to be approached by the employee. It also remains unclear if customers just want to have the feeling that they can be assisted when necessary. Our findings suggest that there are various reasons why customers start interactions with employees. During interviews customers told us that the start an interaction to gain more information, others needed help to find the product. As we noticed through our interviews other possible reasons to start an interaction were; questions about the price of products, returning broken products, get products from the storage and asking advise and support from employees.

5.2 The servicescape of Clas Ohlson
In this part we interpret the findings of the servicescape elements that might have an effect on the interaction.

5.2.1 Design elements

Width of aisle
We observed that some aisles might not be wide enough, because products were
placed on the path. We observed in the store, for example, a lawn mover which was placed too much on the path and blocking the main path. Also special designed boxes that were placed too much out their rack. We suggest that because of their size customers could face some problems to cross them. In contrast the interviews with customers did not confirm our own observation. Customers with a stroller or wheel chair explained in interviews that the width of aisle did not limit them during interactions. Customers argued that they felt comfortable during the movement and interaction because there was enough space to move freely and no objects or products blocked their way. Especially the main path (in the middle) is mentioned that was good for both moving and interacting. Nevertheless some customers argued that if it gets crowded in the store, some side paths are not wide enough. This could result in negative psychological aspects like discomfort and limitations in movements that as a result can effect interactions (Bitner, 1992). Underhill (2009, p.117) found out that the designed selling floor may cause limitations, especially for customers pushing a stroller, what means that they feel less comfortable. We suppose that customers who feel unhappy also could start an interaction quicker to get help.

**Space design**
According to our interviews customers experienced that the space was designed in a way that they were able to move free. They also mentioned that the organized structure of the store made them feel comfortable. The structure of the store gave some customers a pleasant feeling, the following quote reveals this opinion “I feel home at Clas Ohlson”. We suppose that when customers feel welcome they also feel more comfortable and thus they might start quicker an interaction. During an interview a customer told us they he did not felt good in the store and approached an employee quick in the store. He stated “I could not find the product and I asked for help”. In other interviews customers told that they were not satisfied with the space design. They referred to the old Clas Ohlson store in Västerås. By this comparison they made clear that they lacked overview in the current store because of higher shelves and walls in the store. The customers were not able to see employees easily and during interactions some design elements blocked the eye contact between them. An example is where a black bar is positioned on eye level. We assume that if customers and employees during interactions can’t look each other in the eyes to interact, this could made them to move to another area in the store to interact. We suppose that customers who feel unhappy start an interaction quicker to get help. The space design might also cause that people cannot find products and we suppose that they start an interaction with an employee with a negative underlying motive. By starting this interaction it is possible that the employee can help in a way that the customer is satisfied in the end and even buys more products after the advice of the employee. On the other hand, it is also possible that the employee cannot help the customer and this may strengthen the unsatisfied
feeling.

**Functionality**

During our observation we noticed some illogical numbering of shelves in the store. We may expect a logic numbering in the store. But in some cases the logic was missing, for example, after number 500 in the store number 800 appeared. In the store we observed and found number 600 was a few sections later. In our interview with the store manager we brought this point up. Ohlander agreed and stated that the numbering in the store has to be changed. “Customers have to be able to find our products, we have to chance some numbering issues”. It is important to make the shopping experience as comfortable and practical as possible for customers (Underhill, 2009, p.58).

We observed that interactions could last a longer because customers (and employees) could not find the product easily and were moving through the store (in the same section and towards other sections). In another observation we saw a customer who got frustrated and want to end the conversation quick. After this moment of frustration some customers wanted to leave, others were more patient and decided to look for other products. We observed where a customer asked an employee for help to find the product. In the interview the customer revealed that they couldn’t find the product but that they found an alternative that was a cheaper solution for the customer and the product had the same functions.

The servicescape element functionality also concerns the positioning of products in the store. In one observation it became clear that it might be that some products are not positioned in a way where customers expect them to be. We observed a customer that seemed to search for a product at the multimedia section. After a few minutes an employee was asked for help. The customer had to search together with the employee for a long time and this made the customer in our interpretation moody. In addition to our observation the interview confirmed our observations, where the customers mentioned “I was looking for a cassette, it got the feeling that Clas Ohlson was hiding the product for me”. We believe that this example might show that the servicescape was not designed in a way that it was favourable and therefore it could have a negative affect on the interaction. As a result, some customers not only wanted to end the interaction quick but also leave the store. Another situation was observed where it is likely that that the placement of products was favourable for the interaction. We observed an interaction where the employee highlighted related products that were placed beside the product that the customer was looking for. The employee explained the customer the working of a flashlight. In the observation we noticed that batteries were placed in the same rack. At the end of the interaction the customer took the flashlight and batteries. In the interview the customer argued that the positioning of the flashlight and the batteries next to each other made it
easy for him during the interaction to ask the employee which batteries were favourable to buy in addition to the flashlight. In our interpretation the functionality in this way has a positive effect on the interaction.

5.2.2 Ambient elements

Music

While the servicescape is determined by the headquarter of Clas Ohlson some elements can be changed by Ohlander, for example: the choice of music in the store. Ohlander stated “The idea behind the music is to the break silence and the make it more comfortable for customers to shop”. It is observed that the volume differs from time to time. During observations we suppose that the music broke the silence. This might cause customers and employees feel free to talk with each other. In line with these observations some interviewees stated that the music was too loud and that they could not hear the employee properly at all times. In this way the music could have a negative effect on the interactions in the store. Other customers argued in the interviews that the music genre was not what they liked after a working day. They were a bit irritated during their stay in the store, one interviewee said “I just want to talk with the employee without hearing any music and for sure not this trendy music”. In contrast other people did like the music and felt happier; they got positive affected by the music according to their own statements. It also occurred that customers didn’t hear the music. They could not tell the effect on the interaction. We can assume that they are not aware of any effect. Still it could be that the music affected the interaction in a positive or negative way. Bitner (1992) argues that the interaction can be effected by music, for example in the means of physical comfort or discomfort.

Light

Another element that is changed by Ohlander in the store is the light intensity. He has put more lights in the store. In observations we have not seen customers who reacted on the light in the store. In line with the observations interviews revealed that customers did not experienced any influence of the light during their interactions or they said that the light in the store was good enough and helped to get an good overview of the store. One of the interviewed customers said “The light makes sure that there are no dark corners in the store”. Others mentioned that the light intensity was pleasant and that it contributed to the open atmosphere in the store. Accessing the meanings we could say that in this case the light had no effect or could cause a positive effect on the interaction. Although other interviewees reported, in contrast to our own observation, too sharp lighting. Especially when they stood still and spoke with an employee. We interviewed two customers who stated “We don’t like it to be in the store, the light is too sharp and this irritates our eyes”. Bitner (1992) argues that the light can affect people in physiological ways. A high light intensity may decrease the ability to see and can cause a discomfort feeling during the interaction according
to interviewed customers. It is possible that it the light intensity could lead in a less comfortable situation because the light can distract them during the interaction. Underhill (2009, p.142) mentions that customer characteristics, like age, influence the preferable light intensity. It is likely that older aged people have another preferable light intensity than youngsters. Clas Ohlson could take this into account where for example some sections may need a different light intensity.

5.2.3 Placement of elements

Placement of merchandise
We observed that during interactions employees as well as customers use the Clas Ohlson folder frequently. According to Ohlander the folder makes it easier for customers and employees during the interactions to find products and the required information. He said: “The Clas Ohlson folders shows the whole assortment and helps the customer and us to find products”. The customers can also use the searching systems in the store to find their desired product and the location of the product in the store. Another option for customers is to go to the info desks to ask the employee for help or to search without help. We noticed in observations that these info desks simplify the interaction between customers and employees. Where the customers can put, for example, a product on the desk, employees can use the computer at the desk to search for information. We assume that these possibilities could help to increase the comfort during the interaction and make the interaction easier. From our point of view, customers need the desk to put the product on in order to feel free to interact. However it could be that some customers don’t like it when the employee is using the computer, it can be seen as a situation where customers feel an impersonal approach and this could make the interaction for them uncomfortable.

In observation we saw employees stocking the shelves in the store, by this they are close to customers and this makes it easier to start an interaction. During our observations it became clear that many customers would like to interact with an employee. While interpreting the findings we suppose that the folders and searching systems are a necessity for the store, without, customers could face a lot of difficulties to find products as other findings reveal that e.g. the product placement and numbering supposed to be illogical in some cases.

Placement of equipment
Ohlander highlights that the placement of equipment has to be considered as one of the most important elements, because customers need to get a feeling with the product. We observed many times that customers where trying products in the store. In our opinion customers want to get in touch with a product and they imagine how they can use it. It is also possible that they test and try products in order to compare them and make the right decision to minimize the chance of
cognitive dissonance. Customers mentioned during interviews that they appreciate the testing and trial of products. According to Underhill (2009, p.177) customers need to have hard evidence in order to be convinced about a product and its value. Customers believe it when they see, touch, hear and try it (Underhill, 2009, p.177ff). Customers also mentioned that they like the demonstration of a product by an employee, some customers said that it convinced them to buy the product, others were not convinced and stated that it is normal that products are exposed to try. Clas Ohlson demonstrates products like camera’s, machines, vacuum cleaners to convince the customers to buy the products. Seen from another perspective, when the employee faces some problems to show the function of the products customers may decide not to buy the product. They may think that the product is not easy to use and therefore they can decide not to buy the product. We noticed a broken keyboard in the store that might affect customers thinking that this keyboard is not a high quality product.

Placement of cash registers
In the store the cash registers are placed near to the exit as the map in appendix III shows. We did not observe that the cash registers blocked any form of interaction. We observed that the cash register have an extra shelve where customers can put their belongings on during the process of payment. This makes it easier because customers do not have to carry their products while paying or asking information. Furthermore we observed that employees couldn’t sit behind the cash registers. On the other hand it is also possible that customers can start interactions easier because they are closer to the employees. If both are standing they can look each other in the eyes that makes it easier to interact. If an employee is sitting behind the cash register a customer might judge that the employee is not interested and doesn’t want to talk. Ohlander underlined this and said that the registers have to be designed different, because standing all day long is not preferable.

5.2.4 Human elements
Crowding
We observed a number of times that people were waiting in the surrounding of an interaction, mostly behind the customer and some near the customer. Interruptions occurred by waiting customers during an interaction. Where some customers interrupted the interaction for a short question, other customers interrupted and did not respect the interaction that was going on. In our observations and according to the store manager the level of crowdedness in the store is the highest during lunchtime. Some interviewees told that they felt disturbed by other customers who were walking around them during the interaction. Other interviewees felt disturbed by others during the interaction; they argued that the possibility of other customers that could interrupt is enough
to feel disturbed. One interviewee got distracted because other customers were passing by continuously and talking loud. While the interactions were not private, customers argued that they didn’t feel comfortable when other people were eavesdropping on them. They said that it caused irritation. There were also customers who liked the flow of people. Because there were more people in the store, the employees are not only focusing on them. A customer said “It creates a nice atmosphere if things happen in the store”.

Turley & Milliman (2000) stated that customers as well as employees are affected by the element crowding and in turn this could affect interactions. The negative effect of perceived crowding on satisfaction, number of purchases and quality perception is already proven (Bitner, 1992). The mentioned irritation among customer addresses the discomfort aspect which is part of the internal responses in Bitners model “Servicescapes: The impact of Physical Surroundings on Customer and Employees” (1992). Linking our findings with the theory, we can say that in this case the crowding might have a positive effect on the interaction.

*Waiting cues*

We observed that most people are patient, but in some cases people became inpatient and tried to rush other people. An example shows the link between crowding and waiting cues in the store. Ohlander mentioned that if employees are talking with customers they could greet other customers that are waiting and also want help. By this the employees show that they noticed the waiting customer what could result in a more patience and the employee can take more time for the interaction. Ohlander also point out “In general Swedish customers are used to wait in a cue”. We spoke with interviewees who mentioned that they don’t like it when people are waiting behind them, because it gave them a rushed feeling. In another interview a customer argued that the waiting customers disturbed the personal treatment that the customer wished to have. In this case the employee was distracted and did not give the customer full attention. The waiting cues can influence the interaction of people in the sense that the persons involved feel rushed or uncomfortable. It also occurred that waiting people disturbed the interaction in a positive way because the waiting customer got involved into the interaction. The waiting customer gave his own experience and helped the customer. This information was reliable, according to the interviewed customer, because the provider of the information did not have an own interest (an employee can advise according to the interest of the company). Turley & Milleman (2000) also emphasize the element waiting cues in relation to customer’s perception and interaction. In these examples the servicescape aspect might affect the interaction negative and positive.
5.2.5 Unclassified elements

Temperature
We observed that in some cases customers take off their jackets. This might indicate that it is too warm in the store. These observations were supported by customers in the interviews; they mentioned that the temperature experienced was too high in the store. They argued that it affected the interaction in a way that they did not feel comfortable and wanted to end the interaction to leave the store. In this way the temperature could be perceived in having a negative effect on the interaction and possible on customers spending. Bitner (1992) mentioned that the temperature in a room might cause customers to shiver or perspire what could lead to discomfort. Other customers mentioned that the temperature was not a problem. As we compared our findings to the given theories, Bitner (1992) stated that temperature is one of the ambient conditions that influence the perceived servicescape and therefore it could have an influence on the interaction between an employee and customers. It is possible that some of the interviewed customers experienced the interaction more positive because they experienced the temperature as comfortable. We have to make the note that our observations were hold in the spring, we think that the temperature experience among customers during their interaction can differ during the winter. In our view customers could appreciate a high temperature in winter more than in the summer.

Employee characteristics
We interviewed customers who stated specific that they appreciate the service and honesty of the employees during the interaction. The customer valued the information from an honest employee as reliable. This could result in a higher commitment feeling with the employee and this could also affect the buying behavior. The statements of the customers show that this element of the servicescape could have a positive effect on the interaction. We can interpret that it seems that the focus of the company on its employees has a result on the behavior of employees and thus on the interaction with a customer. Turley & Milliman (2000) explained in their model “Atmospheric effects on Shopping Behavior: A review of the Experimental Evidence” that the characteristics of an employee can affect customers experience and from there customer interaction with an employee and vice versa. If we compare our findings with the theory it is likely that in this case the behavior of the employees is positive affected by the company and its servicescape.

Other human elements
We observed that an employee who wanted the help from his colleague interrupted an interaction. The customer had to wait and was obviously not amused. In the interview with this customer he argued that he felt annoyed because another employee disturbed the interaction. The customer said “I had to
wait, I did not like it”. It took a while before they could continue with the interaction. Apparently customers can feel annoyed when a colleague disturbs their interaction and thus can be a negative effect of this servicescape element. The annoyed feeling is part of the emotional internal response as mentioned by Bitner (1992).

**Noises**

Interviewees mentioned that telephone calls of other customers in the store had a disturbing effect on their interaction with an employee. They said that they don’t like it when people are calling and using their phones in the store. It disturbed them especially when they were talking with an employee because they were distracted. We suppose that this affected the interaction negative.

**Cleanliness of the store**

Our findings showed that some customers noticed the cleanliness in the store i.e. the clean floors and dust free shelves. In our meaning the cleanliness could contribute to the organized and open feeling for customers and that they feel welcome as explained earlier. It is possible that if the store would be dirty, customers could judge on this by stating that employees are not doing their work properly what could mean that customers question the ability of the employee to help. This element was not added to our own conceptual framework nevertheless Turley & Milliman (2000) discussed this element in their framework earlier that was presented in chapter 2.
6 Conclusion & discussion

In chapter six we start with a brief overview of the theoretical background. We summarize our findings, interpret them and make conclusions. We attempt to answer the research question through the managerial implications and at the end of the chapter we provide some implications for further research.

Turley & Milliman (2000) state the servicescape planning is considered to be a determining factor between a business success or failure. Together with Bitner (1992) they argue that the servicescape can affect behavior of customers and employees. The interaction between customers and employees in a store is also considered to be affected by the servicescape. Various studies already showed that interaction between a customer and employee has a positive effect on the customer’s tendency to buy (Underhill, 2009, p.33). The question how elements of the servicescape affect the interaction is still underdeveloped. This has been the starting point and focus for our study. In our study we focused on the company and customer perspective in order to get a deeper understanding how the servicescape affects the interactions. Since the management of the servicescape might be beneficial for stores, it is of importance to understand how it affects interactions. We developed our own conceptual framework that is based on earlier research. Through observations and interviews we examined which elements affect the interaction and how they affect this interaction.

6.1 Servicescape and interaction

We were only able to interpret servicescape elements that we observed or those that were mentioned by customers in interviews. We noticed that customers as well as employees start an interaction. In most cases the customer started an interaction, for example, customers told that they start an interaction to gain more information or they needed help to find products. As interviews revealed; other possible reasons for a customer to start an interaction were; questions about the price of products, returning broken products, get products from the storage and ask for support and/or advise. From our primary data we can interpret how the servicescape elements affect the interaction between a customer and an employee in the store. The following research question was formulated;

*How does the servicescape effect the interaction between customer and employee?*

The element space design was experienced, by customers, in a way that they could move free and got an organized feeling. Other customers stated that they liked the space design in the previous store better and said that the current store causes lack of overview e.g. high shelves and too many walls in the store. In interviews the element functionality was experienced by customers during an interaction in several ways. Where customers explained that related products in
the store made it easier for them, during the interaction to get information from the employee, other customers said in contrast that the illogical numbering of shelves affected the interaction. In their opinion the interaction with the employee took longer because they could not find the product. Discussing the ambient elements our findings revealed that the experience among customers concerning the music and light was diverge. Where customers argued that the music was too loud, others stated that the music enhanced their comfortable and happiness feeling. Within these different feelings and experiences other customers said that the music volume was okay, but the genre of the music made them to feel not comfortable or even slightly irritated them.

For the light intensity in the store we might conclude that the light effected interactions in different ways. We did not observe customers who faced some problems with the light during their interaction with the employee. However interviews revealed that some customers experienced the light as too sharp. This is notorious referring to Ohlander who increased the light intensity in the store. Other customers stated that the light did not affect them. For the human elements that cover crowding and waiting cues customers revealed that both elements could have a negative effect on the interaction. Examples are, customers said that they were disturbed by other customers who were talking in the surrounding of the interaction or even interrupted the interaction. We also interviewed a customer who said that the chance of getting disturbed made her feel less comfortable. In interviews it was also said that crowding could ensure that employees are not only focusing on customers because they are too busy with other customers. This might cause that employees not start interactions (directly). Some customers mentioned that other customers who were waiting in a cue had a positive effect on their interaction. These customers got involved and assist them with sharing product experiences. Discussing the unclassified elements: temperature, employee characteristics, noises, cleanliness of the store and other human elements we can say that those elements were described in the frameworks of Bitner (1992) and Turley & Milleman (2000). Those were not added in our conceptual framework, because we took the servicescape definition given by Zeithaml et al. (2006) as our starting point. Our study reveals a deeper understanding of the possible effect of those elements on the interaction. The findings show that in some cases customers felt annoyed during an interaction by other customers who where calling. Other findings brought up that customers did not like the disturbance of another employee during their interaction with an employee. Those two are examples where the previous discussed frameworks show the possible effect of the elements on interaction and where we reveal how these might affect the interaction.

The set of elements in our initial conceptual framework, illustrated in the second chapter, combined with our findings, presented in chapter four, made us to the
conclusion that we could say that our study shows a deeper understanding about which servicescape elements could affect the interaction and how they might affect the interaction. Our findings are not conflicting with the previous given theory from Bitner (1992), Berman & Evans (1995) and Turley & Milliman (2000). The contribution can be identified where our findings show how the servicescape elements may affect the interaction within a retail company. Above we have given multiple examples that show the various interpretations to understand how the servicescape could affect interactions. Besides that our findings may be of importance for companies in other industries where they could get insights how a servicescape could affect interactions what may assist them in designing their servicescape.

6.2 Managerial implications
The following strategic question was formulated to address the practical relevance of our study.

*How could retailers use the servicescape in order to affect the interaction between employees and customers?*

We might say that retailers should consider managing their servicescape in a way that interactions between customers and employees take place according to company goals. A servicescape should be designed in a way that products are found easy, for example, searching systems, folders and information desks can assist in simplifying the search of products. Retailers should manage waiting cues in an effective way that customers are not waiting long in a cue, because impatient customers can interrupt or people could feel rushed. Another aspect are the attempts to make the customers feel comfortable. The retailers could introduce a temperature control system to make sure that the temperature is adjusted to the season to try to affect customers feeling. The volume and genre of music in a retail store has to be managed in a way that silence is taken away and customers feel comfortable instead of annoyed. Moreover the light intensity is an element, which has to be managed to create an open atmosphere in a store and in a way that contributes to the overview of placed products.

Within retail company’s interactions between customers and employees may be personal. Elements that can block eye contact or other forms of interactions have to be avoided. To stimulate interactions paths have to be wide enough to give customers and employee the space to interact. These implications can be of value for retail companies to design their servicescape in order to affect the interaction between customers and employees in a positive way.
6.3 Servicescape and interaction in a different perspective

Our findings and our interpretation of the servicescape and the interaction might change our believe where the servicescape and the link to interaction could also be explained in a way that differs from an earlier provided understanding. Various authors suggest that the servicescape affects the interaction between customer and employees in a store. We noticed during our research that it is not only the servicescape that might affect the interaction. While observing interactions in the store we noticed that interactions might also affect the servicescape. Various elements of the servicescape, as explained previously in our study, might be affected by the interaction and this creates another way of thinking. In this perspective the customers and employees, that interact are becoming part of the servicescape.

The following examples explain how various servicescape elements could be affected by interactions in the store. During interactions customers and employees become part of the servicescape for other persons in the store. The interactions are becoming part of the music and noise element of the servicescape. Not only with the loudness of the interactions they affect the perceived sounds of others in the store, but also with the tempo/rhythm of the interactions. This might result in another dimension added to the perceived music, and other sounds, for other people in the store and thus they might perceive this servicescape element differently. In this way it could be that the interactions become part of the servicescape elements, instead of being affected by the servicescape.

The users of the servicescape determine whether aspects are functional during interactions or not. This might create situations where changes have to be made in order to amplify the functionality of the servicescape. The searching system can be seen as an example in this context. The users (which can be both customers and employees) have to work with the searching systems, sometimes also during interactions. If the users perceive these systems as too complex it does not simplify the search for products and users may decide to seek for alternative ways to find products. In this way the searching systems are not functional and have to be changed in a way that it serves the users during interactions. The users determine and judge on the servicescape element functionality. Human characteristics and facets could affect the functionality aspect instead of the other way around. In order to increase the functionality of the searching systems the retailer can decide to make a separated search system that has more advanced searching possibilities. Employees have to login through an account before they can make use of this advanced search screen. This results in simple and clear searching possibilities for customers and advanced searching possibilities for employees and might, in turn, increase the functionality during
interactions. Also in this example the interaction can affect how the servicescape might look.

Interactions that take place in the store might change the desirable width of aisles and thus the servicescape. As the participants of the interactions in the store are part of the servicescape they could decrease the available space. Not only the space that they take while being in the store but also the space for some movement during the interaction has to be taken into account. In this way the interactions affect the management of the servicescape. We mentioned previous situations where the element placement of merchandise might affect the interaction between a customer and an employee. Talking about the placement of merchandise we could think in a way where interactions could affect this element. The actors within interactions and their possible characteristics like patience, knowledge, preferences, feeling, education and interest could affect this element. There is a possibility that these affect the working or even success of the folders and information systems in the store. One may say that the working or success of the placed merchandise is decreasing if people don’t have knowledge how it works and are not patient enough to learn how it works.

We may interpret that interactions could affect the level of crowdedness in the store. In our opinion there could be talk of a reciprocal process where interactions could be affected by the crowdedness and interactions might have an effect on the crowding element. When interactions are taking place in the store, the perception among customers concerning the crowdedness might change and in this way interactions affect the level of crowding and customers’ perception. This element is in line with the flow of people in a store. Within the understanding of the servicescape and the interaction we can say that the amount of people and their movement as well as interactions could determine partly the perceived temperature by customers and employees in the store e.g. in busy times the perceived temperature might be higher compared to other moments. The given examples show how and in what way interactions can affect the servicescape elements. By this explanation we aim to show that not only the servicescape could affect interactions. We believe that also interactions could affect the servicescape. This may lead to a reciprocal process where both affect each other.
6.4 Implications for further research
While in our study the perspective from the company and the customers has been explored we can say that the perspective of employees was not explored. The employees were not added in our study, because it did not fit in the time frame of our study. Further research could reveal another understanding how the servicescape affects the interaction. The findings of our study give a deeper understanding that applies in specific for the case company and possibly for other retail companies. Within other industries and companies other findings may be collected therefore our study is less of value for other industries and further research should focus on a company that is positioned in another industry. Comparing companies within different industries is also a possible implication for further research. In this way comparisons between case studies can be made and that could give new insights and deeper understandings. The findings may show various differences and similarities what can be interesting for companies and in this way contribute to the existing theory. Our study contained a qualitative research approach. Since there was no very limited research done in this particular research field before, future research could aim on a combination of qualitative research and quantitative research where findings could be test on a population to develop conclusions or generalizations.
References

Articles & Books


Berglund, M., Halvarsson, Y. 2008. Managing the Physical Environment in Service Organizations. Department of Business Administration and Social Sciences. Luleå University of Technology


Twint, V., Peters, T., 2011. Store Layout Clas Ohlson. Mälardalen University. School of Sustainable Development of Society and Technology


Winter, G. 2000. A comparative discussion of the notion of validity in qualitative and quantitative research. The Qualitative Report, 4 (3&4)


Websites


Interview
Appendix I: Observation form - Interaction

Name observer : ..................
Retail company : Clas Ohlson

<table>
<thead>
<tr>
<th>Date &amp; time</th>
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<tbody>
<tr>
<td>Time</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>General</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender / group composition</td>
</tr>
<tr>
<td>Estimated Age</td>
</tr>
<tr>
<td>Note</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Place of interaction (section)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Kitchen</td>
</tr>
<tr>
<td>2 Multimedia</td>
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</table>

<table>
<thead>
<tr>
<th>Movement during the interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>No / Yes towards section ....</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Interaction</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time of interaction</td>
</tr>
<tr>
<td>Starter of interaction</td>
</tr>
<tr>
<td>General notes</td>
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</tbody>
</table>

<p>| |</p>
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<tbody>
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</table>
## Appendix II: Data collection

<table>
<thead>
<tr>
<th>Activity</th>
<th>Description</th>
<th>Time line</th>
</tr>
</thead>
<tbody>
<tr>
<td>Observation Servicescape</td>
<td>Observing the servicescape and taking photo’s.</td>
<td>21(^{st}) of April 11.00- 12.30</td>
</tr>
<tr>
<td>Pilot</td>
<td>Testing the designed observation form among customers to make sure they understand the questions.</td>
<td>29(^{th}) of April 10.20 – 11.10</td>
</tr>
<tr>
<td>Observation and Interviews</td>
<td>Observing the customers during their interaction with the employee. The servicescape and the effect on the interaction were observed. Interviews were hold afterwards to gain information seen from a customers’ perspective.</td>
<td>3rd of May 13.30 – 14.30</td>
</tr>
<tr>
<td>Observation and Interviews</td>
<td>Ibid</td>
<td>4(^{th}) of May 10.30-11.40 14.10-15.15</td>
</tr>
<tr>
<td>Observation and Interviews</td>
<td>Ibid</td>
<td>5(^{th}) of May 10.00-13.00</td>
</tr>
<tr>
<td>Observation and Interviews</td>
<td>Ibid</td>
<td>6(^{th}) of May 16.00-17.30</td>
</tr>
<tr>
<td>Observation and Interviews</td>
<td>Ibid</td>
<td>7(^{th}) of May 13.00-15.00</td>
</tr>
<tr>
<td>Semi-structured interview</td>
<td>Interview with Store manager Henrik Ohlander to gain more information concerning the servicescape and interaction in the store seen from a company’s perspective.</td>
<td>9(^{th}) of May 14.00-15.30</td>
</tr>
</tbody>
</table>
Appendix III: Floor map
Appendix IV: Interview store manager

Interview
Company: Clas Ohlson
Name: Henrik Ohlander
Function: Store Manager
Data: 9th of May
Time span: 14.00 – 15.30

Introduction
Master students Mälardalen University (International Marketing)
Topic: How does the servicescape effect the interaction between customer and employee?

1. Can you give a description of your function and working activities?

2. What is the current policy regarding the servicescape and has it changed in the past and could it change over time? (i.e. Illogical numbering in the store)

3. How would you describe the current servicescape in the store?

4. What is the most important aspect in the servicescape?

5. How does the servicescape affects the interaction between customers and employees. Is this analyzed?

6. Is the servicescape adjusted to the preferences and needs of customers, employees or both? Are there conflicting aspects?

7. How is the company paying attention to spatial layout and functionality in the store?

8. In which way is the servicescape and layout designed in order to stimulate and simplify the interaction between an employee and customer?

9. What can be said about the interaction between customers and employees in the store?
10. What is the most common reason to start the interaction (customer and employee perspective)?

11. How do employees deal with crowdedness and waiting cues concerning interaction?

12. Is there something else you would like to address or add?
## Appendix V: Interview form - Interaction

**Introduction:** Master students Mälardalen University, International Marketing, Independent research

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<table>
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</table>
| **1.** What was the reason for talking with the employee? | ________________________________  
                                                                 ________________________________ |
| **2.** How did the surrounding of the store influence the talk? | ________________________________  
                                                                 ________________________________ |
| **3.** What was the influence of the other people in the store on the talk? | ________________________________  
                                                                 ________________________________ |
| **4.** How did the space in the store influence the talk? | ________________________________  
                                                                 ________________________________ |
| **5.** How did you experience the light in the store during the talk? | ________________________________  
                                                                 ________________________________ |
| **6.** How did you experience the music and other sounds during the talk? | ________________________________  
                                                                 ________________________________ |
| **7.** What do you think of the store in which the talk took place? | ________________________________  
                                                                 ________________________________ |
| **8.** What has been the result of the talk | ________________________________  
                                                                 ________________________________ |
| **9.** Is there something else you would like to say? | ________________________________  
                                                                 ________________________________ |