

This is a self-archived version of an original article. This version may differ from the original in pagination and typographic details.

Author(s): Nyrhinen, Jussi; Uusitalo, Outi; Frank, Lauri; Wilska, Terhi-Anna

Title: How is social capital formed across the digital-physical servicescape?

Year: 2022

Version: Published version

Copyright: © 2022 The Authors. Published by Elsevier B.V.

Rights: CC BY 4.0

Rights url: <https://creativecommons.org/licenses/by/4.0/>

Please cite the original version:

Nyrhinen, J., Uusitalo, O., Frank, L., & Wilska, T.-A. (2022). How is social capital formed across the digital-physical servicescape?. *Digital Business*, 2(2), Article 100047.

<https://doi.org/10.1016/j.digbus.2022.100047>



How is social capital formed across the digital-physical servicescape?

Jussi Nyrhinen^{a,*}, Outi Uusitalo^b, Lauri Frank^c, Terhi-Anna Wilska^a

^a Department of Social Sciences and Philosophy, University of Jyväskylä, Finland

^b Jyväskylä University School of Business and Economics, Finland

^c Faculty of Information Technology, University of Jyväskylä, Finland

ARTICLE INFO

Keywords:

Channel integration
Omnichannel consumers
Servicescape
Customer experience
Social capital

ABSTRACT

This paper examines how consumers create social capital in their interactions with other customers and service personnel while shopping in retail stores with both physical and digital locations. We draw on the servicescape literature to explore the role of social capital in determining the social realm in digital-physical servicescapes using data obtained from focus group discussions. Servicescapes encompass digital and physical store spaces and the interactions that occur within them. We demonstrate how customers utilise both the digital and physical servicescapes in a convergent manner to form the social realm of servicescapes with the other people in their service encounters. The implications of our findings provide guidelines on how the integration of the digital and physical channels facilitates trust, human contact, interpersonal relationships and networks of social exchange, which are collectively termed 'social capital'.

1. Introduction

Since the emergence of e-tailing, consumers have been experiencing customer service and shopping environments across physical and digital channels. This combination of digital and physical store spaces and the social interactions that occur within them is referred to as a servicescape (Normann, 2001; Rafaeli & Vilnai-Yavetz, 2004). Even though economic norms and pragmatic motives are often emphasised in digitalised commerce, consumers also seek experiences and human contacts while shopping across digital and physical channels (see Johnstone, 2012; Novak, Hoffman, & Duhachek, 2003; Skippari, Nyrhinen, & Karjaluoto, 2017). Prior studies have also acknowledged hedonic motivation as an important driver of new-technology adoption by these 'omnichannel' consumers (Juaneda-Ayensa, Mosquera, & Sierra Murillo, 2016; Rahman, Ismail, & Bahri, 2020). Such consumers create their experiences based on their impressions of their interactions with a retailer and with other customers across digital and physical servicescapes (Dholakia et al., 2010); thus, they expect fluent and consistent interactions across all available channels (Gao, Fan, Li, & Wang, 2021; Kumar & Venkatesan, 2005; Verhoef, Kannan, & Inman, 2015). According to Bolton et al. (2018), companies aim to respond to these expectations by designing and providing seamless omnichannel customer experiences. In this way, companies aim for a competitive advantage and favourable business outcomes, such as customer retention and profitability.

Therefore, the role of social relations and interactions in the digitalised retail environment has not lost importance, but its forms and purposes have changed.

The theoretical foundations of the present study were drawn from the servicescape literature and the theory of social capital. The study stemmed from the notion that the social interactions among customers and employees characterise the customer experiences in the service context (McColl-Kennedy et al., 2015; Tax, McCutcheon, & Wilkinson, 2013), making social interactions integral parts of servicescapes (Rihova, Buhalis, Moital, & Gouthro, M., 2013). The importance of social and emotional motives for customer experience encourages both business practitioners and scholars to identify the main intangible servicescape triggers (i.e. social servicescape) for a positive customer experience (Lin, Gursoy, & Zhang, 2020; Morkunas & Rudienė, 2020). Thus, Morkunas and Rudienė (2020) call for more research on how to measure these intangible attributes and how different industries are characterised by a set of social servicescape attributes of varying importance. Prior studies have focused on examining factors such as customer-to-customer interaction (Lin et al., 2020; Morkunas & Rudienė, 2020), service personnel and social density (Morkunas & Rudienė, 2020). The present study was among the first to focus on the social capital outcomes of servicescapes in omnichannel retailing. To understand how consumers value interaction, we utilised the theory of social capital, which suggests that interactions, social relationships and

* Corresponding author at: Department of Social Sciences and Philosophy, PO Box 35, FI-40014, University of Jyväskylä, Finland.
E-mail address: jussi.nyrhinen@ju.fi (J. Nyrhinen).

social networks have symbolic values that can be transformed into economic values (Bourdieu, 1980; Coleman, 1988; Lin, 1999; Putnam, 2000). Social capital is defined as an investment in social relations with expected returns (Lin, 1999), such as further connections among individuals (e.g. the formation of social networks) and the norms of reciprocity and trustworthiness that arise from them (Putnam, 2000). Therefore, social capital better explains the social dimension of servicescapes than, for example, the social exchange theory (Emerson, 1976), which focuses merely on a cost-benefit analysis to determine the risks and benefits of a relationship.

As consumers increasingly spend time using different social media applications and customer experience formation is taking place in retail spaces comprising multiple channels (see Timoumi, Gangwar, & Mantrala, 2022), there is an increasing need to understand how customers value the social element of the digitalising servicescape. The present study aimed to meet this need by examining real customer experiences as parts of an interactive process in which customers construct experiences by merging services within their everyday lives (McCull-Kennedy et al., 2015; Tax et al., 2013). By examining these customer experiences, the present study aimed to improve the understanding of social capital in the digital-physical servicescape by answering the following research questions:

RQ1: How is social capital (sense of community, social resources, trust and reciprocal relationships) created within the digital-physical servicescape?

RQ2: How are the different forms of social capital interconnected in the 'omnichannel' customer experience?

According to Spottswood and Wohn (2020), prior research has either focused on the distinction between online and offline social capital or ignored this distinction because people increasingly connect online with those with whom they also interact offline. Our study took a new approach by focusing on the synergies between online and offline social capital. To describe the phenomenon from the consumers' perspective, a qualitative approach was chosen for the empirical analysis. We contribute to the service management literature and the theory of social capital in commerce by offering an integrated view of social capital and the servicescape that explains how interpersonal relationships and social networks are formed in retail stores with digital and physical channels. First, we draw on the concept of servicescape, which comprises both tangible and intangible features making up the customer experience (Bitner, 1992; Tombs & McCull-Kennedy, 2003), to discuss how digitalisation has dispersed the human aspect of retailing between the digital and physical channels. Prior research on retail servicescapes has mainly focused on digital and physical settings, while research on the roles of the social elements in these settings remains scarce (Bolton et al., 2018). Second, we determine how social capital outcomes enhance the value of social experience in the digitalised retail servicescape. In addition, we provide empirical insights into the formation of social experience based on data obtained from consumers with different socio-demographic and socioeconomic backgrounds in a provincial town in Finland before the start of the coronavirus disease 2019 pandemic. Thus, we captured accounts of technology adoption from omnichannel consumers other than tech-savvy young adults who live near physical retail stores offering a plethora of products and/or services.

The remainder of the paper is organised as follows. First, we discuss the concept of a blended servicescape and how social capital manifests in it. Second, we describe the research methods that we chose, including the data collection method. Fourth, we present the results of our empirical study. Fifth, we draw the theoretical and practical implications of our findings and conclude the paper by presenting the limitations of our study and avenues for further research.

2. Literature review

2.1. The blended servicescape as a setting for omnichannel customer experiences

Customer experience is affected by the direct interactions between service providers, customers and/or other actors involved in service encounters (McCull-Kennedy et al., 2015; Tax et al., 2013). Therefore, social factors are a central element in customer experience formation in the retail service context. This type of customer experience is also referred to as a 'service experience' and is shaped by retail servicescape cues and customers' previous knowledge and emotions (Jaakkola, Helkkula, & Aarikka-Stenroos, 2015).

Servicescape is defined as a setting for customer experiences, a built environment that affects both consumers and employees in service encounters (Bitner, 1992). Its definitions also acknowledge the interactions between these actors as integral parts of the servicescape (Rosenbaum & Massiah, 2011, pp. 474–480). Digitalisation has augmented the retail environment with an intangible virtual space. Thus, the contemporary retail servicescape can be regarded as a three-dimensional 'blended servicescape' consisting of digital, physical and social realms (Bolton et al., 2018). When conceptualising digital retail environments and virtual interactions, many sensory attributes of the physical servicescape are maintained in metaphorical terms (Ballantyne & Nilsson, 2017). For example, a website's design and interface will affect the atmosphere of an e-store, corresponding to how the interior of a physical store shapes the store's atmosphere (Harris & Goode, 2010). These physical and digital servicescape cues create a first impression of the service (Berry, Wall, & Carbone, 2006) and thus also a setting for social interaction in the servicescape. For instance, customers' perceptions of the servicescape's cues constitute a retail brand image that indicates the kinds of shoppers who visit the store (Sirgy, Grewal, & Mangleburg, 2000).

Due to the importance of human interaction in the service experience, the retail servicescape is related to the social construction of a place through the experiences of individuals and groups (Bolton et al., 2018; Rosenbaum & Massiah, 2011). Accordingly, a place can be regarded as a social construction; the servicescape is shaped by the interactions among the people within it (Johnstone, 2012). However, according to Johnstone (2012), prior research has scantily examined how a place itself nurtures consumers' non-commercial relationships with the retail environment or how customers' social relationships mould the servicescape.

2.2. Social capital in the servicescape

In the retail context, social capital refers to the reciprocal interpersonal and institutional actions between customers and retailers: networks and relationships among customers and between customers and a retailer and its personnel (Miller, 2001; Novak et al., 2003). Coleman (1988) suggests that social capital in the retail context manifests through the following outcomes: community (social relations per se), access to resources (social exchange network), trust (confidence in the retailer provided by close ties) and reciprocal relationships (normative structures enabling mutual reliance). Studying how the combination of digital and physical servicescapes facilitates these social capital outcomes can provide an understanding of how customers use multiple channels to develop enduring relationships with retailers. Next, we discuss how these four social capital outcomes manifest in the blended servicescape.

2.2.1. Community

Physical stores can be regarded as platforms for non-commercial relationships because they serve as places where humans can congregate and interact (Johnstone, 2012; Pan & Zinkhan, 2006). For some consumers, the need for a human connection is a central facet of retail shopping, and they become attached to places where they have

established social connections (see [Johnstone, 2012](#)). Even socially detached consumers in the physical servicescape may create a feeling of togetherness ([Rihova et al., 2013](#)). This means that a friendly and social atmosphere may exist even though consumers do not directly interact with others outside their own entourage in a service encounter. Hence, consumers visit retail stores because such environments enhance human contact and provide a sense of belonging ([Johnstone, 2012](#)). [Alexander and Cano \(2020\)](#) refer to this role of physical stores as playful places for social, cultural and educational interactions and converging channel experiences as ‘slow retailing’. In slow-retailing localisation, the pursuit of pleasure, convivial experiences, diversity, quality and slowing down characterises the quality of customer experience more than standardised and homogenised efficiency, rapid response, convenience and speed do ([Alexander & Cano, 2020](#)).

However, customers influence each other not only through physical platforms but also through social media platforms and mobile technology, which also facilitates peer-to-peer activity in the physical setting ([Leefflang, Verhoef, Dahlström, & Freundt, 2014](#); [Lemon & Verhoef, 2016](#)). That is, customers now directly discuss and review their experiences online with peers who are often strangers. Social media has brought an unforeseen sense of community within the customer base of retail brands. For instance, endorsers of a brand may form a neotribe (cf. [O’Reilly, 2012](#)), whose members may gather in physical settings but will more probably congregate on an online platform ([Rihova et al., 2013](#)). This community membership, which transcends the service’s physical experience, can lay the foundation for social capital in forms such as reciprocity, social trust and well-being ([Rihova et al., 2013](#)).

2.2.2. Access to resources

As customers co-create their experiences with service personnel and other customers in servicescapes ([Rihova et al., 2013](#)), human relationships and networks are considered resources (cf. [Coleman, 1988](#)). While customers have a central role in co-creating their own experiences, retailers reciprocally provide a retail setting with the aim of igniting value co-creation processes through interactions and collaborations with customers ([Mohd-Ramly & Omar, 2017](#)). Value in the service experience is co-created within insulating, bonding, communing and belonging practices, which illuminate the appeal of shared consumption experiences, particularly in physical contexts ([Rihova et al., 2013](#)). Moreover, social media platforms have increased customer-to-customer interactions ([Lemon & Verhoef, 2016](#)), which makes the customer experience in the digitalised servicescape more social by nature. Aside from engaging in online peer-to-peer interactions, customers can also share their experiences with their social networks in real time, as if they were in a physical store, via portable devices ([Piotrowicz & Cuthbertson, 2014](#)), which makes other consumers valuable sources of information.

2.2.3. Trust

Although the principles of trust in the servicescape also apply to digitalised commerce, trust in digitalised commerce differs from trust in offline commerce ([Papadopoulou, Andreou, Kanellis, & Martakos, 2001](#)). Face-to-face contact with the store personnel and other customers in a physical retail environment cannot be easily replaced in a digital retail environment ([Papadopoulou et al., 2001](#)). However, an online servicescape can facilitate the online presence of other customers and service personnel through virtual advisors (e.g. customer service chat) and community features (e.g. embedded customer reviews and the company’s social media profile). With regard to high-involvement or high-risk purchases, the advisory mechanism may notably decrease the consumers’ concerns and increase their perceived trust in the retailer ([Bart, Shankar, Sultan, & Urban, 2005](#)). Online brand communities can also enhance information exchange and knowledge sharing and provide a supportive environment for customers, which will increase consumer trust in the retailer ([Bart et al., 2005](#)).

Challenges in building trust are inherent in online commerce due to a

lack of familiarity or physical presence and the perceived uncertainty of online commerce ([Papadopoulou et al., 2001](#)). Therefore, omnichannel retail environments may have an advantage over purely online commerce in building social capital ([Brynjolfsson, Hu, & Rahman, 2013](#)). That is, consumers’ positive impression of an omnichannel retailer’s prior physical channel based on their experiences with it has been shown to translate into trust in the retailer’s entire retail brand ([Kwon & Lennon, 2009](#)).

2.2.4. Reciprocal relationships

Trust is also a mechanism for building a relationship between the customer and the retailer. Loyal customers feel affection for and a normative commitment to a retailer ([Miller, 2001](#)) and consequently patronise the retailer regularly and/or endorse it in return. Retail patronage involves a trade-off between economic costs and relationship benefits ([Baltas, Argouslidis, & Skarmas, 2010](#)); that is, consumers visit the retailer rather than its competitors or shop more frequently at the retailer’s store if they consider their relationship with the retailer mutually beneficial. On a deeper level of customer loyalty, customers become vocal advocates for the retailer’s product or service, constantly spreading positive word of mouth about it to their peers and family and taking pleasure in doing so ([Iyer & Griffin, 2021](#)). The social dimension of the retail servicescape has seldom been addressed from the perspective of retail patronage ([Johnstone, 2012](#)). Yet, how customers socially identify with the environment and perceive unity with their peers, other customers or the retailer and its personnel can affect how they patronise the retailer ([Johnstone, 2012](#); [Sirgy et al., 2000](#)). However, prior studies have acknowledged how digitalisation has set challenges for forming trust and long-lasting customer loyalty, and evidence of how the elements of a blended servicescape affect these social capital outcomes is notably scarce.

3. Materials and methods

The empirical data for the present study were collected using the focus group discussion method ([Bryman & Bell, 2011](#)). This method was used because it is effective at obtaining data about interactions and the processes of making meaning and forming collective norms ([Steward et al., 2007](#)), and the intention in the present study was to generate shared interpretations and meanings of consumers’ retail experiences. Focus group discussions were used to elucidate consumers’ views in relation to social capital formation in omnichannel servicescapes and to study the ways in which the participants collectively made sense of the phenomenon in question and constructed meanings around it. They allow elaboration of the interactive dynamics through which people negotiate various discursive positionings, provide factual versions of reality and express attitudes, regrets and justifications ([Daymon & Holloway, 2002](#)). In focus group discussions, people display what they know and how they use their reasoning skills in relation to their everyday experiences ([Wilkinson, 2004](#)). In the present study, the focus group discussion method allowed for discussion and sharing of meanings among the focus group members.

As a qualitative data analysis method, focus group data analysis does not aim at making generalisations about populations ([Bryman & Bell, 2011](#)). Nevertheless, understanding the underlying meanings of social capital formation is valuable as little is known about how social capital outcomes manifest in consumers’ lives and how they contribute to social experiences in servicescapes consisting of physical and digital channels. We applied the data obtained from the focus group discussions to uncover how important social capital dimensions are lived out by consumers in omnichannel settings. Participants were recruited via snowball sampling (see [Noy, 2008](#)), from the personal networks of postgraduate students from a provincial town with less than 140,000 inhabitants in the centre of a rural municipality in Finland. A postgraduate student and one of the authors of this paper identified possible participants in the focus group discussions from their personal networks.

Three people who volunteered to participate in the focus group discussions nominated more potential participants. These were distributed into four groups, with three to seven participants each. The purpose of this sampling scheme was to reach omnichannel consumers other than early adopters of new technologies living in metropolitan areas (cf. Rojas-Méndez, Parasuraman, & Papadopoulos, 2017). A town located outside the metropolitan area is an interesting setting for a study on omnichannel retailing because the shopping distances are often long as few retailers have established physical outlets there, and digital retailers are often attractive (if not the only) alternative shopping outlets in certain product and price categories. Finland is a post-industrial, affluent society (Wilksa, 2002) with an extensive communication technology infrastructure, and use of both the Internet and e-commerce (including mobile) has been widely adopted among Finnish consumers: 92% of the Finnish population aged 16–89 years use the Internet, and 54% have purchased either products or services online within the previous 3 months (OSF - Official Statistic of Finland, 2021). This extensive adoption of information technology has also enabled online shopping in rural and provincial areas.

Altogether, 17 individuals volunteered to participate in the focus group discussions in the present study. All the participants had visited both the online store and the brick-and-mortar shop of a certain retailer either simultaneously or separately, during the purchase process. Each group was mixed in terms of the participants' socioeconomic backgrounds. To enhance the discussions in the focus groups, the participants were divided into demographically concordant groups of men and women belonging to different age groups (18–35 years old and over 35 years old). Table 1 shows the background information of the participants in each group.

The focus group discussions were led by one facilitator (a post-graduate student) and an observer (one of the authors of this paper). The discussions had three main themes: (1) shopping in both the online and offline channels of the same retailer; (2) how shopping across multiple channels was experienced; and (3) the participants' relationships with the retailer. These themes were presented to the participants to steer the conversation. To motivate all the participants to contribute to the discussion, the facilitator used common Finnish, communicated in a friendly manner and encouraged all the participants to share their views, occasionally asking them to tell more or elaborate their accounts. The participants were instructed that the conversation was about gathering multiple views rather than seeking the correct answers to the research questions. The discussions were moderated to prevent a few participants

Table 1
List of participants.

Group	Age	Occupation	Education
<i>18–30 years old</i>			
Women	20	Student	Upper secondary education
	21	Student	Upper secondary education
	24	Student	Upper secondary education
	24	Student	Upper secondary education
	25	Researcher	MSc
	29	Unemployed	MA
	29	Translator	BA (Hons)
Men	26	Student	BSc
	27	Student	Upper secondary education
	27	Student	Upper secondary education
<i>Over 30 years old</i>			
Women	34	Customer service specialist	BA
	34	Salesperson	Vocational education
	34	Student	MSc
	36	Exhibition builder	BA
	Men	33	Student
41		Student	Vocational education
64		Attending physician (retired)	Specialist degree in medicine

from dominating them and to ensure the extraction of rich data. The participants were also told that their identities would be kept confidential.

The focus group discussions were audio recorded and transcribed with the permission of the participants. For the data analysis, the qualitative content analysis method was used, which involved a systematic reading of texts and inferences (Whetherell, 1998). The data were first categorised into themes according to Coleman's (1988) social capital outcomes. These themes were examined in detail to determine how a sense of community, social resources, trust and reciprocal relationships are formed in a blended servicescape (cf. Guba, 1981). The results of the data analysis are reported in the next section through narrations of accounts of consumers' experiences that were shared in the focus groups. Citations from the interviews are provided to illustrate expressions that manifest these shared meanings.

To evaluate the trustworthiness of the study, four aspects were assessed: dependability, transferability, conformability, and credibility (see Erikson & Kovalainen, 2016, pp. 307–308). These were assessed in four steps. First, data were collected and analysed, and the results were carefully documented and reported. The quality of the findings from the focus group discussions was assessed by examining the impact of researcher- and participant-related biases. In addition, the researchers' influence was minimised in the discussions. Second, comparability of the data collection method used and the findings obtained with those of prior focus group studies was ensured. Third, several quotes from the focus group discussions are presented herein to show the links between the data and their interpretations. Finally, to manage the researchers' biases, all the authors contributed to the data analysis. To achieve generalisability of the findings regarding the studied phenomenon and conceptualisation, we chose people who had personally experienced the retail conditions under study as focus group discussion participants: consumers who were living outside metropolitan areas and who were utilising both online and offline shopping channels (see Erikson & Kovalainen, 2016, p. 307). The findings were discussed in terms of theoretical concepts and prior studies.

4. Results

4.1. The servicescape as a platform for community

The significant role of community as a social capital outcome was manifested in the data, showing that a favourable customer experience is defined not only by convenience but also by social ties. In addition to the importance of helpful and competent service personnel, the role of the other customers was emphasised. Experiences in the speciality retail shopping context were primarily connected to social interactions with other customers and store personnel in the obtained data:

I think the most important role of a physical store is to provide face-to-face customer service. More attention should be paid to the traits of the service personnel, such as helpfulness and expertise, because those things can have a huge impact on the customer's experience. (Male, 41 years old).

Therefore, the core role of the shopping environment in both a physical setting and a digital platform (e.g. an online customer community) is to provide a vehicle for social interaction. Thus, the offline stores of an omnichannel retailer complement the blended servicescape by allowing human contact and providing a platform for co-experiencing service with one's entourage (cf. Johnstone, 2012; Landry, Arnold, & Stark, 2005; Sirgy et al., 2000). This interpretation can also be seen in the following quotation: *In-store shopping can be considered a social activity as it is something you do with your friends or family* (female, 25 years old).

In-store service technologies were perceived by the focus group discussion participants as exciting novelties. The participants did not feel that existing applications (e.g. touchpads) significantly enhanced their convenience, emotions and/or social interactions during their

shopping journeys. Instead, they highlighted the importance of genuine face-to-face interactions in brick-and-mortar stores. The atmosphere in both physical and digital retail environments provided clues regarding what to expect from interactions, and offline stores especially served as platforms for spending time with one's friends and family while shopping: *The older stores of this retailer have break rooms for customers, where they can even dine, which enables spending more time in these department stores* (male, 41 years old).

4.2. The Servicescape facilitates social resources

Besides human contact and the sense that a community can be intrinsically part of an experience, interaction with the service personnel and other customers in online and offline shops was depicted as an important source of information. The focus group discussion participants constructed shop assistants as providers of expertise and the other customers in the brick-and-mortar store space as sources of inspiration: *Occasionally, when I'm looking for a new shirt or such, I see another customer looking at a certain shirt and get an urge to try on the same shirt. Sometimes, this has an impact on my purchase decision* (female, 25 years old). Online servicescapes augmented cognitive experiences with product reviews by other customers and easily accessible online customer service: *I enjoy the ability to 'like and share' in an online store and read other customers' product recommendations, which tempt me to buy, especially if I can relate to the recommender* (female, 21 years old).

Therefore, the digital servicescape can enhance networks among 'strangers' when customers interact through social media platforms (cf. Leeftang et al., 2014; Lemon & Verhoef, 2016; Rihova et al., 2013). By contrast, as found by Tax, McCutcheon and Wilkinson (Rihova et al., 2013), in the physical servicescape, social interaction with other customers is often detached (or occurs in 'social bubbles'), seldom involving exchange of information between customers.

4.2.1. Interpersonal relationships in the servicescape enhance trust

Based on the focus group discussion participants' accounts, trust in a retailer cannot be interpreted as being solely based on a seemingly rational assessment of the retailer's trustworthiness; rather, social interaction has an important role in customer trust: *For me, loyalty equals trust. I know that 'these fellows' will do their jobs well. I will receive good service and find what I'm looking for* (male, 27 years old). Correspondingly, the store atmosphere sets expectations for social interaction (see Pecoraro & Uusitalo, 2014). This is illustrated in the following quotation from a focus group discussion participant in the present study: *I reckon that if the general appearance of an online store is clear and assuring, it enhances customer trust* (female, 25 years old).

However, the feeling that either an individual customer servant or an entire team of service personnel was committed to looking after the customer evoked emotions that reflected on the entire retail chain/brand, including its online stores and other outlets:

I think sales personnel have a significant impact on brand image and the way the customer is encountered in the (service) environment. At least, my perception of a retail store or chain is based on these interactions. (Female, 21 years old).

The foregoing highlights the notion that brick-and-mortar stores enhance the blended servicescape by allowing genuine face-to-face human contact, which awakens trust (Brynjolfsson et al., 2013; Papadopoulou et al., 2001).

If the online channel of a retailer is not able to deliver an impression of service as reliable as that of the same retailer's offline channel, the customers' trust in the retailer can be either lost or limited to an individual salesperson: *It's difficult for me to separate an online store from a brick-and-mortar store. After all, it's the same brand behind both. My experiences in both channels affect how I perceive the brand* (female, 36 years old). Therefore, customer trust is earned through retail experiences that are uniform and consistent across both channels: *What causes me to leave*

disappointed is when the online and offline stores of a brand do not complement each other or are not even aware of each other's offerings (male, 41 years old).

Notably, feelings of belonging and/or being looked after can also be delivered digitally through virtual customer service and online customer communities. However, the preferred form of social interaction was shown to differ between the digital and physical servicescapes. Even though the actual purchasing process of other customers is more visible and observable in a physical setting, which provides a sense of belonging, proper dialogue with the other customers in a brick-and-mortar store is uncommon.

Social media has augmented the customer experience with dialogue and a sense of community among customers online. Due to the intangible nature of online shopping and the perceived uncertainty in e-commerce, the presence of other customers and sales personnel, which is augmented online through social media applications, was also appreciated as a source of information and reliance:

The availability of online customer service in an e-store is important to me. Support should be available in all phases of the purchase process, from shopping to payment and shipping. Many trust issues are involved in tracking the order. (Male, 36 years old).

4.2.2. Customer relationships stem from interactions in the servicescape

Positive experiences were said to have led to a willingness to form a relationship with the retailer. Trust and a sense of belonging supported by the servicescape also enhanced the customers' affection for the retailer (e.g. interpersonal trust between customers and service personnel, shared shopping experiences with familiar people). It surfaced in the focus group discussions that loyalty is something that cannot be felt towards an inanimate object, such as a store environment or an abstract retail brand. Instead, loyalty must be earned by another person or group of people, such as store personnel: *In my case, the target of my loyalty is a certain outlet because of the people there* (female, 34 years old). This type of relationship based on interpersonal loyalty can involve a strong commitment because emotion and human contact are not easy to replace (Chaudhuri & Holbrook, 2001). It was mentioned in one focus group discussion that customers who feel that a certain retailer considers them important and takes good care of all its customers may be eager to spread positive word of mouth about it and patronise it over its competitors: *I often spread good words about the retailer if I get a feeling that I'm considered important* (female, 34 years old).

Online stores complement offline stores by providing convenient access to services and information via computers and mobile devices, but brick-and-mortar stores were said to bring omnichannel retailers closer to their customers and enhance service via personal human contact. Even though online and offline channels were said to play different roles, in the customers' experiences, these appeared to be unified. The results of omnichannel experiences, such as affection or retention, reflected on the entire retail brand and not only on a single, separate channel.

5. Discussion

5.1. Summary of findings

In this study, we explored the formation and role of social capital in the digital-physical servicescape in the retail context. With the aim of improving the understanding of how social capital is created within the digital-physical servicescape, we collected and analysed focus group discussion data with prior literature to understand real customer experiences. Essentially, our findings elucidate how the integration of digital and physical environments facilitates social capital creation in the servicescape.

We utilised Coleman's (1988) social capital outcomes to conceptualise how customers value social interactions in the servicescape (RQ1).

Regarding *community* in social capital (cf. Johnstone, 2012; Sirgy et al., 2000), our findings illustrate that offline stores add to the servicescape by allowing face-to-face human contact and providing a platform for co-experiencing the offered services. Similarly, social media platforms support a sense of community regardless of time and place. As for *access to resources* in social capital (cf. Leeflang et al., 2014; Lemon & Verhoef, 2016; Rihova et al., 2013), the digital servicescape was described as improving the availability of information through online customer reviews and virtual customer service, while genuine human contact in offline stores is valued as an intrinsic part of the service experience. Human contact, especially in brick-and-mortar stores, enhances customer *trust* in retailers in the blended or omnichannel servicescape (cf. Brynjolfsson et al., 2013; Papadopoulou et al., 2001). Regarding *reciprocal relationships*, the focus group discussion participants mentioned, for example, their willingness to spread positive word of mouth regarding the retailer online if they felt that their interactions with it gave them a sense of belonging and importance and an impression of the retailer’s reliability (cf. Pecoraro & Uusitalo, 2014). Our findings also show how these forms of social capital are interconnected in the ‘omnichannel’ customer experience (RQ2). Customers’ trust in retailers is based on their interpersonal relationships with the store personnel, which are built and supported by the interactions between them in both the digital and physical servicescapes. This interpersonal trust forms the basis for customer relationships in digitalised commerce. The findings of the present study are summarised in Table 2.

5.2. Theoretical implications

Despite the fact that the qualitative research approach does not allow for generalising the study’s findings to the population, the literature review and empirical findings together provide some valuable theoretical conceptualisations. First, the findings of the present study contribute to the service management literature. We address a call by authors such as Bolton et al. (2018) for fostering a greater understanding of the connectivity across the digital, physical and social realms of the servicescape by showing how the combination of the digital and physical servicescapes facilitates human contact, interpersonal relationships and a sense of community. Hence, by combining digital and physical environments, retailers can enable more forms of social interaction than a single channel can offer. This means that interaction in digital servicescapes has not replaced genuine face-to-face interaction in brick-and-mortar shops but has enhanced it with online customer communities and easier access to customer service. Second, we contribute to the theory of social capital in commerce by showing how various forms of social capital are interconnected in the customer experience in the digital-physical servicescape. A combination of the digital and physical servicescapes can support human contact in commerce; this can engender interpersonal trust, which forms the basis for reciprocal relationships between customers and retailers. In addition, our findings add insights into technology adoption by illustrating how consumers with various backgrounds, not only tech-savvy young men (cf. Rojas-Méndez et al., 2017), utilise Internet technologies to create customer experiences by

interacting with retailers and other customers. Hence, consumers outside metropolitan areas often consider the integration of online and offline shopping channels a prerequisite for a satisfying social experience in the retail context.

5.3. Practical implications

The results of the present study suggest guidelines for business practitioners with regard to integrating digital and physical channels and developing blended or omnichannel servicescapes. Integrating social and experiential elements into the servicescape can provide a competitive advantage in digitalised commerce, where customer loyalty has become more difficult to obtain due to the ease with which customers can switch to another retailer with a broader variety of products or services and/or better prices. With a combination of the digital and physical servicescapes, retailers can provide a platform for human contact and social ties between their service personnel and customers that can induce loyalty towards the retailer. This will decrease the risk of the so-called showrooming behaviour, in which a retailer’s physical store is used purely as an information channel and the purchase might be made in an online store, which, in the worst-case scenario, is the store’s competitor (Pan & Zinkhan, 2006). Moreover, the rural context of the present study acknowledges the emerging trends of counter-urbanisation and decrease in car use in mature markets such as the UK and Japan (Treagold & Reynolds, 2016), which set a new demand: that services be delivered and products be sold near the places where the consumers live.

6. Conclusions

This study has improved the understanding of how social capital is created within the digital-physical servicescape. Based on prior literature (e.g. Coleman, 1988), this social capital in the retail context is created in the areas of *community*, *access to resources*, *trust* and *reciprocal relationships*. The omnichannel servicescape often facilitates a better social experience than a purely online servicescape does. In addition to enabling customers to share their experiences virtually, social media enhances the customer experience by providing valuable information in the form of customer reviews, which are valuable resources for customer decision making regarding purchase. The findings highlight that customer trust in a retailer stems from the interpersonal relationships between customers and service personnel, which are supported by interactions in both the digital and physical servicescapes. Moreover, the need for the social aspect in customer experiences may lead to patronising shops that allow human contact and facilitate relationships with other customers or with the service personnel. Importantly, this trust is translated into loyalty towards the entire retail brand in return for receiving good service. Hence, well-integrated servicescapes may support different forms of customer involvement in the co-creation of service experiences through multiple channels.

This study had certain limitations that open avenues for further research. As we aimed for and gained a descriptive understanding of

Table 2
Summary of study findings.

Social capital	Digital servicescape	Physical servicescape	Related literature
<i>Community</i>	Social media supports virtual interaction with other customers and service personnel regardless of time and place.	Provides face-to-face customer service and a platform for customers to spend time together	Johnstone, 2012; Sirgy et al., 2000
<i>Access to resources</i>	Offers online customer reviews and guidance from virtual customer service personnel	Presence of service personnel and other customers enhances customer experience.	Leeflang et al., 2014; Lemon & Verhoef, 2016; Rihova et al., 2013
<i>Trust</i>	Online customer reviews enhance customer trust with transparency of information; virtual presence of service staff decreases uncertainty.	The presence of attentive customer service personnel enhances trust.	Brynjolfsson et al., 2013; Kwon & Lennon, 2009; Papadopoulou et al., 2001
<i>Reciprocal relationships</i>	The trust and relationships formed in the physical channel reflect on the digital channel; positive word of mouth is spread via social media.	Loyalty is based on contacts and relationships with the service personnel and other customers.	Chaudhuri & Holbrook, 2001; Johnstone, 2012; Sirgy et al., 2000

how social capital is formed in digital-physical servicescapes, the use of a qualitative research approach was justified. However, qualitative research methods do not allow for generalising the study's findings to the population. Thus, surveys and experimental studies should be conducted to reveal the associations between the digital and physical realms of the servicescape and the social capital outcomes valued by customers. In addition, our study was conducted in the context of Finnish non-metropolitan consumers; more quantitative and qualitative research in different countries and territorial settings and involving different socio-demographic consumer groups can reveal social and cultural differences in how the blended or omnichannel servicescape is experienced.

Funding

This work was supported by Busines Finland – the Finnish Funding Agency for Technology and Innovation (#206/31/2020) and Strategic Research Council (SRC) at the Academy of Finland (#327237).

Declaration of Competing Interest

The authors declare that they have no known competing financial interests or personal relationships that could have appeared to influence the work reported in this paper.

Acknowledgments

We thank M.Sc. Riikka Ahola for helping us to recruit focus group participants and to facilitate the focus group discussions

References

- Alexander, B., & Cano, M. B. (2020). Store of the future: Towards a (re)invention and (re) imagination of physical store space in an omnichannel context. *Journal of Retailing and Consumer Services*, 55, Article 101913.
- Ballantyne, D., & Nilsson, E. (2017). All that is solid melts into air: The servicescape in digital service space. *Journal of Services Marketing*, 31(3), 226–235.
- Baltsas, G., Argouslidis, P. C., & Skarmas, D. (2010). The role of customer factors in multiple store patronage: A cost–benefit approach. *Journal of Retailing*, 86(1), 37–50.
- Bart, Y., Shankar, V., Sultan, F., & Urban, G. L. (2005). Are the drivers and role of online trust the same for all websites and consumers? A large-scale exploratory empirical study. *Journal of Marketing*, 69(4), 133–152.
- Berry, L. L., Wall, E. A., & Carbone, L. P. (2006). Service clues and customer assessment of the service experience: Lessons from marketing. *Academy of Management Perspectives*, 20(2), 43–57.
- Bitner, M. J. (1992). Servicescapes: The impact of physical surroundings on customers and employees. *Journal of Marketing*, 56, 57–71.
- Bolton, R. N., McColl-Kennedy, J. R., Cheung, L., Gallan, A., Orsingher, C., Witell, L., & Zaki, M. (2018). Customer experience challenges: Bringing together digital, physical and social realms. *Journal of Service Management*, 29(5), 776–808.
- Bourdieu, P. (1980). Le capital social: Notes provisoires. *Actes de la Recherche en Sciences Sociales*, 31, 2–3.
- Bryman, A., & Bell, E. (2011). *Business research methods* (3rd ed.). Oxford University Press: New York, USA.
- Brynjolfsson, E., Hu, Y., & Rahman, M. S. (2013). Competing in the age of omnichannel retailing. *MIT Sloan. Management Review*, 54412.
- Chaudhuri, A., & Holbrook, M. B. (2001). The chain of effects from brand trust and brand affect to brand performance: The role of brand loyalty. *Journal of Marketing*, 65, 81–93.
- Coleman, J. S. (1988). Social capital in the creation of human capital. *American Journal of Sociology*, 94, S95–S120. Supplement: Organizations and institutions: Sociological and economic approaches to the analysis of social structure.
- Daymon, C., & Holloway, I. (2002). *Qualitative research methods in public relations and marketing communications*. London, UK: Routledge.
- Dholakia, U. M., Kahn, B. E., Reeves, R., Rindfleisch, A., Stewart, D., & Taylor, E. (2010). Consumer behavior in a multichannel, multimedia retailing environment. *Journal of Interactive Marketing*, 24, 86–95.
- Emerson, R. M. (1976). Social exchange theory. *Annual Review of Sociology*, 2, 335–362.
- Erikson, P., & Kovalainen, A. (2016). *Qualitative methods in business research* (2nd ed.). Sage: Thousand Oaks, CA, USA.
- Gao, W., Fan, H., Li, W., & Wang, H. (2021). Crafting the customer experience in omnichannel contexts: The role of channel integration. *Journal of Business Research*, 126, 12–22.
- Guba, E. G. (1981). Criteria for assessing the trustworthiness of naturalistic inquiries. *Educational Communication and Technology Journal*, 29, 75–91.
- Harris, L. C., & Goode, M. M. H. (2010). Online servicescapes, trust, and purchase intentions. *Journal of Services Marketing*, 24(3), 230–243.
- Iyer, R., & Griffin, M. (2021). Modeling word-of-mouth usage: A replication. *Journal of Business Research*, 126, 512–523.
- Jaakkola, E., Helkkula, A., & Aarikka-Stenroos, L. (2015). Service experience co-creation: Conceptualization, implications, and future research directions. *Journal of Service Management*, 26(2), 182–205.
- Johnstone, M.-L. (2012). The servicescape: The social dimensions of place. *Journal of Marketing Management*, 28(11–12), 1399–1418.
- Juaneda-Ayensa, E., Mosquera, A., & Sierra Murillo, Y. (2016). Omnichannel customer behavior: Key drivers of technology acceptance and use and their effects on purchase intention. *Frontiers in Psychology*, 7, 1117.
- Kumar, V., & Venkatesan, R. (2005). Who are multichannel shoppers and how do they perform? Correlates of multichannel shopping behavior. *Journal of Interactive Marketing*, 19, 44–61.
- Kwon, W.-S., & Lennon, S. J. (2009). Reciprocal effects between multichannel retailers' offline and online brand images. *Journal of Retailing*, 85(3), 376–390.
- Landry, T. D., Arnold, T. J., & Stark, J. B. (2005). Retailer community embeddedness and consumer patronage. *Journal of Retailing and Consumer Services*, 12(1), 65–72.
- Leefflang, P. S. H., Verhoef, P. C., Dahlström, P., & Freundt, T. (2014). Challenges and solutions for marketing in a digital era. *European Management Journal*, 32(1), 1–12.
- Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing, AMA/MSI Special Issue*, 80, 69–96.
- Lin, H., Gursoy, D., & Zhang, M. (2020). Impact of customer-to-customer interactions on overall service experience: A social servicescape perspective. *International Journal of Hospitality Management*, 87, Article 102376.
- Lin, N. (1999). Building a network theory of social capital. *Connections*, 22(1), 28–51.
- McColl-Kennedy, J. R., Gustafsson, A., Jaakkola, E., Klaus, P., Radnor, J. Z., Perks, H., & Friman, M. (2015). Fresh perspectives on customer experience. *Journal of Services Marketing*, 29(6–7), 430–435.
- Miller, N. J. (2001). Contributions of social capital theory in predicting rural community inshopping behavior. *The Journal of Socio-Economics*, 30(6), 475–493.
- Mohd-Ramly, S., & Omar, N. A. (2017). Exploring the influence of store attributes on customer experience and customer engagement. *International Journal of Retail & Distribution Management*, 45(11), 1138–1158.
- Morkunas, M., & Rudienė, E. (2020). The impact of social servicescape factors on customers' satisfaction and repurchase intentions in mid-range restaurants in Baltic States. *Journal of Open Innovation: Technology, Market, and Complexity*, 6(3), 77.
- Normann, R. (2001). *Reframing business: When the map changes the landscape*. John Wiley, Sons Ltd: England, UK.
- Novak, T. P., Hoffman, D. L., & Duhachek, A. (2003). The influence of goal-directed and experiential activities on online flow experiences. *Journal of Consumer Psychology*, 13(1–2), 3–16.
- Noy, C. (2008). Sampling knowledge: The hermeneutics of snowball sampling in qualitative research. *International Journal of Social Research Methodology*, 11(4), 327–344.
- O'Reilly, D. (2012). Maffesoli and consumer tribes: Developing the theoretical links. *Marketing Theory*, 12(3), 341–347.
- OSF - Official Statistic of Finland. (2021). Use of Information and Communications Technology by Individuals 2020. https://www.stat.fi/til/sutivi/2020/sutivi_2020_2020-11-10_tie_001_en.html (accessed 20 December 2021).
- Pan, Y., & Zinkhan, G. R. (2006). Determinants of retail patronage: A meta-analytical perspective. *Journal of Retailing*, 82(3), 229–243.
- Papadopoulou, P., Andreou, A., Kanellis, P., & Martakos, D. (2001). Building customer trust within e-commerce environments: The role of agents and virtual reality. Internet res.: Electronic Netw. *Applications and Policy*, 11, 322–332.
- Pecoraro, M., & Uusitalo, O. (2014). Exploring the everyday retail experience: The discourses of style and design. *Journal of Consumer Behaviour*, 13(6), 429–441.
- Piotrowicz, W., & Cuthbertson, R. (2014). Introduction to the special issue information technology in retail: Toward omnichannel retailing. *International Journal of Electronic Commerce*, 18(4), 5–16.
- Putnam, R. D. (2000). *Bowling alone: The collapse and revival of American community*. New York, NY, USA: Simon and Schuster.
- Rafaeli, A., & Vilnai-Yavetz, I. (2004). Emotion as a connection of physical artifacts and organizations. *Organization Science*, 15(6), 671–686.
- Rahman, M., Ismail, I., & Bahri, S. (2020). Analysing consumer adoption of cashless payment in Malaysia. *Digital Business*, 1(1), Article 100004.
- Rihova, I., Buhalis, D., Moital, M. D., & Gouthro, M. (2013). Social layers of customer-to-customer value co-creation. *Journal of Service Management*, 24(5), 553–566.
- Rojas-Méndez, J. I., Parasuraman, A., & Papadopoulos, N. (2017). Demographics, attitudes, and technology readiness: A cross-cultural analysis and model validation. *Marketing Intelligence & Planning*, 35(1), 18–39.
- Rosenbaum, M. S., & Massiah, C. (2011). An expanded servicescape perspective. *Journal of Service Management*, 22(4), 471–490.
- Sirgy, M. J., Grewal, D., & Mangleburg, T. (2000). Retail environment, self-congruity, and retail patronage: An integrative model and a research agenda. *Journal of Business Research*, 49, 127–138.
- Skippari, M., Nyrhinen, J., & Karjaluoto, H. (2017). The impact of consumer local engagement on local store patronage and customer satisfaction. *The International Review of Retail, Distribution, and Consumer Research*, 27(5), 485–501.
- Spottswood, E. L., & Wohn, D. Y. (2020). Online social capital: Recent trends in research. *Current Opinion in Psychology*, 36, 147–152.
- Steward, D., Shamdasani, P., Rook, P., & Focus groups. (2007). *Theory and practice. Applied social research methods series* (Vol. 20). Thousand Oaks, CA, USA: Sage.
- Tax, S. S., McCutcheon, D., & Wilkinson, I. F. (2013). The service delivery network (sdn): A customer-centric perspective of the customer journey. *Journal of Service Research*, 16(4), 454–470.

- Timoumi, A., Gangwar, M., & Mantrala, M. K. (2022). Cross-channel effects of omnichannel retail marketing strategies: A review of extant data-driven research. *Journal of Retailing*, 98(1), 133–151.
- Tombs, A., & McColl-Kennedy, J. R. (2003). Social-servicescape conceptual model. *Marketing Theory*, 3(4), 447–475.
- Treagold, A., & Reynolds, J. (2016). *Navigating the new retail landscape – A guide for business leaders*. Oxford, UK: Oxford University Press.
- Verhoef, P. C., Kannan, P. K., & Inman, J. J. (2015). From multi-channel retailing to omni-channel retailing. *Journal of Retailing*, 91(2), 174–181.
- Whetherell, M. (1998). Positioning and interpretive repertoires: Conversation analysis and post-structuralism in dialogue. *Discourse and Society*, 9(3), 387–412.
- Wilkinson, S. (2004). Analysing focus group data. In D. Silverman (Ed.), *Qualitative research* (3rd ed., pp. 168–184). Los Angeles, CA, USA: Sage.
- Wilska, T.-A. (2002). Me -a consumer? Consumption, identities and lifestyles in today's Finland. *Acta Sociologica*, 45, 196–210.