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Showrooms: the future of online and offline retailers?

- An explorative comparison of showrooms' value contribution to the customer experience

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Abstract

Title: Showrooms: the future of online and offline retailers? - An explorative comparison of showrooms' value contribution to the customer experience

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Keywords: Showrooms; Customer Experience; Online- and Offline Retailers; Polestar; IKEA; Availability; Personnel- and Technology; Physical Experience; Brand Awareness

Purpose: The purpose of this study is to investigate from a consumer perspective, showrooms' value contribution to the customer experience, and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats.

Methodology: Conducting the study philosophies of epistemology and ontology was regarded, where the social constructionism stance was employed. Further, the research took an abductive approach where the qualitative methods observations and semi-structured interviews were executed. Lastly, the study was conducted as an explorative comparison between two cases operating in high-involvement product categories where the concept showrooms were studied.

Theoretical Perspective: As literature of the concept showrooms is limited, this study focused on reviewing literature of the specific phenomenon i.e., showrooms. Additionally, theory on customer experience and construal level theory was reviewed, which substantially included traditional- and technological attributes, store elements- and personnel, and brand awareness as well as sensory distance connected to the presence or absence of the product.

Empirical Data: Triangulation of data sources was employed in the form of 24 semi-structured consumer interviews and 2 manager interviews. The interviews were then complemented with 57 in-store observations to increase the understanding of showrooms' value contribution to the customer experience, as well as to better interpret the information expressed by the interviewees.

Conclusion: The main conclusions of this study highlights the availability of the format as fundamental for high-involvement products. However the central location of the showroom was valued differently whether the retailer derived from online- or offline. Further, we conclude that traditional values rather than technological attributes are the most important elements in a format like this where the personnel stood out as the main contributor, regardless of deriving from online- or offline. Additionally, the study concludes that brand awareness and previous experience with the brand affects expectations of the new format.

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To finalize this study, we have during the past ten weeks interviewed and observed several consumers in-store at the two showrooms Polestar Spaces and IKEA planning studio. Therefore, we would like to use this moment and thank and express our gratitude to everyone that has helped us conduct this study.

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1. Introduction

“An experience occurs when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event” (Pine & Gilmore, 1998). Pine and Gilmore underline the importance of creating an experience that the customers will appreciate and therefore remember. However, due to external circumstances changing the retail landscape, both online and offline retailers struggle to create meaningful experiences (Grewal, 2019). Thus, the new retail landscape has also enabled new formats and solutions to emerge, such as showrooms; designed to interact with customers and deliver the desired experience. The following section will introduce the study’s background and the research problem. Followed by the purpose and an outline of the thesis.

1.1 Background

To make better purchase decisions, consumers are natural search agents that strive to gather as much information regarding a product as possible. Information search increases product knowledge, ensures post-purchase satisfaction, and decreases risk and product fit uncertainty (Santos & Gonçalves, 2021). Thus, various product categories require different amounts of information search. High-involvement products require more information search compared to low-involvement products (Santandreu & Shurden, 2017). Santos and Gonçalves (2021) emphasize that the degree of involvement is decided by the product’s characteristics such as importance, complexity, price, hedonic and symbolic value, and negative consequences if mispurchase. Hence, when it comes to high-involvement products the purchasing process is more time consuming and detail oriented as well as the buyer must devote more effort to each phase of the purchase process (Santandreu & Shurden, 2017). Santos and Gonçalves (2021) stress that high-involvement products require more information sources, this then becomes a challenge for retailers; to provide customers with enough information sources to make a sound purchase decision. However, retailers have realized that online- and offline formats act as complement to each other rather than substitution (Wang & Goldfarb, 2017; Hagberg, Jonsson & Egels-Zandén, 2017) and by complementing formats retailers can ensure more information sources, avoid customer loss and simultaneously enhance the customer experience. Since online and offline formats differentiate in their capability to deliver product experience and information, by complementing the formats,

retailers can counterbalance the weakness of one format by the strength of another (Bell, Gallino & Moreno, 2018). As a response to the urge to complement channels, a new physical format has been derived. That is taken advantage of by both online and offline retailers namely, showrooms. Showrooms are usually smaller, zero-inventory formats where information gathering and experience is fundamental rather than immediate product take home (Konur, 2020). Continued, consumers' information and experience requirements are commonly more significant for high-involvement products, which is also where showrooms are most evident (Fan, Wang & Zhang, 2019).

1.1.1 Customer Experience

Retailers face challenges to create a lasting experience (Grewal, 2019), resulting in decreased competitiveness in today's multichannel environment (Lemon & Verhoef, 2016), and building customer experience is a complex challenge (Boudlaie, Shahidi, Kenarroodi, & Nik, 2020). However, even though customer experience is hard to deliver upon and define (Stein & Ramaseshan, 2016; Lemon & Verhoef, 2016), its relevance and focus have increased to the retailer. The most accurate definition in the existing literature about the customer experience comes from Verhoef, Lemon, Parasuraman, Roggeveen, Tsiros, and Schlesinger (2009), and is applied in our research;

“Holistic in nature and involve(es) the customer’s cognitive, affective, emotional, social and physical responses to the retailer. This experience is created not only by those factors that the retailer can control (e.g., service interface, retail atmosphere, assortment, price) but also by factors outside of the retailer’s control (e.g., the influence of others, purpose of shopping).”

The definition includes all direct and indirect interactions a customer has with a company, both elements that are under the retailer's control and factors outside its grasp. McColl-Kennedy, Gustafsson, Jaakkola, Klaus, Radnor, Perks, and Friman (2015) also express the customer experience as something created by the elements controlled by the firm, such as the personnel and store environments. The customer experience is also influenced by attributes beyond the retailer's control and an expectation to provide consistency through all channels (Grewal, 2019). However, there are variations in how the retailer could best create a memorable customer experience in

previous literature. Bäckström and Johansson (2017) and Baxendale, Macdonald, and Wilson (2015) are some of them who stress the importance of human touchpoints (e.g., knowledge, communication in-store, physical experience of the product).

On the contrary, Pantano and Vannucci's (2019) result points out that to further enhance the customer experience, the physical retailer should rethink its technical aspects and not focus on the in-store personnel. Instead, they highlight that employees fail to provide expertise, and consequently, technology is more trustworthy than in-store personnel. However, there are different views on how a retailer can achieve an extraordinary customer experience. While some argue that customer experiences are contextually constructed and emerge regardless of whether a firm shapes them or not (Vargo & Lusch, 2008), others illustrate that experiences derive from the interaction between the company and the individual's being and state of mind (Gilmore & Pine, 2007). Having introduced an overview of various significant perspectives for this study of the term customer experience, it is further interesting to explore how a new format (i.e., showrooms) could improve the customer experience.

1.1.2 Showrooms

Downsizing or closing down stores is a trend traditional retailers face today, mainly due to the intensified competition generated by online retailers (Samuel, Zheng & Xie, 2020) and information technology (Dan, Zhang, Zhang, Guan & Zhang, 2020; Konur, 2020). The tenant spaces that are left behind from the closing of traditional stores are often later occupied by showrooms that function as an augment for online retailers (Samuel, Zheng & Xie, 2020). The characteristics of a physical showroom, allow the customers to inspect the product, get advice from sales personnel (Li, Zhang & Tayi, 2020), and obtain additional product information through physical inspection (Dan et al., 2020), without the pressure to make a purchase decision immediately. Konur (2020) emphasizes that showrooms are not necessarily direct selling points, rather physical channels with zero-inventory where the customer can try the product pre-purchase. Some product categories, such as high-involvement are more vulnerable to product fit uncertainty and need to be experienced and inspected physically before making a purchase decision (Dan et al., 2020). Li, Zhang, and Dan (2020) therefore emphasize that physical retailing still holds a significant role in the market. The authors underline that only through physical experience consumers can find out whether the

product fits their needs or not. The retail services offered by physical stores, such as product experience and advisory assistance, provide a competitive advantage for the physical store over online retailers and contribute to confident consumer purchase decisions (Dan et al., 2020). However, as showrooms seem to have a clear position in the market it is a phenomenon that is rather new and still under development. The concept has mainly been studied through a multi-channel context where the customers purchase from the same seller (Avery, Steenburgh, Deighton & Caravella, 2012; Bell, Gallino & Moreno, 2017; Wang & Goldfarb, 2017) or through focusing on the tactical consumer behavior; showrooming (Verhoef, Neslin & Vroomen, 2006; Daunt & Harris, 2017; Chiou, Wu & Chou, 2012; Rajkumar, Vishwakarma & Gangwani, 2021) with a main focus on sale variables (Avery et al., 2012; Wang & Goldfarb, 2017; Bell, Gallino & Moreno, 2017; Kumar, Mehra & Kumar, 2019). As existing literature is limited, the study will regard the management perspective to gain a deeper understanding of the showrooms' purposes. Meanwhile, what is less studied and documented necessary to study by previous authors (Samuel, Zheng & Xie, 2020; Kumar, Mehra & Kumar, 2019; Dan et al, 2020) is the consumer perspective when it comes to showrooms and their value contribution. Consequently, this study will focus on a comparison between two companies operating in high-involvement product categories, and from a consumer perspective investigate showrooms' value contribution to the customer experience.

1.2 Research Problem

The customer experience has become more evident than ever (Lemon & Verhoef, 2016) but also harder to deliver upon though the retailer landscape is undergoing a period of trial (Ozuduru & Guldmann, 2014). Digitalization, multichannel environment and intensified online competition has led to retailers experimenting with different retail formats to successfully comply with customers' changed behavior and enhance the customer experience (Verhoef, Neslin & Vroomen, 2007). These new formats are rather adjusted and can be seen as smaller, zero-inventory and centrally located; so-called showrooms. Showrooms have characteristics such as they focus on the experience, provide personnel expertise and deliver extended product information (Li, Zhang & Tayi, 2020) rather than be a point of sale for immediate product take home (Konur, 2020). Due to these specific characteristics showrooms are commonly used by retailers operating in high-involvement product categories (Fan, Wang & Zhang, 2019) though these products require customers to experience the product pre-purchase (Santandreu & Shurden, 2017). Evidently is also

that online retailers are taking more advantage of the concept of showrooms compared to offline retailers. Dan et al., (2020) and Li, Zhang and Tayi (2020) argue that through establishing a physical format online retailers can avoid product fit uncertainty, provide outlets for look and feel as well as their customers can make sound decisions due to being able to experience the product in real life. Thus, Samuel, Zheng and Xie (2020) emphasize that showrooms can improve both online and offline retailers' possibility to outperform customers' expectations and contribute to the customer experience. However, offline retailers' establishment of showrooms are less studied rather research here has focused on how retailers can develop their physical store to expand the customer experience (Grewal, 2019; Bäckström & Johansson 2017), or the importance of establishing a solid eCommerce to increase their online presence and create a seamless customer experience (Grewal, Roggeveen & Nordfält, 2017; Beck & Rygl, 2015). Further, showrooms have been studied from a multichannel context with a management perspective or through the consumer behavior showrooming (Avery et al., 2012; Bell, Gallino & Moreno, 2017; Wang & Goldfarb, 2017; Verhoef, Neslin & Vroomen, 2006) However, literature argues that it is necessary to study this concept from a consumer perspective (Samuel, Zheng & Xie, 2020; Kumar, Mehra & Kumar, 2019). As literature regarding the consumer perspective is limited to non-existing, there could be a gap between what managers conceive and what consumers perceive as essential elements in the showroom. For that reason, the purpose of this study is to explore, from a consumer perspective, showrooms' value contribution to the customer experience, and if there are differences whether the retailer derives from online or offline. By studying the consumer perspective this study will extend the existing literature and generate a more comprehensive understanding of the phenomenon's contribution to the customer experience.

1.3 Purpose

The purpose of this study is to investigate from a consumer perspective, showrooms' value contribution to the customer experience, and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats. Further, this will be accomplished through an explorative comparison between two companies both operating in high-involvement product categories, as showrooms are most evident for products that require extensive information search.

The value contribution by adding a showroom as an operating format will be investigated through exploring the concept from a consumer perspective. However, as existing literature on showrooms is limited for online retailers and non-existent for offline retailers, we deemed it necessary to broaden our knowledge by interviewing managers of the chosen cases. This information acted as a background when later conducting our study from a consumer perspective. Further, taking an online and offline retailer perspective enables us to identify and compare how the provided elements in the showroom contribute to the customer experience. Thus, distinguish whether certain elements are perceived more or less crucial for the consumers if the retailer derives from online or offline formats. By investigating showrooms' value contribution from a consumer perspective, we can extend the literature regarding what elements in a showroom enhance the customer experience. Hence, establishing what elements contribute to the customer experience could guide other retailers who want to operate showrooms that contribute to the customer experience, regardless of format background.

1.4 Outline of the Thesis

From the above introduction and problem formulation, the reader should recognize the importance of conducting this comparative study. As the retail landscape has evolved, adjustments to previous physical formats are evident. Both online and offline retailers have extended their business towards simplified showrooms to enhance the customer experience by offering product experience and sales personnel expertise. However, previous research does not investigate, from a consumer perspective, how the customer experience is affected depending on whether the company derives from an online- or offline format. The purpose of the study explains what is being investigated and how it will be investigated. Further, our methodological choices, sample, and interview design will be outlined in the methodological chapter. Also including a thorough description of our process, step by step.

Continuously, in the theory section, we present the chosen theory that connects to the study's purpose and guides the interviews and observations. Afterward, the empirical results will be presented in the analysis chapter and analyzed through our theoretical framework. Our results will then be thoroughly discussed through a comparison between the two cases and the theoretical framework. Further, we will present our main conclusions from the study, followed by theoretical

and managerial implications. Lastly, our thesis ends with the research's limitations and suggestions on future research.

2. Methodology and Method

The following chapter will present the research philosophies that are permeating this study and our chosen perspective. We will further discuss our research approach and research strategy, the decided cases, the chosen data collection method, and the study's ethical stand and trustworthiness.

2.1 Methodology

2.1.1 Research Philosophy

By understanding research philosophy, Easterby-Smith, Thorpe, and Jackson (2015) stress that it enables an understanding of the researcher's perception of the world. The authors emphasize that understanding research philosophy is essential to understand the researcher's ontological stand, i.e. assumptions about the nature of reality. As we seek to understand how showrooms can contribute and add value to the customer experience, we believe there is no single truth. When studying the showrooms' phenomenon, we believe that each individual will contribute with their own previous experiences and their perception of the studied phenomenon. Variables such as previous interactions with the company, products, and showrooms could contribute to the interviewees' perception of the companies. We, therefore, believe that there could be many 'truths' and that the facts depend on the observer's viewpoint. Consequently, we take a relativism position within ontology since we emphasize what Easterby-Smith, Thorpe, and Jackson (2015) highlight; that no single reality can be discovered. Still, there are many perspectives on the topic, and that different individuals have different viewpoints.

Having defined the research's ontological approach, it is essential to reflect upon the study's epistemology. Easterby-Smith, Thorpe, and Jackson (2015) define epistemology as the researcher's assumptions about how to inquire into the nature of the world and how we know what we know. We believe that human interests are the main drivers of knowledge and that interactions and daily life construct meaning. Based upon our ontological approach, we position ourselves

within what Easterby-Smith, Thorpe, and Jackson (2015) state as social constructionism. Here, the reality is not objective and exterior. Instead, it is socially constructed and given meaning by interactions in daily life. Hence, we emphasize both variations and similarities in the respondents' perceptions of how showrooms can contribute and add value to the customer experience, mainly since the purpose is to compare two companies and their newly launched concepts. Accordingly, we are applying various perspectives to our data collection. That is in line with Easterby-Smith, Thorpe, and Jackson's (2015) recommended ways of collecting multiple perspectives through working with triangulation which will be explained in detail in section 2.2.1.

2.1.2 Research Approach

This research takes an abductive approach. Dubois and Gadde (2014) recommend this approach when researchers aim to explore new things. An abductive approach is a continuous activity that impacts all phases of the research process since theory evolves by a constant relationship between collecting and analyzing data (van Maanen, Sörensson & Mitchell, 2007; Dubois & Gadde, 2014). Applying the abductive approach has enabled an alternating understanding between theory and collected data that led to a consecutive interpretation of the material throughout the chosen cases. However, Dubois and Gadde (2014) further stress the problematic aspects of reviewing all literature beforehand when conducting case studies since the theoretical conceptualization is an outcome of ongoing empirical research. Accordingly, our study's first step was to research existing literature in customer experience and showrooms. Findings within the field contributed to a broader understanding of the complexity within customer experience that also laid the ground for our thesis's problematization and theoretical framework. Dubois and Gadde (2014) also stress the necessity of theory searching in forehand for developing a framework for the empirical research. Therefore, researching theories in the field before starting the data collection, as in these cases are interviews and observations, enabled us with a framework applicable during our interviews. The background information and our framework also allowed us to ask relevant follow-up questions during the interviews, which according to Bryman and Bell (2017), is achievable due to previous knowledge in the field.

By conducting research this way, going back and forth between research activities such as conducting interviews and researching literature, we could broaden our knowledge regarding the

theory and the phenomenon throughout the thesis. Having investigated what had been said in previous studies regarding our chosen topics, we started to analyze our collected data. Meanwhile, the interviewees expressed feelings and experiences that were connected to new concepts not previously explored by us, (i.e., brand awareness) which led to a new search for literature while analyzing our data. Working with the material in that way enabled us to create a comprehensive understanding during the process, which both Dubois and Gadde (2014) and Alvesson and Sköldbberg (2008) highlight as an advantage in the abductive approach when searching for new motives and patterns in the material. Approaching the material and our collected data this way improved our understanding of our chosen phenomena (i.e., customer experience and showrooms) throughout the thesis.

2.1.3 Research Strategy

Case studies generally arise from the researcher's objective to gain in-depth understanding regarding a single matter (Eisenhardt, 1989) and investigate this matter in its natural environment (Yin, 1981). Therefore, the real-life context is essential (Collis & Hussey, 2014; Yin, 2009). Considering the purpose of this research (i.e., to investigate from a consumer perspective, showrooms' value contribution to the customer experience, and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats), a case study approach was determined appropriate. However, since we also intend to compare the customer experience at two different showrooms of high involvement products, a research design based on multiple case studies, a so-called comparative case study (Collis & Hussey, 2014) was preferred. By focusing on two showrooms, the case study approach allowed us to grasp the contributed value to enhance the customer experience. A case study further enabled us to investigate this specific phenomenon's components while understanding the overall significance of the customer experience.

Case studies also enable unique means of developing a theory by utilizing in-depth insights of empirical phenomena and its contents (Dubois & Gadde, 2014). Accordingly, since opinions, motivations, and reasoning were essential for this study to understand how showrooms could contribute to the customer experience, we decided that a comparative case study was suitable. A comparative case study was preferred since it allows for comparing at least two cases to find

similarities and differences (Collis & Hussey, 2014). In conclusion, this research was conducted as a comparative case study between two companies in the high involvement product category.

2.1.3 Case Criteria

As objective generalizations are not the main focus of this study, rather our purpose is to lay a foundation for future investigations and extend the theory concerning the studied phenomenon. With this in mind, the cases were chosen for theoretical reasons and with a purpose to fill a gap in the literature (Eisenhart, 1989). According to Collis and Hussey (2014) similar cases are chosen when the researcher aims to generalize whereas dissimilar cases extend existing theory. With our purpose in mind (i.e., to investigate showrooms' value contribution to the customer experience and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats) our objective was to extend the theory by choosing cases deriving from two polar formats. To find suitable cases, certain criterias were implemented in alignment with our purpose and needed to be fulfilled by the chosen cases. As our purpose is to investigate, from a consumer perspective, showrooms' value contribution to the customer experience and if there are differences whether the retailer, opening a showroom, derives from online or offline we implemented the following four criterias. (1) The cases must derive from different formats to enable for comparison (2) The cases' focus should be on experience and product information rather than immediate product take home this to comply with the characteristics of showrooms as a concept (3) The cases should operate in high-involvement product categories and only be sold by the brand itself. This since high-involvement products require to a larger extent the consumers to physically experience the products (4) The cases must be accessible and available for in-store observations and interviews.

After scanning the Swedish market it was evident that showrooms are a growing phenomenon not the least for online retailers who want to overcome product fitness concerns, but also for offline retailers who then can save money from having zero-inventory (Konur, 2020). Some of the online retailers who operate showrooms are; Adlibris, Bikester and Trademax. However, we did not consider books and bikes being enough of high-involvement products. Thus, Trademax who operates in the furniture sector could seem to be of high-involvement however, they offer too many product categories which do not count to high-involvement categories. Hence, the online retailer Tesla who operates in the automotive industry (i.e., high-involvement) has established showrooms.

However, it has been uncertain whether Tesla wanted to keep operating their showrooms or not and was therefore not considered as appropriate (Hawkins, 2019; Klender, 2020). Hence, Polestar who recently opened up their Spaces and IKEA who have established planning studios which focus on kitchens deemed suitable though they ticked all the requirements. This will further be discussed in section 2.1.4.

2.1.4 The Selected Cases

Since the purpose is to make a comparative case study of how showrooms enhance the customer experience, it has been evident to choose two companies that offer showrooms as a concept. A suitable case for a study can be evaluated using three criteria: uniqueness, accessibility, and extent to which it poses as an exploratory means (Yin, 1994). Hence, the choice of using IKEA and Polestar in the study derives from their differences in company backgrounds and how that will affect the customer experience in their showrooms. IKEA is originally an offline concept, and Polestar originates from an online concept. The differences make this study unique since it focuses on companies both from offline- and online settings and their solutions in providing showrooms for their customers.

Further, we considered the accessibility of the companies as crucial when selecting our cases. In an early stage, our supervisor Ulf Johansson assisted us with the contact information of Magnus Holst, Global Head of Retail Experience at Polestar, and Yvonne Tedeby, Head of IKEA Planning Studio Stockholm. By establishing this first connection with both companies, we directly had access to employees working with the two concepts: Spaces at Polestar and IKEA's kitchen planning studios. When introducing our ideas of comparing Polestar and IKEA's showrooms, our first meetings with Holst and Tedeby were valuable. Firstly, we got a comprehensive understanding of the idea with their planning studios and how they were designed to improve the customer experience. Secondly, we found it possible to develop our idea further and got the possibility to discuss the purpose and relevance of the thesis with both of our contacts, which provided us with valuable insights. We also got the opportunity to, in an early stage, plan the thesis and the collection of our material further. Lastly, Holst and Tedeby's collaborations allowed us to conduct interviews with customers in their showrooms (Spaces in Gothenburg and Planning studios in Stockholm).

Both the planning studios and Spaces offer planning- and inspirational areas. The planning studio in Stockholm focuses on kitchen planning, and Spaces in Gothenburg concentrates on building your car. Generally, both showrooms provide products with similarities in some manner, and the offerings from both IKEA and Polestar could be seen as high involvement products for the consumers. Therefore, it was not only the accessibility to our contacts through our supervisor Ulf that encouraged us to choose Polestar and IKEA. It was also the similarities in involvement related to the products and services offered at the showrooms. Previous studies show that showrooms as a concept can improve both online and offline retailers' possibility to outperform customers' expectations and improve customer experience (Samuel, Zheng & Xie, 2020). While it is evident that offline retailers expand their businesses online, it also becomes prevalent that online retailers open up offline formats such as showrooms (Konur, 2020; Hagberg, Jonsson & Egels-Zandén, 2017). However, previous studies have not touched upon comparisons between company background and whether the company that opens up a showroom derives from a physical or digital setting, and if it matters to the customer experience. Instead, previous studies have focused on how various store formats have developed over time due to retail changes (Hultman, Johansson, Wispeler & Wolf, 2017). Making a comparison between IKEA and Polestar enables us to identify valuable and unexplored insights about whether it differs in customer experience if the retailer comes from an online- or offline setting. The cases could therefore be seen as exploratory devices and highly suitable for our topic.

2.1.4.1 Polestar

Polestar Spaces is located in the center of Gothenburg and has been up and running since the mid of 2020. The location of Spaces is carefully selected and is one of fifty in the world, all located in central places in bigger cities dependent on other actors being close by (e.g., Apple, Arket, Cos) (Polestar, 2020; Personal interview with Holst, 26 April 2021). This concept of Spaces makes it possible for customers to meet and interact with Polestar experts and test drive different models. In Spaces, the employees that interact with customers are seen as product specialists rather than salespersons. Polestar aims to redefine the experience of owning a car, and Spaces are an essential part of improving customer experience. When visiting Spaces, Polestar wants you to feel like you are entering a museum while also providing the opportunity to touch, see, try, and read more about the options for your future car (Personal interview with Holst, 26 April 2021). As a visitor, you

get inspiration through various color options, models, and various interior- and exterior options. However, Spaces are open both for spontaneous visitors, but also for booked appointments that can take place in Spaces or online. All booked appointments are made with a product specialist who provides you with all information needed to buy a new car. However, the appointments and the interaction with the product specialist stand out in contrast to their offering to buy the car online through their eCommerce. Characteristics and attributes of Spaces are;

- *Urban location in the city center of bigger cities*
- *Located close to similar stores (e.g., Apple, Arket, Cos)*
- *Impression of a museum*
- *Ability to touch, see and try various features of the car*
- *No inventory for immediate take-home purchase*
- *Product specialists available in-store with detailed information on the provided products*
- *Designed as a showroom and a museum to display Polestar 1 and Polestar 2 and generate inspiration and knowledge*

Having defined the characteristics above of Polestar Spaces, this concept offers a new way for Polestar to meet and interact with its customers. Spaces is designed as a response to customers' demand to physically experience the product and to do something different than the competitors. Further, the purpose of Spaces is to create brand awareness, and a memorable customer experience by providing an outstanding and unique atmosphere. Continuously, it is important that Spaces provide knowledgeable personnel, ready with all detailed information of the offered products. However, in line with the brand, it is also significant to include technological attributes in the showroom, this is also emphasized to be the future of Spaces (Personal interview with Holst, 26 April 2021).

2.1.4.2 IKEA

IKEA kitchen planning studio is located in the city center of Stockholm, and has been in operation since 2017. A strategic location in the city center to be closer to the modern and urban customer who is longing for his or her dream kitchen (IKEA, 2021a). The planning studio offers bookable consultation slots where you as a customer can book an appointment to plan your kitchen from

scratch, where IKEA is a part of the journey from start to finish. The appointments are designed to be convenient for you as a customer and can be held either online, at the store or at your home. During the meeting, regardless of whether it occurs online or offline a kitchen specialist has your full attention and comes with inspiration, material options and kitchen solutions best suitable for each individual. Hence, if the meeting occurs offline the customer has the possibility to physically interact with the display area and experience the products (IKEA, 2021b). Further, the planning studio is designed as a showroom with main focus on inspiration, visual elements, a co-creation area and expertise advice from personnel. Hence, very contrasting compared with the traditional IKEA concept. Other deviant elements are that the planning studio does not hold any inventory and is a non cash outlet. The planning studio is for planning and order only and customers that do want to purchase products for immediate take home are directed to the larger warehouses (IKEA, 2021a). Characteristics and attributes of the IKEA kitchen planning studio;

- *Urban location in city center*
- *Smaller store size*
- *No inventory for immediate take home purchase*
- *No cash payments are allowed*
- *Showcased products correspond to the home area (i.e., kitchen)*
- *Orders are placed online with support from store personnel*
- *A co-creation area where customers can create their own collage of materials, colors and details*
- *Located planning areas where kitchen specialists are available through booked appointments*
- *Kitchen specialists available in-store for brief questions*
- *Studio designed as a showroom to display different kitchen designs and generate inspiration*

Considering the mentioned characteristics of this new IKEA planning studio, this format generates a new customer journey with alternative touchpoints and a new experience. Thus, the planning studio is developed to reach new customers and respond to changed consumer behavior by being located at an accessible address. Further, the achieved quality impression and knowledgeable

kitchen specialists rather than technological attributes in the planning studio contributes to the customer experience (Personal interview with Tedeby, 23 April, 2021). For an interview topic guide for managers at Polestar and IKEA see appendix 1.

Interviewee	Title	Date	Duration	Place
Magnus Holst	Global Head of Retail Experience	26/4	1 hour	Online through Teams
Yvonne Tedeby	Head of IKEA Planning Studio	23/4	1 hour	Online through Teams

Table 1: Interview table with managers at Polestar and IKEA

2.2 Method

2.2.1 Data Collection Method

The comparative case study is exploratory in nature since existing literature of the studied phenomenon is scarce. Hence, the intention has been to obtain insights to lay the foundation for a more comprehensive future investigation rather than make objective generalizations. Instead, the purpose has been to understand and explore the advancement of two particular showrooms deriving from different formats, from a consumer perspective. Thus, we have identified a need to research this event though existing literature is thin on how showrooms affect the customer experience and if there are differences in the showrooms' contribution whether companies derive from online or offline formats. Our two comparable cases are; Polestar who derives from online retailing and has recently opened up its Spaces, and IKEA who derives from offline retailing and has opened up kitchen planning studios. Since the phenomenon is unexplored in certain areas, Collis and Hussey (2014) suggest that research should focus on gathering a heavy amount of rich and detailed data. Consequently, we have chosen to investigate showrooms' value contribution through a qualitative research method to collect extensive data and investigate what variables are important when it comes to showrooms and customer experience. Researchers consider qualitative studies when the purpose is to collect rich and detailed information to interpret, understand and analyze a specific event (Stake, 2010; Collis & Hussey, 2014; Patton, 1999). Through our qualitative research method, we endeavored to understand the significance of the physical element

in the customer journey and how it contributes to enhancing the customer experience from a consumer's perspective. Qualitative research further allows for an understanding of people's points of view and opinions through the interviewees' natural language (Stake, 2010). Hence, it was significant for us to understand how individuals think, and their reasons and motivations for visiting a showroom. This understanding derives from asking open and broad questions, combined with follow-up questions in the form of why, how, and what, when needed.

To obtain comprehensive data, we decided to acquire data through triangulation. Triangulation occurs when combining different qualitative methods and or sources of data within one study to enhance the findings' confidence (Patton, 1999). To increase the understanding of the phenomenon different perspectives and data sources were considered. Our study combines the manager and consumer perspective to see if there is a gap between what is provided and what is experienced by the consumers. Further, in-depth interviews and in-store observations were used in complement to each other and performed at both showrooms. By considering multiple perspectives, a deeper understanding of the experiences and perceived contributions of the implemented showrooms can be developed, as well as a thorough foundation of the phenomenon is built.

2.2.2 Sampling

As the purpose of this study is to investigate from a consumer perspective, showrooms' value contribution to the customer experience, and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats, the participants were chosen based on what Easterby-Smith, Thorpe and Jackson (2015) defines as non-probability sampling and important here is to strategically select participants due to their characteristics and insights they possess. In this case, the participants withheld relevant knowledge and experience of either showroom by a booked appointment or entering the showroom for other reasons. We made sure to interview both consumers that had an appointment booked and consumers that entered for other reasons. Thus, the motive for the visit could affect the experience with the showroom. In addition, consumers with a booked appointment are likely to be further in the process and could contribute with different insights. Continuously, in-store convenience sampling was applied, meaning the participants were haphazardly chosen due to in-store accessibility (Easterby-Smith, Thorpe & Jackson, 2015).

Before visiting the showrooms we had the intention to sample with variation in the participants to access divergences of how consumers perceive the visited showrooms. However, visiting Polestar Spaces we rapidly understood the showroom's lack of customer flow and variation in customer characteristics. The consumers entering the Spaces had the intention and willingness to go through with a high-involvement purchase like this. Consequently, this limited the variety in our sampling and access of participants from the start. Due to the mentioned limitations, we are aware of our sampling not being representative and therefore cannot be generalized to the society in whole (Easterby-Smith, Thorpe & Jackson, 2015). However, by capturing the consumers that visited Spaces, we strategically interviewed Polestar's main target group whose' answers were representative and relevant for this context. To gain access to our participants, the personnel played a significant role by establishing the first contact, reducing the participants' reluctance to take part in our study. As a result, our sample for Polestar Spaces included men and women between the ages of 39-60 years old with the intention to purchase after visiting the showroom. Meanwhile, IKEA had an increased customer flow and variations in customer characteristics. Resulting in a variety in age and gender in our sampling, easier access of participants, and gathering insights from different types of consumers. To easen the sampling process, as we had difficulties at Polestar, we decided to send a survey to IKEA where their consumers in the showroom could sign up through a QR code for an interview slot. However, this strategy did not lead to any interviews. Consequently, the personnel at IKEA also played a crucial role in establishing the first contact with our participants. Compared to Polestar, this investment is not as significant. However, it was still considered a high-involvement purchase and the participants needed to have the intention, and willingness to go through with it. Hence, our sampling for IKEA planning studio included men and women between 25-72 years old with an intention to purchase after visiting the showroom or through guidance from personnel.

2.2.2.1 Semi-structured Interviews

With the purpose to study consumers' experiences related to showrooms and the contribution and added value of the showroom to the customer experience from two different company perspectives (i.e., either derived from the online or offline format), semi-structured interviews were regarded as a suitable method. Semi-structured interviews are suitable when the researcher aims to gain in-

depth knowledge and explore a certain topic or experience in detail (Easterby-Smith, Thorpe & Jackson, 2015). Further, using semi-structured interviews, the researcher can come closer to the meaning of the interviewee's experience, gain more engaging answers, and create a dialogue with the participant, leading to deeper understanding (Leavy, 2014). By using semi-structured interviews we were not limited to only asking pre-decided questions; rather we could ask the participants to elaborate further when touching upon interesting topics, as well as ask follow-up questions. That enabled for a deeper and more detailed conversation. During the interviews we also made sure to work with both structured (i.e., connected to the theory) and unstructured (i.e., more open and free) questions. The structured questions enabled us to elaborate on existing literature by connecting the interviewees' answers to previous theory regarding customer experience, construal level theory and showrooms, this is further outlined in the appendix 2. Whereas the unstructured questions enabled the participants to talk freely and elaborate on the things they considered important concerning their experience with the showrooms (e.g., location or personnel). Significant here was to have clear questions in which the participants understood and could therefore answer without misinterpretations. Further, by using open-ended questions, we avoided yes or no answers. Instead, we pushed for more profound and explorative answers, which Collis and Hussey (2014) argue is an advantage with semi-structured interviews. A pre-prepared topic guide (see appendix 2) was used for each interview, and, according to Collis & Hussey (2014), that is common when using semi-structured interviews. This enabled us to encourage the interviewee to stick to the specific topic.

Considering the required in-depth knowledge and understanding concerning consumers' experience with showrooms, face-to-face interviews were conducted. This to gain comprehensive data and have the possibility to easier ask complex and explorative questions (Collis & Hussey, 2014). Interviews were conducted with consumers both at Polestar's Spaces in Gothenburg between 28-29th of April and 3rd of May and IKEA's kitchen planning studio in Stockholm between 10-11th of May. Further, we decided to conduct the interviews in Swedish though the showrooms are located in two of Sweden's largest cities as well as the participants tend to be more comfortable and can generate more detailed information in their native language (Andrews, 1995). Further, as the study investigates the added value and contribution of showrooms to the customer experience, we emphasized that there are no right or wrong answers since the purpose is to

understand and explore each interviewee’s experience with the showrooms. Thus, we encouraged the interviewees to speak freely and stressed the importance of reflecting and thinking upon their personal experiences.

As the interviews were conducted in-store we decided due to space limitation and to work efficiently that only one of us should be present during the interview. Due to Covid-19, only one author could attend at IKEA and conduct interviews. After briefly presenting ourselves and the study’s purpose we confirmed with each participant if we could record the interview for our use only. By being able to record the interviews we could instead focus on asking the questions, listen and ask appropriate follow-up questions when clarification or elaboration was needed.

Interviewee	Age	Gender	Duration	Date	Pre-booked planning
1	39	Male	22 min	28/4	Yes
2	46	Male	20 min	28/4	Yes
3	50	Male	22 min	29/4	No
4	55	Male	21 min	29/4	Yes
5	45	Female	23 min	29/4	Yes
6	56	Male	26 min	29/4	Yes
7	48	Male	20 min	3/5	Yes
8	47	Female	21 min	3/5	Yes
9	56	Male	24 min	3/5	Yes

Table 2: Interview table with consumers at Polestar

Interviewee	Age	Gender	Duration	Date	Pre-booked planning
1	30	Female	20 min	10/5	Yes
2	69	Female	21 min	10/5	Yes
3	39	Male	22 min	10/5	No

4	40	Female	24 min	10/5	No
5	72	Female	22 min	10/5	No
6	39	Male	23 min	10/5	No
7	72	Female	24 min	10/5	Yes
8	26	Female	20 min	10/5	No
9	72	Female	26 min	10/5	No
10	31	Male	23 min	11/5	No
11	67	Female	22 min	11/5	No
12	70	Female	21 min	11/5	Yes
13	31	Female	24 min	11/5	No
14	48	Male	20 min	11/5	No
15	56	Female	26 min	11/5	Yes

Table 3: Interview table with consumers at IKEA

2.2.2.2 Observations

As the purpose of this study was to investigate consumers' experience with the two chosen showrooms, in-store observations were considered an applicable method for data collection as well as an appropriate complement to the conducted interviews. Conducting observations is an appropriate research technique for studying participants in a specific setting (Easterby-Smith, Thorpe & Jackson, 2015). Observations commonly include detailed descriptions of events, activities and incidents in a definite setting, where the researcher takes notes, records and describes the scene (Leavy, 2014). Our purpose with the observations was to gain sufficient information and understanding, and in addition, experience how consumers interact and behave while walking around in the chosen showrooms. When conducting our observations both at Polestar's Spaces and IKEA's kitchen planning studio, we embraced the *observers-as-participants* stance, meaning we participated but reduced our own impact of our presence as much as possible (Easterby-Smith, Thorpe & Jackson, 2015). That enabled us to mimic consumers without interacting with them or disturbing them in their journey.

During the observations, it was essential for us to act ethically by avoiding asking any questions and making them feel suspicious and stalked. Instead, we documented the consumers' behavior at a distance, and interactions in the showrooms, and the perceived experience they went through to compare those notes to the conducted interviews later. We observed a total of 57 people, of which 22 people were observed from Polestar and 35 at IKEA. Our observations were important from the time the consumer came into the showroom until the consumer left since we wanted to thoroughly understand their interaction with all the elements in the showroom. When visiting Polestar, both the authors were present, and the observations were divided. Before observing, we agreed on essential factors to gather deeper information about. That included how the consumers interacted with the personnel and how much the physical attributes were used in their experience in the showroom. These are further explained in appendix 3. Further, when visiting IKEA, the same factors were essential to observe. However, while visiting IKEA, only one of the researchers was present due to Covid-19. The results from the observations at IKEA were not affected with only one author present. Hence, the numbers of observations decreased due to time limitations when combining observations and interviews with only one researcher collecting data.

2.2.3 Data Analysis

Common for qualitative research is the huge amount of data collected throughout the study which must be systematically sorted, analyzed and interpreted (Easterby-Smith, Thorpe & Jackson, 2015; Collis & Hussey, 2014; Stake, 2010). To ease this process of analyzing hours of collected material we decided to use Miles and Huberman's general analytical procedure (GAP). The GAP procedure consists of three activities that occur simultaneously; data reduction, data displaying and drawing conclusions and verification of validity (Miles & Huberman, 1994). Since the activities take place simultaneously, this procedure also aligns well with our abductive research approach, as we go back and forth between theory, data collection and data analysis.

The first activity, data reduction, is the phase where you select, focus, simplify and transform the data from your transcriptions or field notes (Miles & Huberman, 1994). To make this first stage easier we made sure to note from each interview and observation if we found something immediately that was of interest and relevant to our purpose. For example if the interviewee said

or did something that confirmed or contradicted the theory, we took notes to be used and considered later. After the interview was completed we went over the answers together while transcribing to see if something else could be connected right away to the theory and or was interesting compared to how other participants had answered. Further, when all interviews were conducted we separated the two showrooms from each other and jointly discussed the content again. This to ensure once again that we had understood the data in a similar manner to avoid misinterpretations as well as prepare for a comparison in a later stage. In this first stage we focused on data where relationships of interest existed as we progressed with our interviews and observations, a so-called continuous data reduction (Collis & Hussey, 2014). This approach was chosen since it allowed for rich and in-depth data collection, in addition the approach does not limit the deep understanding of the studied event.

The next activity, data display, helps organize and summarize the data into a visual format that is later used to draw conclusions from (Miles & Huberman, 1994). In this stage, we decided to create themes and sub-categories. These derived from the gathered data and were formed to better grasp, understand and draw conclusions. In order to form themes we went through the transcriptions separately, with our purpose in mind, to see what the participants have expressed in relation to each other and if we could find a conjunction between the answers. From the notes we highlighted expressions related to the study's purpose; hence value contributions to the customer experience. From the data four main themes were found, same for both Polestar and IKEA namely; *availability*, *personnel*, *physical experience* and *brand awareness*. Not all of the themes derive from theory, rather they have been expressed as significant contributors to the customer experience by the interviewees. For example, the themes regarding personnel and physical experience are perceived as contributors to the customer experience in existing literature. Whereas availability, and brand awareness are contributors to the customer experience found in our results, not previously mentioned in the literature as contributors to the customer experience. These four themes were chosen since a majority of the interviewees expressed either explicitly that these elements were fundamental and crucial for them or they indicated through the usage of different wording their importance. To all four themes we then added sub-categories to be even more specific of what in each theme that matters the most to the consumers (see appendix 3). Specifically, to narrow down to these sub-categories we highlighted expressions related to each theme for example the theme

concerning availability includes the sub-categories; centrality, location and smooth which was highlighted the most by the participants and affected their experience the most. Thereafter, we highlighted additional quotes related to the different themes and sub-categories to see what and how these showrooms contribute and what it contributes to the customer experience. Lastly, this was later color coordinated and put into a visualization to receive a concrete picture of the findings (see appendix 3).

The last activity involves drawing conclusions and later verifying them (Miles & Huberman, 1994). From the created visualization in activity two, the different perspectives (i.e., interviews and observations from two different showrooms) were linked and analyzed in terms of alignments and misalignments. During this process, we applied theory where it was confirmed or contrasting. The two showrooms are then compared to each other where similarities and dissimilarities are looked at to draw conclusions regarding whether it differs in value contribution if the brand derives from online or offline formats.

2.3 Ethical Implications

Conducting research in this manner, demands researchers to consider research ethics. Ethics is defined as a code of conduct consisting of moral values that helps researchers determine what is right from wrong as well as an instrument to act as a responsible citizen (Zhang, 2017). Consequently, we are responsible for our own actions and must consider the consequences of our research. To ensure the implementation of ethical research, there are several guidelines to follow. For this study, Bell and Bryman's (2007) principles are considered throughout the conducted research. These principles are based on; harm to participants, dignity, informed consent, privacy, confidentiality, anonymity, deception, affiliation, honesty and transparency, reciprocity and misrepresentation (Bell & Bryman, 2007). With regard to these 11 principles, we conducted our research.

Our research progressed through establishing contact with both Polestar and IKEA, either company was contacted through email where we briefly described our research interest and if a first meeting was possible. We further made sure to explain our affiliation with our supervisor Ulf Johansson, and that their contact information derived from him. When conducting the interviews,

the interviewees were given a short description of the research topic, of who we are, why we conduct the research and for what purpose. In addition, we also stated that this study is conducted on behalf of Lund University and not either Polestar or IKEA. This to ensure transparency and establish trust. Further, all participants were given the option to be anonymous, and we explained that their privacy and confidentiality was considered though none of their personal information or interview transcripts were to be saved at any cloud-based server; taking GDPR into account. Consent from each participant concerning audio-recording and note taking was given before each interview and at the end we confirmed we could get back to the interviewees for follow-up questions to avoid misunderstandings and misrepresentations of the answers if necessary. To ensure the safety of the participants and not to cause harm due to Covid-19. We made sure to follow Folkhälsomyndighetens recommendations; ensure the recommended distance between us and the interviewee as well as provide hand sanitizers.

2.3.1 Covid-19

As the global pandemic, Covid-19, is still a fact we have taken extra considerations and precaution when it comes to data collection and securing everyone's health. With our purpose in mind (i.e., to investigate showrooms' value contribution to the customer experience and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats) consumer interviews and in-store observations were deemed necessary methods of data collection. However, due to the pandemic both Polestar Spaces and IKEA kitchen planning studio have rearranged how they receive consumers in-store. The two showrooms have opened up to a high degree for digital consultations, where the consumer instead receives all the help they need over the computer rather than step into the showroom. This has led to the amount of consumers in the showrooms being much less than before they started to offer these digital appointments. As the customer flow was limited, this further affected us though we depended on observing consumers' behavior and interactions in this specific context. However, after extensive communication with both Polestar and IKEA we came to the conclusion that this would probably affect us more when observing Polestar's Spaces since IKEA kitchen planning studio despite the pandemic were still fully booked in-store as well as digitally. Polestar Spaces had booked appointments but not to the same extent. To overcome the lack of customers in-store, we decided to extend our visit. Instead of observing for two days we chose to come back for a third observation

day to collect the needed data. Further, to ensure we conducted enough consumer interviews in a safe manner we also had thorough communication with Polestar and IKEA. Mainly concerning where to sit during the interviews, and how to observe without disturbing the consumers' visits.

Further, the pandemic has forced us to always have a back up plan and think in terms of 'what if'. Conducting this study we have understood the value of being flexible, creative and supporting each other. This became evident when one of us tested positive for Covid-19 a week before the visit to IKEA kitchen planning studio. This of course has delayed the progress of the thesis though only one of us was able to work on the study for a few days. However, we quickly discussed how we best would approach this in order to gather the rest of the data and came to the conclusion that the other member would go to Stockholm alone in the case of ongoing infection. This became the case, and since we already had made a plan if one of us was forced to go alone, it was set in motion. Continuously, we also aligned our visit then with Folkhälsomyndighetens recommendations and made sure to travel safely with mouth guard and kept distance. As the pandemic also has heavily affected the market in which most companies are operating in, a lot of companies decided to not manage external studies, rather their focus is internal. However, both companies in question agreed to follow through with this study.

2.4 Trustworthiness

The trustworthiness of qualitative research can be measured through four fundamental components namely; *credibility*, *transferability*, *dependability* and *confirmability* (Collis & Hussey, 2014). To achieve credibility, researchers should emphasize the material's quality rather than quantity (Leavy, 2014). As suggested by Easterby-Smith, Thorpe and Jackson (2015), we used triangulation of data sources to increase the credibility of the study. We ensured multiple perspectives of the phenomenon through comprehensive semi-structured interviews with participants from both showrooms, in total we conducted 24 consumer interviews and two manager interviews. The credibility was further enhanced by not solely relying on the participants' answer as we also complemented with in-store observations. The observations enabled us to experience and in this way confirm what was said in the interviews later occurred in the showrooms. Further, at the end of each interview we asked all participants if we had understood everything correctly and if there was anything else they wanted to add, clarify or extend their answers with, this according to Leavy

(2014) further increases the credibility. Hence, to reflect upon the quality of the study, we had considered our sample concerning Polestar. Due to lacking customer flow and limited variations in customer characteristics, we had to re-think our sample since a broad representation of consumers was not achievable. Instead, we strategically approached the main target group entering the showroom which could provide relevant and representative answers in this context.

Transferability refers to what extent a research could be transferred to another context beyond the one that has been studied (Easterby-Smith, Thorpe & Jackson, 2015), and by that generate generalizability (Collis & Hussey, 2014). Transferability could be accomplished through thorough documentation and description of the findings (Leavy, 2014). However, our study is not conducted to make objective generalizations. Rather we investigate an unexplored phenomenon to lay the foundation for future studies. Hence, to enable cross-case transferability, we have made sure to include all the relevant information concerning the cases. For example, we have included the criterias our cases needed to successfully tick to be considered a candidate. Further, thorough and detailed descriptions of the two cases have been added, and lastly, we have included rich and exact quotes in the analysis, which according to Leavy (2014) enables cross-case examination to occur and further generalization could be made. However, our study is limited to just include two showrooms operating in high-involvement categories which depleted the transferability to some extent. Hence, the findings could provide understanding of showrooms' value contribution to the customer experience however, the findings are not necessarily the same in other contexts, countries or sectors.

Researchers can ensure dependability through acting in a transparent manner, have systematic, well documented and detailed research processes (Collis & Hussey, 2014). To achieve dependability, we included the interview guide in the appendix section, in addition, other documents (e.g., interview transcripts, audi-recordings, field notes) have been stored and saved internally. We ensured to briefly present ourselves and our purpose with the study to all participants as well as disclaim Polestar and IKEA from the responsibility of the gathered data. Meaning all participants were informed that we did this study on behalf of Lund University and not for either Polestar or IKEA. Further, the dependability is shown through the extended and elaborated method section, where we described in detail each step of the research so the reader can

easily follow. By detailed outlining the research, we have enabled for replication and laid the foundation for future investigation of the studied phenomenon. In addition, by having consistent supervision, where a third party is reading and evaluating the study, further transparency is improved. Confirmability refers to the researcher's role of actively avoiding biased results by reflecting upon his or her own subjective role (Jensen, 2008). To increase the confirmability and decrease biased opinions in the result we thought of our roles as researchers. Being two researchers enabled us to see the collected data from multiple perspectives as we both thoroughly went through the interviews and observations. This was deemed necessary since we decided to conduct the interviews with only one researcher present. At Polestar, this decision was made due to efficiency, space limitations, and ensure comfortability among the participants. Whereas, at IKEA only one researcher was able to conduct the interviews due to Covid-19. Further, all interviews were recorded and transcribed right after the interview was held, and jointly discussed afterwards. That to depict an as true picture as possible of the interviews and the observations.

3. Theory

In this section, we will outline the considered fields of literature that are deemed relevant for this study's purpose.

As mentioned above, our study explores, from a consumer perspective, showrooms' value contribution to the customer experience and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats. Thus, existing literature regarding the phenomenon showrooms is limited, this section will encompass theory that is directly applicable on the phenomenon. We will further review literature related to the phenomenon and our topic of research to provide a better understanding of the studied phenomenon and its contribution to the customer experience. As we are interested in the elements that contribute value to the customer experience we will start with reviewing existing literature regarding customer experience. Here we have chosen to include literature regarding; technology, store elements and personnel since these elements are crucial for how consumers perceive their experience with the showroom. In addition, we included brand awareness though previous experience with a brand could affect whether to visit a new format as well as what to expect from that format. This is important though one of the cases is new on the market and the other has been

established for years, which can affect expectations of the new format. Further, we will include theory on what constitutes a showroom and what previous literature has investigated. By doing this we can establish what elements and attributes that are more or less important according to consumers compared to managers. Lastly, as we research the value contribution of showrooms to the customer experience we will also include theory regarding construal level theory connected to consumer behavior. As showrooms are rather new and unexplored concepts we want to see how the physical presence of a showroom affects consumers' experience with the brand. Specifically, we will look at how sensory distances matter when it comes to information search and experiencing a high-involvement product. Stated above is what this study will investigate further. Consequently, this study will not investigate any correlation between macro factors (i.e., price, promotion, supply chain and merchandise) and an enhanced customer experience. In addition, we will not consider how other touchpoints outside the showroom contribute to the customer experience. Further, excluded from this study is also the consumer behavior; showrooming, and how sales variables are affected due to the implementation of a physical showroom. Lastly, we will not look at the correlation between showrooms and customer experience from an omnichannel perspective or management perspective. Rather we focus on the consumer perspective for retailers that operate in a multichannel context.

3.1 Customer experience

The existing literature about customer experience is broad, and Pine and Gilmore (1998) were the first in the field who stressed that today's customers seek more than the production, delivery, and consumption of services and products; instead, they seek unique and unforgettable experiences. Customer experiences are socially, emotionally, and cognitively constructed (Verhoef et al., 2009), and an experience occurs every time a customer interacts with any part of the product, store, brand, or service (Stein & Ramaseshan, 2016; Grewal, Levy & Kumar, 2009; Verhoef et al., 2009). However, previous literature shows that customer experience is not only affected by attributes that the retailer can control (e.g., advertising, employees, and store displays) but also by factors outside of the firm's control (e.g., customer interactions and their purpose of shopping) (Verhoef et al. 2009; Grewal 2019; Stein & Ramaseshan, 2016). Even though customer experience is a broad subject, the mentioned results could be vital for our study. The results could further help to explain whether a customer experience could be improved in a physical setting controlled by the retailer

(i.e., showrooms), or if the customer experience is developed through factors outside of the firm's control.

An experience is further referred to in previous literature as something that happens in peoples' minds. It is developed by external stimuli and elaborated through earlier experiences, mental needs (e.g., self-realization, avoiding everyday life through escapism), and personal strategies (Giddens, 1991; Sundbo & Sørensen, 2013). Experiences can further be released by stimuli that affect all the senses (i.e., taste, smell, touch, sight, and hearing) (Sundbo & Sørensen, 2013). However, studies show that macro factors (e.g., price, promotions, merchandise, supply chain, and location) in the control of the retailer could lead to a superior customer experience with the company and higher customer satisfaction (Grewal, Levy & Kumar, 2009). As demonstrated above, previous research has investigated to what extent the customer experience could be controlled by the retailer and how various touchpoints and channels could improve the customer experience (Grewal, 2019). Hence, our study will contribute to this previous literature since we will investigate from a micro perspective how a format that the retailer can control could contribute to the customer experience.

3.1.1 Technology

To create a comprehensive understanding of what elements that positively affect the customer experience in a physical format (i.e., showrooms), we decided to consider the current debate about the importance of technology. Previous research has a widely agreeing tone upon that the role of the physical store has changed, and there has been a shift from studying the importance of the traditional elements to the technological ones due to an increased focus on online actors and technological development (Zolkifly & Hussin, 2017; Pantano & Vannucci, 2019; Gauri, Jindal, Ratchford, Fox, Bhatnagar, Pandey, Navallo, Fogarty, Carr, & Howerton, 2020). Some argue that there is no need to invest in a physical format since the customer experience could be managed online (Gauri et al., 2020), and that technology drives the experience-based offerings of today (Sundbo & Sørensen, 2013; Chang, Yuan & Hsu, 2010) Besides, technology can improve customer experience in ways like providing customers with up-to-date product information and personalized digital support (Gauri et al., 2020). Hence, Pantano and Vannucci's (2019) results show that digital touchpoints in physical formats have a more significant impact on customer experience than human touchpoints have. The authors further show that customers trust and prefer digital

technology instead of store personnel since personnel fail to establish relationships with customers and are perceived as controlling with their sales-focused attitude. This view upon technological solutions, are discussed in the literature as revolutionizing the consumer shopping experience (Grewal, Roggeveen & Nordfält, 2017), and being something, that retailers should take advantage of to improve the in-store experience and enhance the customer experience (Puccinelli, Goodstein, Grewal, Price, Raghubir & Stewart, 2009). Since our purpose is to seek how the customer experience in a physical format (i.e., showrooms) could be enhanced, we will consider the previous discussion about the technological importance and study its contribution to the customer experience in a physical setting. Our study will therefore consider how technological solutions contribute to the customer experience compared to physical ones, and therefore also contribute to the literature discussion.

3.1.2 Store elements and personnel

Even if the store's role changes, some still argue that it remains the primary connection point to the customer (Bellini, Savastano, D'Ascenzo & Marco, 2019; Grewal, 2019) and that physical elements such as product assortment and the physical store's format constitute a positive customer experience (Rhee & Bell, 2002). Accordingly, Bäckström and Johansson (2017) point out that focusing on technology throughout the physical store can be risky for retailers. According to the authors, rather than focusing on technology, it is crucial to provide knowledgeable in-store personnel to create a positive customer experience, and that traditional values such as store layout, the behavior of the store personnel, and the product assortment to a great extent improve the customer experience in-store. The in-store communication between the customer and the employee significantly impacts the customer experience (Baxendale, Macdonald, & Wilson, 2015). The physical store is, from this perspective, seen as the most critical route for enhancing the customer experience, especially regarding high involvement products. They require the possibility to touch and try the product during the purchasing process (Bellini et al., 2019). Since our purpose is to investigate what elements in the chosen showrooms contribute to the overall customer experience, our study must seek how the physical characteristics and in-store personnel contribute value. It is further essential because our chosen showrooms operate in high-involvement categories, a category previous studies highlight as a category reliant on physically experiencing the product before purchase. However, previous studies (Bäckström & Johansson, 2017) also identify a gap

between what direction the retailer and customer want to take retail to create a more comprehensive customer experience. Retailers focus on providing innovative solutions through technology to create an exciting customer experience when the consumers are looking for more practical advantages than technological ones (e.g., personnel and service in-store) (Bäckström & Johansson, 2017). Thus, our study will consider the discussion above about how the physical elements and in-store personnel could contribute to the customer experience in a showroom operating in a high-involvement category.

3.1.3 Brand awareness

Customer expectations and how consumers receive a particular format is, according to Meyer and Schwager (2007), something that derives from the consumers' previous experience of the retailer and its physical presence. Previous studies also show that consumers also consider concept consistency between formats (Park, Milberg & Lawson, 1991) and similarities through product category and attributes (Ahluwalia, 2008). Since our purpose is to investigate whether there are differences in how consumers perceive a showroom if the retailer arises from an offline or online format, this study must consider previous experiences that the consumer might have with the retailer. The research proposes that the consumers' previous positive experiences with the retailer are essential whether the consumers interact with the new format or not (Swaminathan, Fox & Reddy, 2001). However, previously experiencing another physical format could lead to complementary feelings about the new format to the last experience (Grimani & Privitello, 2016). The authors' studies show that a new design (e.g., pop-ups) could be seen as complementary and not permanent. Research also shows that customers make decisions to revisit a retailer through conscious and unconscious factors based on previous consumption experience with the retailer (Sanchez, Callarisa, Rodriguez, & Moliner, 2006). Consumers' earlier experiences of a brand or a company could have a crucial role in our study since we will compare two companies where one of them has been established on the market for over 70 years. Furthermore, studies also show that previous perceived functional- hedonic- and social value from a retailer could affect consumers' decision-making process in the future (Alba & Williams, 2013; Zauberan, Ratner, & Kim, 2009). An and Han (2020) point out that previous shopping memories and perceived value has an essential role in future decision-making on how consumers evaluate an experience with a retailer. These findings could be crucial for understanding our results since our study compares two companies

that derive from an online- and offline setting. Further, our study could contribute to the topic if there are differences in how previous experience online or offline affects the customer experience in the showroom and the consumers' expectations of the company.

3.2 Showrooms

To enhance the customer experience and cater to changing consumer behavior retailers are constantly establishing new retail formats (Verhoef, Neslin & Vroomen, 2007). Further, retailers' objectives for introducing new formats involve increased sales and profitability (Blackwell & Talarzyk, 1983; Brown, 2010), attract new target markets (Blackwell & Talarzyk, 1983; Bachrach, Ogilvie, Rapp & Calamusa, 2016), improve competitiveness (Bachrach et al., 2016) and respond to consumer behaviors (Sorescu, Frambach, Singh & Rangaswamy, 2011). A physical format that has derived for these reasons is showrooms. Common characteristics of a physical showroom is as such; it allows the customers to inspect the product, get advice from sales personnel (Li, Zhang & Tayi, 2020), and obtain additional product information through physical inspection (Dan et al., 2020), without the pressure to make a purchase decision immediately (Konur, 2020). However, the existing literature on showrooms is rather scarce due to the newness and development of the format. Previous authors have focused on studying the phenomenon from a company perspective in a multichannel context where consumers purchase from the same seller (Avery et al., 2012; Bell, Gallino & Moreno, 2017; Wang & Goldfarb, 2017) or through focusing on the tactical consumer behavior; showrooming (Verhoef, Neslin & Vroomen, 2006; Daunt & Harris, 2017; Chiou, Wu & Chou, 2012; Rajkumar, Vishwakarma & Gangwani, 2021) with a main focus on sale variables (Avery et al., 2012; Wang & Goldfarb, 2017; Bell, Gallino & Moreno, 2017; Kumar, Mehra & Kumar, 2019). However, former authors have emphasized the necessity to further research showrooms from a consumer perspective (Samuel, Zheng & Xie, 2020; Kumar, Mehra & Kumar, 2019; Dan et al, 2020).

3.2.1 Analytical Approach

When it comes to the value of the physical showroom to an online or offline retailer the literature is rather thin and lacks empirical evidence in certain areas (Samuel, Zheng & Xie, 2020). Samuel, Zheng and Xie (2020) propose this could be due to difficulties in gathering data across channels and competitors. The authors further stress that the value of showrooms have mainly been

evaluated through an analytical approach with sales as the main variable. Avery et al., (2012) investigated whether and when the opening of a new physical channel hurts or helps the sales in existing channels. The authors found that the establishment of a physical showroom increased the online sales and led to new customers for the same retailer. In alignment, Wang and Goldfarb (2017) also demonstrate positive sales effects and customer engagement through the implementation of a physical format. Whereas, Bell, Gallino and Moreno (2017) focused on the introduction of an offline showroom, in a cross-channel context, by the online-first retailer Warby Parker. Their findings demonstrated that the eyeglass retailer could benefit from increased customer demand, and the display-only showroom helped customers migrate to Warby Parker's online channel. As demonstrated above, existing theory focuses on how adding a physical format can amplify sales in online channels. However, the purpose of this study is to look closer to showrooms' value contribution to the customer experience therefore we will not focus on above mentioned research. Instead we look more intensely on the research of Samuel, Zheng and Xie (2020) who investigate the value of establishing a local showroom. The authors investigated the value of a local showroom to online competitors. Their findings suggest that one might underestimate the true value of a local showroom when limiting the attention to sale impacts only. Further, the authors demonstrate that local showrooms can influence customers' search behavior pre-purchase and is especially evident when it comes to experience goods. As our studied retailers operate in the high-involvement industry we will extend further on whether their showroom is evident for their consumers in a pre-purchase stage when it comes to information search and enhanced experience.

3.2.2 Online and Offline Retailers

Showrooms is a concept that has gained popularity among many online retailers. By establishing a physical format, online retailers can avoid product fit uncertainty and create brand loyalty, engagement and experience (Li, Zhang & Tayi, 2020). However, it is a rather unexplored format when it comes to offline retailers introducing it as a compliment to their already established formats. Instead previous research has focused on offline retailers extending their business through online formats (Li, Zhang & Tayi, 2020; Konur, 2020). Wang and Goldfarb (2017) point out in their study that online and offline formats are complements to each other rather than competitors, for the same retailer, especially when it comes to marketing communications and increased brand

awareness in areas where the retailer has not operated before. The authors continue and argue that complementarities arise through informative marketing communications generated by the bare presence of offline formats rather than both formats operating as retail channels. With our purpose in mind (i.e., to investigate showrooms' value contribution to the customer experience and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats) we will extend on Wang and Goldfarb's (2017) research and investigate whether our cases act as a complement to their other retail formats. Since neither of our studied showrooms offer the possibility for immediate product take home we will investigate whether the showrooms behave as a complement for value or experience enhancement.

Continuously, our study will investigate, from a consumer perspective; showrooms' value contribution to the customer experience. The result will be compared to management viewpoints of the both showrooms to see if there are differences or similarities when it comes to the conceived experience and the perceived experience. This will further extend the literature in the area of showrooms since comprehensive research is limited in general when it comes to the phenomenon (i.e., it has mainly been researched from a seller perspective where an online- only retailer establishes offline showrooms in a multichannel context) (Avery et al., 2012; Bell, Gallino & Moreno, 2017).

3.3 Construal Level Theory

With our purpose in mind (i.e., from a consumer perspective, investigate showrooms' value contribution to the customer experience and if there are differences in contribution whether the company, opening a showroom, derives from online or offline formats) we decided to consider consumer behavior and decision making. To execute this appropriately, we decided to include relevant literature about *construal level theory* (CLT) connected to consumer behavior. CLT derives from the urge to understand how individuals evaluate objects and events, distance and abstraction is then linked and used as a basis of evaluation (Trope, Liberman & Wakslak, 2007). Literature have discussed four primary distances namely; temporal (time), spatial (physical), social (interpersonal) and hypothetical (imaginational) these are at the core of the CLT (Kardes, Cronley & Kim, 2006; Trope, Liberman & Wakslak, 2007; Liberman, Torpe & Wakslak, 2007; Li & Liu, 2014). However, Kardes, Cronley and Kim (2006) investigated construal levels and preferences

whereby they added sensory distance as a fundamental element. The authors further discuss that literature on spatial and sensory distance is limited and should further be researched. Further, CLT is based on low-level and high-level construals where low-level construals represent concrete near events whereas high-level construals signify abstract distant events (Trope, Liberman & Wakslak, 2007). As the purpose of our study is to investigate showrooms' value contribution to the customer's experience, we therefore will extend the theory on sensory distance as this distance has a direct impact on the product itself being present or absent (Karde, Cronley & Kim, 2006). Further, as our purpose is to compare two retailers deriving from different formats; our study will investigate whether low-level and high-level construals affect consumers' experience though we put it in relation to purchasing online (e.i., high-level construals) or offline (low-level construals).

3.3.1 Sensory Distance

Construal level theory can help to explain and predict consumer behavior since different distances influence consumer behaviors in a similar way that purchase intentions, decision making, preference and brand representation does (Li & Liu, 2014). Karde, Cronley and Kim (2006) explain sensory distance as having a direct impact on the presence or absence of a product. As the degree of firsthand contact and information with a product increases, sensory distance automatically decreases. If the product is physically absent consumers must make their own assumptions regarding the product details leading to an abstract formation of the product. In contrast, if the product is physically present consumers can form more concrete and detailed perceptions of the product that could lead to a changed perception of the product itself after inspecting specific product attributes and benefits (Karde, Cronley & Kim, 2006). Further the authors Kardes, Cronley and Kim (2006) found that the mere presence of a target brand urges customers to construe the brand in terms of concrete lower-level concepts, consequently this leads to preference building and action. Whereas the authors also found that the absence of a target brand leads to higher-level construals, causing the customer to think of the brand in an abstract manner leading to less immediate and direct implication for action. Since showrooms are a new concept established to be closer to the urban customer, we will extend the literature regarding sensory distance by investigating the value contribution of a showroom. We will study whether the presence of a showroom when it comes to high-involvement products matters for the consumer and if it is significant for taking actions and how it contributes to the customer experience. Further,

Karde, Cronley and Kim (2006) suggest that Internet shoppers commonly form preferences regarding products based on higher-level construals which results in lack of contextual detail compared to entering a physical format. We intend to elaborate on Karde, Cronley and Kim's (2006) study and research whether a showroom acts as a complement to other formats and help the consumer to form low-level construals and concrete representations of the products that enable the customer to take action.

3.4 Chapter Summary

To identify showrooms' value contribution to the customer experience, the relationship between the considered theories above are further illustrated in a theoretical framework (Figure 1). Our framework further guided the data collection (i.e., acted as a foundation for our topic guide), and our analysis (i.e., contributed to several themes). This theoretical framework enables us to research the phenomenon from a variety of perspectives, previously not studied in conjunction, by combining more explored theories (i.e., customer experience) with less explored theories (i.e., showrooms and construal level theory). Hence, this allows us to deeper understand how showrooms could contribute to the customer experience.

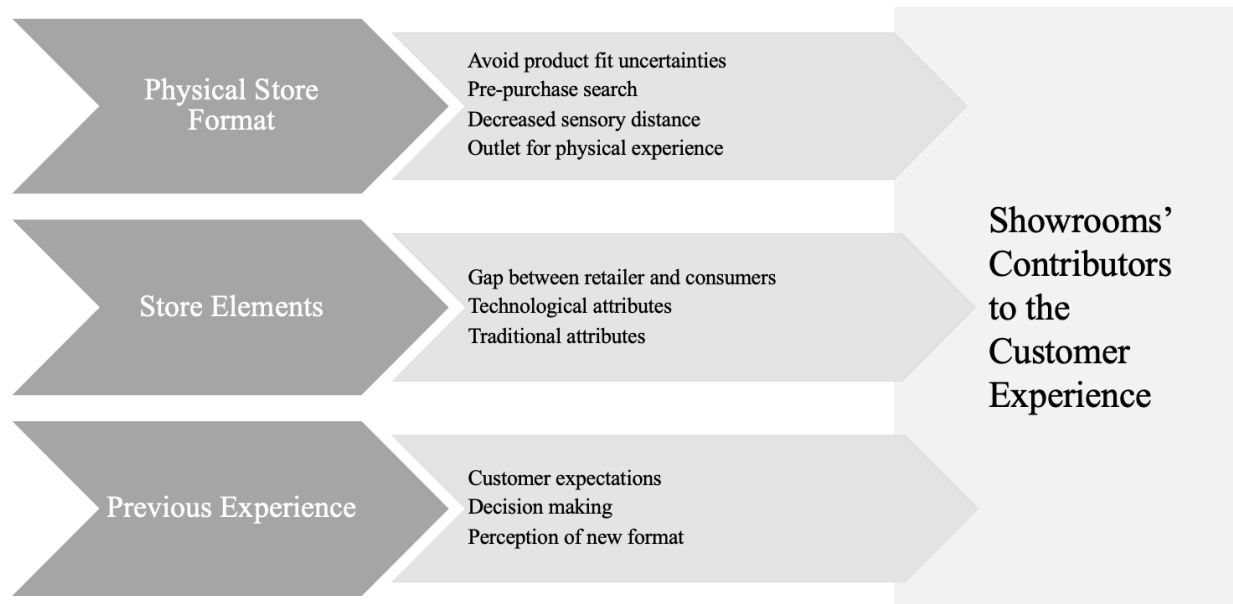


Figure 1: Visualization of Theoretical Framework

Within showrooms' value contribution to the customer experience, we distinguish several concepts to be fundamental, such as; the physical store format, store elements and previous experiences.

Literature argue that by establishing a physical showroom, online retailers can avoid product fit uncertainties (Li, Zhang & Tayi 2020), contribute to pre-purchase search (Samuel, Zheng, & Xie, 2020), decrease sensory distance (Karde, Cronely & Kim 2006), provide an outlet for physically experiencing the product (Bellini et al., 2019), and contribute to the customer experience (Rhee & Bell 2002). Further, the physical format could complement the retailer's online presence (Wang & Goldfarb, 2017). In terms of store elements, research shows that there is a gap between what retailers provide, and what customers demand (Bäckström & Johansson 2017), resulting in a discussion of whether technological (Pantano & Vannucci 2019; Puccinelli et al., 2009), or traditional attributes (Grewal 2019; Bäckström & Johansson 2017) enhance the customer experience. Further, this discussion is continued by, to what extent, the customer experience could be controlled by the retailer (Grewal, 2019; Grewal, Leavy & Kumar, 2009; Verhoef et al., 2009). Additionally, research points out that previous experience could have an essential role for customers' expectations (Pine & Gilmore 2007; Alba & Williams 2013), and future decision making (An & Han 2020). However, previous experiences could also affect how the new format is perceived (Swaminathan, Fox, Reddy, 2001; Grimani & Privitello 2016).

4. Analysis

This chapter analyses our findings from a consumer perspective where our theoretical framework acts as a foundation. As this is a thematic analysis, our findings will be analyzed under the relevant themes previously identified from the theory and empirical result. Further, the two cases will be analyzed separately, starting with Polestar Spaces followed by IKEA planning studio.

4.1 Polestar

4.1.1 Availability

Previous studies have emphasized that store location is the most significant factor for consumers when deciding where to make their purchase (Severin, Louviere & Finn, 2001), however, when it comes to the results from the interviewees for Polestar this is rather ambivalent. Several consumers expressed how Spaces enhance the availability and contributed to the customer experience where the physical aspects were significant, which is in line with Karde, Cornely and Kim's (2006) study

where the authors elaborate on how the presence of a product can contribute to detailed information search and changed perceptions through inspecting the product in reality.

“My view of Polestar would’ve been different if this format wasn’t available, it would definitely be worst” - Interviewee 1

“Without these Spaces it wouldn’t be available at all to either see or experience the car for real (...) you wouldn’t receive this physical experience” - Interviewee 2

“Yes, I think physical availability affects a lot. Me personally would never purchase a car this expensive without the possibility to actual see and touch the car as well as test drive” - Interviewee 7

Sorescu et al., (2011) emphasize that one objective to establish new formats is to respond to consumer behaviors while Samuel, Zheng and Xie (2020) stress that establishing the showroom locally is significant for success. Contradicting, our results show that the centrality of the location might be Spaces’ actual disadvantage and not what the consumer desires. Majority of the interviewees appreciated the availability of a physical showroom, however, the location was a struggle to get to. It was too central and many of the interviewees came from the suburbs where they would rather just go straight to an industrial area where other dealerships are located since that would have been smoother and closer to the highway.

“For mer, it is messy to drive to this Space because it is too central. We live in the suburbs and then this location is a struggle to get to” - Interviewee 2

“I would like to see a Space that was more easily accessible by car (...) If they were located on an industrial area it would have been much easier for me to get here” - Interviewee 4

“They could have been located at an industrial area, because for me it is the car’s functions and details that are important (...) fancy address and fancy premises are not as important for me personally” - Interviewee 3

Samuel, Zheng and Xie (2020) stress the influence a local showroom has on consumers' pre-purchase search behavior for experience goods. However, when it comes to our result it is highly appreciated with a physical showroom. Contradicting the authors, the location rather than be in the city center (i.e., local) the interviewees wanted Spaces to be located at industrial areas for convenience and easy access.

4.1.2 Personnel & technology

Previous literature highlight store personnel and service as crucial for store loyalty and enhanced in-store customer experience (Grewal, 2019; Bäckström & Johansson, 2017). A majority of the interviewees emphasized the importance of having competent and knowledgeable in-store personnel. Further, this element was also crucial for choosing the format from the beginning. Consistently with Bäckström and Johansson's (2017) study, the majority of the interviewees explicitly said that the store personnel contributed and enhanced their experience. Further, the in-store observations implicitly showed the importance of the personnels' guidance and expertise though the consumers were reserved and shy when entering the showroom before a staff member approached them.

“We chose Polestar because of the service, that is the most important element here. As well as the availability of service and knowledge that is offered here in Spaces” - Interviewee 1

“The first thing you encounter is the visual impression and then it is the treatment of the personnel and I would say that is the most important in here for me” - Interviewee 7

However, one interviewee acknowledged that the information provided by the personnel was the same as the one provided on Polestar's website. Thus, with some click and search you could receive the same information online. This could align with Pantano and Vannucci's (2019) study that stresses that other elements are more important to be available in-store.

“No, the information I received here in Spaces by the personnel is basically the same information I could read about on their website - if you click and scroll there” - Interviewee 9

Further, Pantano and Vannucci (2019) claim that digital touchpoints are a dominant factor in physical formats. From our in-store observations we saw that the digital touchpoints, if working, only were used together with the guidance of personnel, and not as frequent as just interacting with the available personnel. The interviewees also demonstrated in their answers that digital touchpoints and technology were of less importance.

“In fact, it is only knowledgeable personnel that is important to me (...) the other functions are of less significance for my experience” - Interviewee 3

“I can't order the car online just like that, I need to talk with someone first. I need the personal contact if I'm about to purchase a car like this” - Interviewee 8

“I must say if you are to offer technical solutions it actually must work” - Interviewee 4

As Bäckström and Johansson (2017) show in their study it could be risky for retailers to focus on technological attributes in-store. In line with this, our interviewees indicated that technological attributes were of less importance when visiting the showroom. Further, one interviewee explicitly said that if technical solutions are offered they must also be working. Meanwhile, another interviewee stated that the personnel are most important for the visit, while the other functions in the showroom are less essential for the in-store experience. The consumer's perception of the showroom contradicts the results of Pantano and Vannucci (2019). The authors state that customers prefer digital technology when visiting a physical format instead of store personnel since personnel fail to establish relationships with customers and are perceived as controlling with their sales-focused attitude.

4.1.3 Physical Experience

Previous literature highlights that by establishing a physical showroom online retailers can avoid product fit uncertainty and enhance the brand loyalty, engagement and experience for its customers (Li, Zhang & Tayi, 2020). Bellini et al., (2019) further stress how high-involvement products must be experienced pre-purchase and that the physical format is crucial for enhancing the customer experience. In our study, it was evident that the interviewees from Polestar thought the purchase was a huge investment and would never go through with the purchase if they have not interacted with the car beforehand.

“It is important to receive this contact, and to see and experience the car in real life. We wouldn’t dare order the car without seeing or test drive it, it is far too much money” - Interviewee 5

“My visit is based on see, feel and touch the car” - Interviewee 9

“To feel and squeeze the car if I can put it that way, is the most important element” - Interviewee 1

The need of experiencing the product in real life before purchasing it online was crucial for the interviewed consumers which counter Gauri et al., (2020) argumentation that there is no need to invest in a physical format since the customer experience could be managed online. Instead, the interviewees’ answers align with Karde, Cronely and Kim’s (2006) study on how sensory distance decreases as consumers receive the opportunity to get firsthand contact and information by experiencing the product in real life. Further, when sensory distance decreases, it could lead to changed product perception and action-taking, which is shown in our interviewees’ answers regarding the necessity to physically experiencing the product pre-purchase.

However, some interviewees were less excited with the format itself and thought something was missing or that the physical format did not contribute to whether to purchase the car or not.

“How it looks in here mean nothing to whether I purchase the car or not (...) this space is not important for my purchase” - Interviewee 4

“Of course would it have been more helpful if all the available colors were displayed on the physical cars (...) you would like to experience the colors in their wholeness and it might be that we don't purchase the car since we can't physically see the color we are interested in and expected to see here” - Interviewee 5

The last response indicates that the customer experience is enhanced by a combination of the consumers' expectations and the attributes the retailer can control. Accordingly, this aligns with the results from Verhoef et al., (2009), Grewal (2019) and Stein and Ramaseshan (2016) who state that the customer experience is affected by factors that the retailer can control, and the ones outside of its control. Further, the interviewee's answer regarding experiencing the right color aligns with Karde, Cronely and Kim's (2006) study on how important it is to receive the right information to form concrete representations of the product.

Further, Wang and Goldfarb (2017) point out how online and offline formats complement each other for the same retailer. Accordingly, the majority of the interviewees' answers confirm Wang and Goldfarb's (2017) study.

“What I don't receive from their website I absolutely receive here at Spaces. For example more information and knowledge, and that I can physically experience the car” - Interviewee 1

“I have studied how the car looks on the website, but now I wanted to see how it looked in reality, feel it and of course test drive. It is one thing looking at YouTube videos but it is a totally different experience to feel the car in reality to physically experience the car” - Interviewee 2

“Yes, I have seen it on the website and all that, and the model is the same as the one in here but it is just not the same experience looking online like coming in here. I like to see and touch the car before I purchase it” - Interviewee 6

From previous studies it is evident that there is a gap between what some retailers provide their customers with and what the customers actually want (Bäckström & Johansson, 2017). Bäckström and Johansson (2017) stress that customers are looking for more traditional touchpoints in-store (i.e., personnel, service and information) rather than technology. This was established by the majority of the interviewees and later also confirmed by the in-store observations. However, both the interviews and the observations demonstrated that the elements that contained information were confusing for the consumers.

“Actually, I saw that something stood out from the walls, it looked like you entered a kitchen with a cabinet standing out. But we weren’t there and watching or pulling, because I didn’t know we were allowed. There was no information saying that you could look, feel or pull and see what was hiding behind the drawers” - Interviewee 8

“It is important with Spaces because you get a wholeness and you can see all the elements, the elements standing alongside the walls are important for the experience and contribute to a wholeness” - Interviewee 1

As seen in the answers, the consumers are rather ambivalent whether the information provided is clear enough. However, from the observations it was evident that almost no one looked at these extra physical elements. They kept their distance, were reserved and the main focus was the car itself not the hidden informative elements. This could contradict Rhee and Bell’s (2002) study which points out that the physical store’s format constitutes a positive customer experience.

4.1.4 Brand Awareness

Previous research confirms that online retailers are struggling when it comes to perceived product fitness by the customers (Dan et al., 2020; Li, Zhang & Tayi, 2020), this is connected to being unable to experience the product pre-purchase and previous experiences with the brand might be

unexisting. Some online retailers have then established physical showrooms to overcome this uncertainty and enhance the experience for their consumers. Pine and Gilmore (2007) emphasize that previous experiences with the company contribute to the customer experience as a whole and could be crucial for what to expect from the brand. In our study, most interviewees had no previous experience with Polestar and due to this most did not know what to expect when entering Spaces. This was also highly confirmed by the in-store observations, thus the consumers looked misplaced and questioning when entering Spaces which could be due to no previous cues of how to behave in a space like this.

“I had no previous experiences with Polestar and haven’t interacted with them before either (...) my expectations were connected to the personnels’ knowledge and the extra value you get here and not on their website or online” - Interviewee 1

“I didn’t know there was a physical showroom until I read it somewhere on their website” - Interviewee 9

Further, one interviewee explicitly confirmed that if it would have been an established brand and a product he had experienced previously, then he would not hesitate to order online without the physical interaction. This aligns with previous studies by Pine and Gilmore (2007) that gained experiences with a brand affects future expectations and purchases.

“If it would have been a car whose brand I’ve been driving before, then I would’ve been able to order it directly online because then I know the quality and what I will get. But now, they are new at the market then it feels better to have seen and test driven the car before purchase” - Interviewee 3

4.2 IKEA

4.2.1 Availability

As previously stated, existing literature about showrooms have focused on how online retailers can use showrooms to establish a physical presence and increase brand loyalty, engagement, and experience among their customers (Li, Zhang & Tayi, 2020). Meanwhile, there is little research

about how a showroom could benefit offline retailers. Previous literature shows that offline retailers should create a seamless customer experience by establishing a solid eCommerce and not focus on developing physical formats (Grewal, Roggeveen & Nordfält, 2017; Beck & Rygl, 2015). However, most of the interviewees agreed that the planning studio was fundamental for choosing IKEA, and the availability was a value-creator.

“I work very closely, and I had some trouble with a question, and then I could just come by. It is definitely the availability that gave me the greatest value! That's what I appreciated most; that IKEA was so available and not so far away” – Interviewee 9

“This format really increases the availability of IKEA, and you do not have to go out and see everything in the department stores that is unnecessary if you are looking for a specific thing. I think IKEA benefits from having showrooms available to its customers no matter where in the city it is” – Interviewee 3

Accordingly, Pine and Gilmore (2007) emphasize difficulties for retailers to achieve an extraordinary customer experience due to customer's previous experiences, both in their private life and with the company. However, many interviewees indicated that this format and its availability increased their customer experience by providing them with a smoother interaction with the company since they did not have to leave town, which contradicts their previous experiences with IKEA.

“Since we live in the city, we think it is very nice that it is so close and that it is so available to us. It is much easier for us to visit this IKEA than to go to Barkarby or Kungens Kurva” – Interviewee 13

“I think it is very positive for them to be seen and be in such environments, and not only to be outside the city but also to be here where people have time and just look in any day” – Interviewee 6

“I did not expect this, but it's good to be competitive and offer their kitchens like this in the middle of town and reach us, customers, in an easier way who do not want to get out of town. It is also much easier to get in touch with IKEA when formats like these exist” – Interviewee 5

Accordingly, the availability of the concept store surprised many of our interviewees since they did not expect IKEA to be in the city centers. Applying Kardes, Cronley, and Kim's (2006) results to the interviewees' perception of IKEA's planning studio could indicate new preferences for the customers with IKEA as a brand due to their presence which urges consumers to construe the brand in a new way.

4.2.2 Personnel

There are several ways to improve the customer experience. However, previous literature indicates that personnel is critical for the retailer to create an extraordinary customer experience (Bäckström & Johansson, 2017; Grewal, 2019). Further, Li, Zhang, and Tayi's (2020) results go in the same direction by showing that knowledgeable personnel are essential factors in a showroom. When observing the IKEA planning studio, it was evident that the consumers who did not interact with any employee left the showroom earlier than the consumers who interacted with them. The observations also showed that consumers who did not interact with any employees in the planning studio did not experience the products by touching and trying them.

“I expect there to be personal people who are knowledgeable and can answer my questions and help me further with my thoughts about my kitchen” – Interviewee 13

“It is important to get knowledgeable staff. You need help to get it together with all the smart solutions and all the details” – Interviewee 14

“There needs to be expert help here for me to come here. They need to know everything about the planning tools” – Interviewee 7

Knowledgeable personnel is also discussed in the literature to provide additional product information and increase the customer experience (Bäckström & Johansson, 2017; Baxendale, Macdonald, & Wilson, 2015). However, interviewing the visitors of IKEA's planning studio also gave insights that have not been mentioned previously in the literature about how knowledgeable personnel also could contribute to increased inspiration. Accordingly, the interviewees agreed in their answers of how the expertise in the showroom led to inspiration and improved their customer experience.

“It is also important to have knowledgeable staff. You need help to get it together with all the smart solutions and all the details and for the inspiration” – Interviewee 14

“The personnel give extremely many ideas and supplement with new angles that you may not really have. The personal contact has really made it easier for me to get answers to my questions, other ideas and other perspectives that I might not have thought of otherwise” – Interviewee 15

4.2.3 Physical Experience

As previously stated, the value of a local showroom could be many and not least positively affect sales (Avery et al., 2012). However, like Samuel, Zheng, and Xie (2020) highlight, the local showroom could positively affect customers' search behavior, especially when experiencing products and goods. While observing at IKEA it was evident that the consumers were provided with a lot of information that encouraged them to interact with the attributes in the showroom (i.e., flyers and signs indicating to “open me”, “try me”, and “explore more here”). It was also apparent through the observations that the consumers acted upon this provided information. Further, the interviewees gave coherent answers about how experiencing the products and the functions of the kitchens enhanced their experience with IKEA. Many of the interviewees underlined that they never would buy a kitchen online without experiencing it physically due to uncertainties in product attributes, which could be explained from Bellini et al.,'s (2019) study which point out that the physical elements are crucial for high involvement purchases.

“It isn't very good to buy things that you do not see and feel and do not know what they look like or the quality. If you do not see the colors correctly, it is very hard” – Interviewee 10

“The most important thing for me is above all that there are building kitchens that you can look at to get inspiration and feel the materials and how they look in reality to create an image for yourself” – Interviewee 12

There are several ways to improve the customer experience, and existing literature about creating a comprehensive customer experience varies. As mentioned previously, there has been a shifted focus in the literature from the physical attributes as the most crucial ones for the customer experience to the technological ones (Puccinelli et al., 2009; Pantano & Vannucci, 2019). However, after talking to our interviewees, the physical and traditional characteristics were highlighted as value creators in their experience with IKEA planning studio rather than technological attributes.

“That I see it with my own eyes is very important. I want to feel and such, and you cannot do that online - You want to come here and see the physical kitchen” – Interviewee 2

“I want to look and physically see it, squeeze and feel it a little” – Interviewee 11

“Feel what it feels like to pull out these drawers, see what it looks like inside, how they have chosen to build their kitchens and get this inspiration that is difficult to create yourself. I want inspiration to see how they have done and thought here and if there is something we can take with us to our renovation” – Interviewee 4

The necessary physical attributes for the interviewees can be explained by a combination of how Sundbo and Sørensen (2013) emphasize experiencing the product through all senses (i.e., taste, smell, touch, sight, and hearing), together with Karde, Cronely, and Kim's (2006) results about how physically experiencing the product could decrease sensory distance. Indicated in our

answers, the interviewees' experience with the IKEA planning studio and its attributes improved their customer experience and decreased sensory distance.

4.2.4 Brand Awareness

Research within customer experience emphasizes that previous experiences could be essential for consumers' future expectations of the brand (Pine & Gilmore, 2007; Alba & Williams, 2013). Further, An and Han's (2020) result points out that previous shopping memories and perceived value could have an essential role in future decision-making on how consumers evaluate their experience with a retailer. In our study, the interviewees from IKEA had an agreeing tone that they had previous experience from IKEA as a brand in their other concept (e.g., the blue box). It was also noticeable in the observations at IKEA since many consumers were perceived comfortable while walking around in the kitchens and interacted a lot with the products (e.g., opened drawers and the ovens) regardless of encouraging signs.

"It is my previous experiences that made me interested this time too" – Interviewee 15

"IKEA is, as for many other Swedes, a big part of your upbringing, so you know what you get at IKEA" – Interviewee 13

However, they did not expect this format from the brand and saw the format as complementary and temporary, aligning with Grimani and Privitello's (2016) study. Many consumers mentioned this concept as a "pop-up" store but did not perceive it as unfavorable. Contradictory, they saw this new format as something positive and something that suited them better since they did not have to leave town to visit IKEA. They considered this format much calmer than the other stores (e.g., the big blue box), and several pointed out that they do not search for that experience anymore and that the planning studio is a better concept.

"I think it is important for IKEA as a brand to be available for all its customers, especially in big cities and when you are not looking and especially for a great experience. I'm not here to get a customer experience directly. I want to get answers to my questions, and then they must be available" – Interviewee 3

“It is in their interest to find where the people are, and I do not know if everyone wants to go out to the department stores, but you still want to see the products” - Interviewee 9

Further, some of our interviewees also mentioned that they would appreciate it, if possible, to buy something from their visit today and bring it back home (e.g., candles, napkins). Swaminathan, Fox and Reddy’s (2001) result could explain these expectations, which shows that previous positive experiences with the retailer could affect how the consumers perceive a new format and its experience with the new offered design.

“But if they are to be in town, I can say that I expect that there will be so that you can buy things here as well, or at least that you could make an order here would have been good”
– Interviewee 5

“I would like to see that you can buy some things to take home. It does not have to be very much, but a few small things would have been nice to buy” – Interviewee 14

On the contrary, one interviewee said that she would have appreciated some form of immediate product take-home. However, after more reflection she decided that IKEA had made a good decision not allowing for immediate purchases which aligns with the purpose of a showroom highlighted in the literature (Li, Zhang & Tayi, 2020; Dan et al., 2020; Konur, 2020).

“I would have liked to buy something with me. But at the same time, I think it's good that it's not possible to do that. It's good that they stick to their idea here and do not sell anything. It will not give me any added value if they offer napkins or candles. It would probably just be messy, I think. I have thought about it several times, that I might want to buy candles here, but then I accept that it is not possible, and I still think it is positive and good of IKEA that they set that limit” - Interviewee 15

5. Discussion

This chapter discusses the results from the analysis and further compares the two cases against each other. Also it discusses the theoretical framework in comparison to the study's findings.

Through our exploratory and comparative research of two showrooms operating in high-involvement product categories and derives from different format settings (i.e., online or offline), we have established an in-depth and comprehensive understanding of what elements in a showroom contribute to the customer experience. From our analysis we have identified four important themes; availability, personnel, physical experience and brand awareness that affects the customer experience. These themes differ in their impact on the customer experience whether the retailer derives from an online or offline format which is an area that has not previously been explored.

Previous literature have focused on how local showrooms can contribute not only to sale but also be a significant element for information search pre-purchase (Samuel, Zheng & Xie, 2020). In addition, research emphasizes how online retailers can enhance their physical presence and avoid product fit uncertainty by introducing showrooms (Dan et al., 2020; Li, Zhang & Tayi, 2020). However, our study researches how online retailers' showroom can contribute to the customer experience as well as extend the literature on how offline retailers can benefit from operating a showroom. Our findings reveal that the availability of showrooms is of great importance and highly appreciated by the consumers' when searching for product information pre-purchase, which is in line with Samuel, Zheng and Xie (2020). However, the perceived value of the showrooms' location differentiated between the two studied cases. Consumers visiting IKEA's planning studio appreciated the centrality and availability of the showroom, since they searched for a smooth and easily accessible customer experience without leaving the city center. Whereas it was evident that consumers visiting Polestar's Spaces acknowledged the value of the showroom's existence. However, they had another opinion regarding the location in the city centre. For them, it was a struggle to experience the local showroom and claimed that visiting Spaces, compared to dealerships in an industrial area, were less accessible. Literature shows the importance for online retailers to establish physical presence close to their customers (i.e., city centres) whereas previous literature of offline retailers focus on establishing a seamless experience by introducing

eCommerce (Grewal, Roggeveen & Nordfält, 2017; Beck & Rygl, 2015). However, our results showed that it was more important for the offline retailer IKEA's consumers that the showroom was located in the city, close to where they worked or lived. Whereas Polestar that previously operated online-only was considered to be too local and consumers expressed that a showroom outside the city center would be preferable.

Evident for consumers visiting IKEA's planning studio was not only how available the showroom itself was but also the availability of expertise and in-store personnel. Our findings showed that the customer experience was enhanced due to expertise and knowledge constituted by the personnel. This was especially evident though shorter and less interactive visits occurred when the personnel neglected the consumer by being preoccupied. However, when interacting with the personnel, a two-way communication occurred, and the customer experience increased. The inclusive communication was a significant contributor to enhancing the customer experience, and further led to increased inspiration. This extensive communication is not previously discussed in literature as a contributor to the customer experience. However, our results show that the consumers highly appreciated this extra inspiration received from the personnel and that it enhanced their experience in the showroom. As a result, this indicates that this format (i.e., showrooms) enables for a more exclusive experience with the retailer through engaged and knowledgeable personnel that add value by providing smart solutions and inspiration.

Accordingly, our results at Spaces shows that the personnel and their expertise were crucial to the customer experience and their interaction with the showroom. Contradicting IKEA's two-way communication we observed that Polestar's personnel worked as a one-way informative guide instead of providing inspirational ideas and smart solutions. However, since our purpose is to investigate how a showroom contributes to the customer experience, we cannot identify why Polestar's communication does not lead to further inspiration. Hence, it is evident, despite the various communication strategies, that the personnel is the most significant component for the customer experience in the showroom. Our findings align with Bäckström and Johansson's (2017) results regarding how traditional in-store elements (e.g., personnels' expertise) enhance the customer experience. Continuously, our results further contradict with the current discussion about how technology is the most important component for the customer experience (Pantano &

Vannucci, 2019; Gauri et al., 2020; Zolkifly & Hussin, 2017). This became apparent when the technological attributes provided in the showroom were neglected by the consumers (e.g., ipads), even though Holst at Polestar highlighted the technological attributes as crucial.

As stated above, the technological attributes provided in the showroom are not perceived as value-creators. On the contrary, the opportunity to physically experience the product through our senses (i.e., touch, feel and try the product) is. Accordingly, this is in line with previous research by Sundbo and Sørensen (2013) and Li, Zhang and Tayi (2020) who states that physically experiencing the product could reduce product fit uncertainties and improve the customer experience. Our results show that physical contact with the personnel or experiencing the product through touch and feel are fundamental for purchasing a product in the high-involvement category. In addition, this was noticeable regardless of the retailer derived from an online or offline format which extend existing literature. Since existing literature argues that offline retailers should enhance the customer experience through extending their business online by operating a seamless eCommerce (Grewal, Roggeveen & Nordfält, 2017; Beck & Rygl, 2015). However, our result shows that offline retailers could benefit from operating a physical showroom and by that positively affect the consumers' experience. Continuously, our result regarding the importance of touch and try and its impact on the consumers' decision-making process, is consistent with Karde, Cronely and Kim's (2006) research. The authors state that decreased sensory distance has a positive effect on preference building and action. Having identified the traditional values (i.e., personnel, expertise, touch and feel) as contributors to the customer experience rather than technological ones (i.e., ipads), our results extend the view that Bäckström and Johansson (2017) holds.

Meyer and Schwager (2007) emphasize that customer expectations and how customers receive a particular format is something that derives from the customer's previous experience of the retailer and its physical presence. Accordingly, our findings at IKEA demonstrate that consumers' previous experience and interaction with their warehouses affected their expectations of the showroom. The most prominent previous experiences were; cash and carry, lack of service, stressful environment, and the blue box in the suburbs. However, when entering the local showroom, the consumers expressed a feeling of being introduced to a calm, premium environment

with a high level of service without the possibility for immediate product take-home. The consumers were positively surprised by the environment in the showroom and the expertise of the personnel, however, some expressed disappointment for not being able to bring something home. The reaction could be explained by the results from Swaminathan, Fox and Reddy (2001) which shows that previous positive experiences with the retailer could affect how the consumers perceive a new format and its experience with the new offered design. As Polestar derives from online and has no previously established physical formats, consumers entering the showroom demonstrated uncertainties on how to interact with the elements in the showroom. Also, the lack of information in the showroom (e.g., referred to ‘hidden away’ by customers) left the consumer with no further cues on how to behave. Hence, this is consistent with Meyer and Schwager’s (2007) study. It could therefore be seen as fundamental to provide easy accessible information when the consumers have no previous physical experience with the brand.

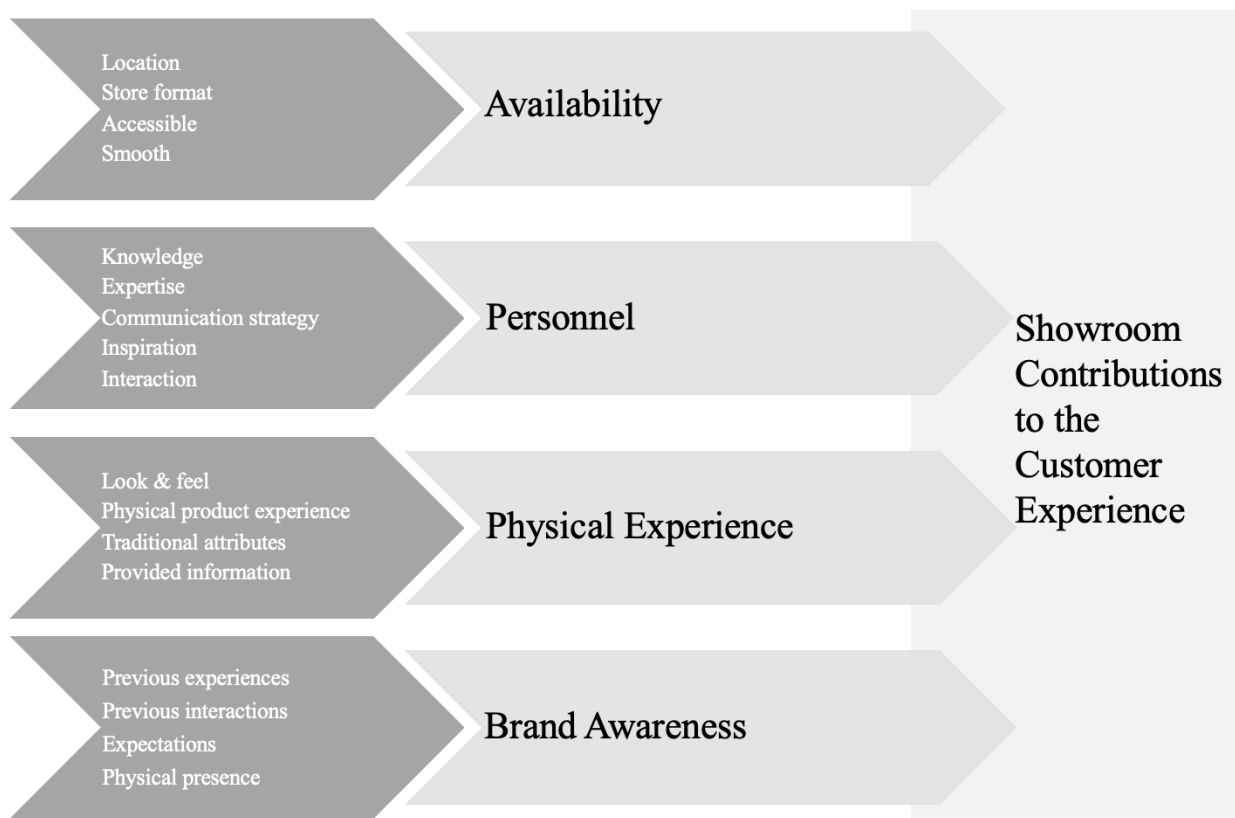


Figure 2: Authors’ Visualization of Showroom Contributions to the Customer Experience

6. Conclusion

In this chapter a final conclusion of the analysis is drawn in order to conclude this study.

Further, theoretical and managerial contributions as well as limitations and future research is presented.

The purpose of our study was to, from a consumer perspective, investigate showrooms' value contribution to the customer experience and if there are differences in contribution whether the retailer, opening a showroom, derives from online or offline formats. Hence, from our study we have identified four major themes (i.e., availability, personnel, physical experience and brand awareness) on how showrooms contribute to the consumers' experience. Also, our study brought in the manager perspective to gain a thorough background understanding of the purpose of the established showrooms. However, our focus was on the consumer perspective.

Our study has found contributions and shortcomings within the four themes. Within availability, existing literature emphasizes the importance for online retailers to operate a local showroom close to their customers whereas literature on offline retailers operating a showroom is scarce. Contradicting this, our result shows that consumers to the online retailer, Polestar, expressed that the central location did not add value to their customer experience. Thus, the consumers' previous experience with dealerships had them appreciate the suburb location in industrial areas due to easy access and closeness to the highway when test driving. Further, we extend the literature on offline retailers operating a showroom, and can conclude that even though IKEA already has a high physical presence with their warehouses, a showroom located in the city improves the availability and customer experience for their urban consumers. Consequently, our result shows that for online retailers it could depend on the product and previous experience with the industry whether it is appreciated to be located central. However, we found that even though offline retailers are recommended to create a seamless customer experience by operating online, it is equally important to extend their physical presence in city centers.

Our results further show that the personnel and their expertise is equally important for the customer experience regardless if the retailer derives from online or offline. This was highly evident in our observations since interaction with the personnel resulted in increased time spent in the showroom,

and improved consumers' willingness to experience the product attributes in the showroom. However, we discovered a two-way communication strategy at IKEA planning studio which led to increased inspiration and smart solutions highly valued by the consumers. Increased inspiration from interaction between personnel and the consumers has previously not been discussed in the literature, thus a majority of the consumers expressed that this added to their customer experience.

Continuously, it was evident from Holst that the technological attributes are highly important in the showroom and will contribute to an enhanced customer experience. Whereas interviewing Tedeby IKEA have decided not to focus on technological elements rather they emphasize the importance of more traditional attributes. However, taking a consumer' perspective, our findings regarding both showrooms show that the customer experience was enhanced by the traditional attributes (i.e., personnel expertise, physical elements). Further, the technological attributes at Polestar were neglected by the consumers, and expressed as unnecessary for improving customer experience. Retailers have a predetermined mindset regarding how customers require a high technological presence to improve the customer experience. Our findings conclude what Bäckström and Johansson (2017) emphasize regarding the value of traditional in-store attributes. However, we realize that your retail background could be significant regarding the technological importance in a physical format (i.e., showroom). As it was highly important for Polestar who derives from online to have these technological elements, whereas IKEA that has previous offline formats instead emphasized the importance of providing physical attributes. Which also then aligned with what consumers' thought enhanced their experience.

Lastly, we can conclude that previous brand awareness affects both expectations and impressions of the new format (i.e., showrooms). As Polestar is a new actor on the market their consumers expressed that they did not know what to expect of the format. This was confirmed through the observations though the consumers acted reserved and at times confused. Thus, the consumers expressed that with gained brand experience they would have a more comprehensive understanding of the brand that could be used for future references. However, without previous experiences, they expected a physical presence of the brand for physically being able to experience the product. Meanwhile, IKEA has an established physical presence and among the consumers high brand awareness. From their consumers' previous experiences with the brand, this format was a positive surprise, but was however seen as something temporary. The tone was further agreed

when the consumers expressed their disappointment for not being able to purchase something from the showroom as they associate the brand with immediate product take-home. This concluding remark further builds on the literature of Alba and Williams (2013), and Zauberan, Ratner, and Kim (2009), and An and Han (2020).

In conclusion, the purpose of this study was to investigate, from a consumer perspective, showroom's value contribution to the customer experience and if there are differences whether the retailer, opening a showroom, derives from online or offline. We can further conclude that what contributed value to the customer experience was the availability of the format. However, being located in the city center was more appreciated by the offline retailer IKEA's consumers whereas Polestar's consumers wanted Spaces to be located in industrial areas. Further, the personnel was equally important regardless of the retailers' format background and was the element that contributed the most to the customer experience and enhanced the experience by providing added value such as inspiration and smart solutions. Thus, we can also conclude that technological solutions are not as significant for the enhancement of the customer experience as previously thought. Continuously, experiencing the product physically through touch and try was equally essential regardless of deriving from online or offline formats, and a decisive element for going through with the purchase. Lastly, we can conclude that brand awareness and previous experience with the brand affect consumers' expectations of the new format. As Polestar is a new actor their consumers lacked previous experience and therefore did not know what to expect. Whereas IKEA is an established actor whose consumers brought their previous positive and negative experiences to the new format.

6.1 Theoretical Contribution

The findings of our research extend the general understanding of how newly developed physical formats such as showrooms can contribute and add value to the customer experience, an otherwise unexplored literature field, mostly studied from a company and online retailer perspective. Firstly, we disconfirm existing literature by Samuel, Zheng and Xie (2020) regarding that online retailers if establishing a physical showroom it should be locally located. Our result shows that it is rather product and industry based and customers at Polestar would have preferred a showroom located in an industrial area easily accessible, and next to the highway. Further, we extend previous

literature by establishing that offline retailers benefit from an increased physical presence instead of only focusing on a seamless customer experience by establish a solid eCommerce which is discussed by Grewal, Roggeveen and Nordfält (2017), and Beck and Rygl (2015). Secondly, our study confirms previous literature by Bäckström and Johansson (2017) and Baxendale, Macdonald, and Wilson (2015) regarding the importance of traditional in-store attributes (i.e., personnel expertise and physical elements). Meanwhile, we contribute to the ongoing discussion regarding the importance of offering technological solutions in-store by claiming that technological attributes have less impact on the customer experience than managers believe. First, our study shows that having an online background correlates with the manager's need of providing technical solutions in a showroom format. Whereas, having an offline background had managers prioritizing traditional solutions. Second, our study shows, from a consumer perspective, that regardless of which showroom you visited, traditional elements contributed to the customer experience whereas technology was neglected. Third, our study shows that knowledgeable and engaged personnel can contribute to the customer experience by providing inspiration and smart solutions to the consumers, which is an element that has not previously been discussed in the literature as a contributor to the customer experience.

Thirdly, the findings of our study extend and confirm previous literature by Karde, Cronely and Kim (2006) and Bellini et al.,'s (2019). First, our study shows that having the product physically present and available for touch and try was crucial for the consumers' decision making process which could be explained by a decreased sensory distance. Second, our findings confirm the importance of physically experiencing the product before a purchase for products in the high involvement category. Our findings suggest that by offering a high-involvement product the availability for touch and try elements are equally important regardless of deriving from online or offline. From a consumer perspective the background of the retailer was less relevant as long as they provided for physically experiencing the product. Lastly, we confirm former literature regarding how previous experiences with a brand affect future expectations (Alba & Williams, 2013; Zauberan, Ratner, & Kim, 2009), and whether consumers will interact with a new format or not (Swaminathan, Fox & Reddy, 2001). As consumers' of Polestar lacked previous experiences with the brand, they acted confused and did not know what to expect from the brand and how to interact in the physical environment (i.e., showroom). Hence, the consumers indicated that gained

brand experience could be used as reference for future interactions. Meanwhile, our findings for IKEA suggest that a lot of previous experiences with the brand could result in expectations not being satisfied in the new format, since it contradicts how they previously perceived the brand in another setting. Further, this indicates that retailers with high brand awareness, should be careful when developing new physical formats to not move away from their consumers' expectations.

6.2 Managerial Contributions

Complementing the theoretical contributions explained above, our study also provides a number of practical contributions, emerging from the study's empirical findings. The four areas of contribution (i.e., availability, personnel, physical experience and brand awareness) helps managers understand how a showroom can contribute to consumers' experience regardless of the retailer deriving from online or offline. Our results could further be used as guidelines for retailers who seek to improve their physical presence through showrooms and especially if they want to enhance the customer experience.

Overall consumers' had a positive experience with the showrooms, however our results suggest room for improvements when it comes to location, personnels' two-way communication, technological attributes and previous perception of the brand. Firstly, as formats are evaluated through previous experiences we suggest retailers to apply a more customer centric view of their showroom rather than brand centric. Retailers must therefore define what their consumers refer to as availability, since our cases show differences when it comes to expressing how availability improves their customer experience. Secondly, to enhance the customer experience further, our findings indicated that consumers are looking for a two-way communication with the personnel (i.e., provide inspiration and smart solutions) rather than functioning as an informative guide. Thirdly, our results indicate a conflict between how managers and consumers value the technological attributes in the showroom. As our results further show that traditional elements are what enhance the customer experience rather than the technological ones. We suggest managers that want to establish formats like this to reprioritize the necessity of technological attributes. Lastly, we recommend retailers to evaluate the effect of new format establishment in relation to existing formats due to previous experiences held by the consumers. Since our results indicate that previous held experiences could affect the expectations on the new formats.

6.3 Limitations and Future Research

Numerous limitations as well as recommendations on how to complement these in future research is acknowledged. To start with, our limitations are as follows; we have only investigated the correlation between showrooms and customer experience for retailers operating in high-involvement product categories. Further, our study of this phenomenon is limited to two industries (i.e., furniture and automotive). Also, we have focused on retailers deriving from different backgrounds (i.e., online and offline). Lastly, we have conducted this study during the global pandemic, Covid-19, resulting in changed retail and customer behaviors.

These limitations can constitute future research. Firstly, to gain further comprehensive understanding of the correlation between showrooms and perceived customer experience, research could be extended in low-involvement product categories as well. Which could then be compared to our findings, and other studies in the field. Secondly, future research could focus on other industries and use our study as a starting point. Our results could then contribute to explore new perspectives of how different retail industries could benefit from operating a showroom. Thirdly, our study focuses on two different retailers deriving from online and offline. However, it could be interesting for future researchers to approach if the customer experience differs between retailers operating a showroom but derives from the same background. Especially since existing research about how offline retailers could benefit from physical showrooms are lacking. Lastly, similar studies could be conducted post Covid-19 since a changed consumer behavior could have arised, and the importance of the physical format could have changed.

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Appendix

Appendix 1: Manager topic guide

Categorization	Questions	Purpose
Background questions	<p>How did the idea of showrooms develop from the beginning?</p> <p>For how long have you operated these showrooms?</p> <p>How did the view change of the company, when having a physical element to offer to the customer?</p>	<p>The purpose of all these questions to the managers was to gain an extensive background understanding of their purpose with these showrooms.</p>
Describing questions regarding the format	<p>What is the purpose with this concept?</p> <p>Have you filled a gap by providing this concept? Did the customer miss a physical concept like this?</p> <p>How does this concept complement your other channels?</p>	

<p>Questions regarding the purpose of the format from a company and consumer perspective</p>	<p>What do you aim to generate with these concepts?</p> <p>What do you think the customers get out from these concepts?</p> <p>What differs this new concept from your other established channels?</p> <p>Are your showrooms a place for creating value or a place for selling?</p> <p>From your perspective, what does the customer look for at your showroom?</p> <p>In what way do you feel that this new concept has contributed to the customer experience?</p> <p>What elements are important to offer to your customers to create value and by that enhance the customer experience?</p>	
<p>Ending questions</p>	<p>Where do you see this concept in 5-10 years?</p> <p>Is there anything else you would like to add or elaborate more on? Otherwise thank you so much for your time</p>	

Appendix 2: Consumer topic guide

Categorization	Questions	Purpose and Theoretical Connection
Background information	<p>If you could briefly tell us how you got in touch with Polestar Spaces/IKEA Planning studio?</p> <p>What is the purpose of your visit?</p> <p>What are your previous experiences with Polestar/IKEA as a brand?</p> <p>What were your expectations before visiting this format?</p>	<p>These questions were fundamental to establish the consumers' purposes with their visits and their previous experiences with the brand as well as they opened up the interview in a natural manner.</p> <p>Applicable theory: (e.g., Pine & Gilmore, 2007; Alba & Williams, 2013)</p>
The customer experience in the showroom	<p>How does this format complement the brand's availability for you as a consumer?</p> <p>Can you describe your experience with this format?</p> <p>How does this format and your experience today affect your view of IKEA/Polestar as a brand?</p> <p>Do you expect the brand to be at the forefront with different formats and technologies?</p>	<p>These questions are asked with the purpose to capture the overall expression of the showroom and to enable analysis of the importance of previous experience with the brand.</p> <p>Applicable theory: (e.g., Swaminathan, Fox & Reddy 2001; Grimani & Privitello 2016; Pantano & Vannucci 2019)</p>
The physical elements of the showroom	<p>What elements in the showroom contributed to increased value for you?</p> <p>What do the physical elements mean in this situation?</p>	<p>These questions are asked with the purpose to enable analysis of the relative significance of different physical store elements (i.e., technological attributes, traditional attributes and physically experiencing the</p>

	<p>Can you describe what you think is essential that IKEA/Polestar offers in its Planning studies/Spaces?</p> <p>How do you value the IKEA planning studio/Polestar Spaces (i.e., try, see, feel the product before purchase)?</p> <p>Would you be able to buy from IKEA kitchen/Polestar without having physically experienced the product or received the human interaction?</p>	<p>products).</p> <p>Applicable theory: (e.g., Bellini, Savastano, D’Ascenzo & Marco, 2019; Li, Zhang & Tayi 2020; Samuel, Zheng, & Xie, 2020; Bäckström & Johansson, 2017; Pantano & Vannucci 2019; Puccinelli et al., 2009; Grewal 2019)</p>
The value of the showroom	<p>If IKEA planning studio/Polestar Spaces had not been offered would you have chosen another brand instead?</p> <p>How does this format contribute to your customer experience compared to the other format offered (i.e., eCommerce and the big blue box)?</p>	<p>To determine the value of the showroom as a format and whether it is a contributor to an enhanced customer experience these questions were asked.</p> <p>Applicable theory: (e.g., Wang & Goldfarb 2017; An & Han 2020; Grimani & Privitello 2016)</p>
Ending questions	<p>Is there anything else you would like to add or elaborate more on?</p>	<p>This question was asked to ensure that the interviewee had nothing more to add or elaborate on.</p>

Appendix 3: Observation guide

What was observed	How was it observed	Purpose and Theoretical
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		Connection
Consumers' interaction with the personnel	This was observed through looking at the following variables; communication, engagement, reduction of uncertainties, service and expertise as well as availability of the personnel	<p>These variables were observed to determine the personnels significance in a physical format (i.e., showrooms) and their contribution to the consumers' experience.</p> <p>Applicable theory: (e.g., Grewal 2019; Bäckström & Johansson 2017; Bellini, Savastano, D'Ascenzo & Marco, 2019)</p>
Consumers' interaction and behavior regarding elements in the showroom	This was observed through looking at the following variables: the attention brought to technology, the usage of technological attributes, physical product interaction, physical element interaction	<p>These variables were observed due to the ongoing debate about whether technological or traditional attributes enhance the consumers' experience in the physical format, in this case showrooms.</p> <p>Applicable theory: (e.g., Pantano & Vannucci 2019; Puccinelli et al., 2009; Grewal 2019; Bäckström & Johansson 2017; Li, Zhang & Tayi 2020; Karde, Cronely & Kim 2006)</p>

Appendix 4: Theme visualization

Themes	Sub-categories	Example Quotes
Availability	<ul style="list-style-type: none"> ● Centrality ● Location ● Smooth 	<p><i>“I would like to see a Space that was more easily accessible by car (...) If they were located on an industrial area it would have been much easier for me to get here” - Interviewee 4</i></p>

		<p><i>"I work very closely, and I had some trouble with a question, and then I could just come by. It is definitely the availability that gave me the greatest value! That's what I appreciated most; that IKEA was so available and not so far away" – Interviewee 9</i></p>
Personnel	<ul style="list-style-type: none"> ● Expertise ● Service ● Ideas & inspiration 	<p><i>"The personnel give extremely many ideas and supplement with new angles that you may not really have. The personal contact has really made it easier for me to get answers to my questions, other ideas and other perspectives that I might not have thought of otherwise" – Interviewee 15</i></p> <p><i>"In fact, it is only knowledgeable personnel that is important to me (...) the other functions are of less significance for my experience" - Interviewee 3</i></p>
Physical Experience	<ul style="list-style-type: none"> ● Look ● Feel ● Format experience 	<p><i>"It is important to receive this contact, and to see and experience the car in real life. We wouldn't dare order the car without seeing or test drive it, it is far too much money" - Interviewee 5</i></p> <p><i>"That I see it with my own eyes is very important. I want to feel and such, and you cannot do that online - You want to come here and see the physical kitchen" – Interviewee 2</i></p>
Brand Awareness	<ul style="list-style-type: none"> ● Previous experience ● Trust 	<p><i>"But if they are to be in town, I can say that I expect that there will be so that you can buy things here as well, or at least that you could make an order here would have been good" – Interviewee 5</i></p>

		<p><i>“I had no previous experiences with Polestar and haven’t interacted with them before either (...) my expectations were connected to the personnels’ knowledge and the extra value you get here and not on their website or online”</i></p> <p><i>- Interviewee 1</i></p>
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