

# **Co-Creating Value with Millennials**

A case study of millennials' co-created experiences with airfare aggregators

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**Executive summary** 

**Background:** The complexity in delivering value on the global market, combined

with the intensified competition for airfare aggregators, provides challenges and

implies a need to uncover novel sources of delivering value to millennials, the future

dominant generation of travelers.

Purpose: To examine how airfare aggregators should co-create value with

millennials.

**Theory:** The theoretical perspectives employed in the dissertation are: co-creation;

co-destruction; innovation; and service-dominant logic.

**Method:** The dissertation is an inductive case study inspired by grounded theory.

The empirical data was gathered from three focus group discussions and

subsequently analyzed in accordance with grounded theory.

Findings and conclusions: We present a final framework built on the elements:

customer motivation; customer-firm interaction; and customer engagement. We

consider the final framework to be a suitable tool for airfare aggregators to apply in

order to facilitate value co-creation, and avoid value co-destruction, with millennials.

**Implications:** In order to co-create value with millennials, airfare aggregators should

consider: providing extrinsic motivators; creating a fast and simple customer-firm

interaction environment; applying co-production and co-development; and aligning

service expectations. Lastly, we encourage future research on the topic to strengthen

the generalizability of the findings.

**Key words:** Co-creation, co-destruction, value, airfare aggregators, millennials.

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# **Key definitions**

### Value

In their study, Rintamäki, Kuusela and Mitronen (2007, p. 623) define the concept of customer value as: "...interactive, between customer and offering, as well as relativistic between people and situations, preferential, and based on a holistic experience". Thus, assessing the distinct and personal dimension of customer value is essential for firms when building customer value proposition (Rintamäki et al., 2007). Scholars, Rintamäki et al. (2007) further dived value into the following self-explanatory categories: economic value; functional value; emotional value; and symbolic value. When further discussing value in the dissertation, we refer to this viewpoint of the concept.

### **Co-creation of value**

In recent years, the concept of value has evolved in the marketing academia. Value is now considered to be co-created and arise in use through reciprocal service experiences and resource integration between firms and customers (Vargo & Lusch, 2004a). In this value co-creating process, customer experience, relational interaction and knowledge sharing, are essential elements, ultimately resulting in the shared creation of value (Grönroos, 2008; Prahalad & Ramaswamy, 2004a; Prahalad & Ramaswamy, 2004b; Vargo & Lusch, 2004a). When further discussing co-creation in the dissertation, we refer to this definition of the concept.

# **Outline of dissertation**

The dissertation is divided into eight chapters, structured as follows:

- 1. The first chapter is the introduction. In this chapter, we present the topic under research and the motivations behind the dissertation. Furthermore, the problem statement is discussed and, finally, the research question is presented.
- 2. The second chapter is the literature review. In this chapter, we present and discuss existing co-creation literature. Subsequently, a theoretical framework, based on the theoretical elements essential for guiding the dissertation's purpose, is developed. In addition, the knowledge gap is illustrated.
- 3. The third chapter is the methodology. In this chapter, we present the methodological approach applied in the research. Furthermore, the method for data collection and analysis is described.
- 4. The fourth chapter is the case stories. In this chapter, we present the three case stories deriving from the empirical data collected.
- 5. The fifth chapter is the empirical framework. In this chapter, we present the empirical framework, summarizing the dominant ideas from the three case stories.
- 6. The sixth chapter is the analysis. In this chapter, we analyze the empirical findings in relation to co-creation theory.
- 7. The seventh chapter is the discussion. In this chapter, we briefly summarize and discuss the key ideas from the empirical framework. Furthermore, we discuss the theoretical framework. Moreover, we synthesize the empirical framework and the theoretical framework, and further discuss the synthesis in order to finally answer the research question.
- 8. The eighth and last chapter is the conclusion. In this chapter, we present the main conclusions drawn from the dissertation. Furthermore, the study's limitations are presented. Lastly, implications for industry as well as academia are outlined.

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# 1. Introduction

# Airfare aggregators

In the last 15 years, airfare aggregators have become increasingly popular services for air travel bookings (Peterson, 2017), an industry characterized by price sensitivity and low customer loyalty (Economist, 2012; Hughes, 2015). Instead of manually searching for airfares, or using travel agencies, airfare aggregators compile, reorganize and present flight price information from several online travel agencies in one place, and thus saving their customers time and money (Bramblett, 2018; Crislip, 2017; Peterson, 2017). Today, the competition has intensified with multiple renowned airfare aggregators available on the market (Garr, 2017). Additionally, Sara Hughes, co-founder of the online travel content distribution platform Fiz, argues that: "In today's climate of metasearch saturation, travelers want more. It's up to all of us in the travel industry to uncover our ears and listen" (Hughes, 2015).

#### Value co-creation

Today, services are becoming more and more intertwined. This, combined with the constantly increasing global competition, makes value-delivery more complicated than ever before (Hallikas, Immonen, Pynnönen & Mikkonen, 2014). Hence, considering the intensified competition on the market, airfare aggregators need to uncover novel sources of delivering value to ensure future competitiveness. However, the concept of value is changing in the marketing academia. Value is now considered to go beyond the mere exchange of goods and services and further arise in use through reciprocal service experiences and resource integration between firms and customers (Grönroos, 2008; Prahalad & Ramaswamy, 2004b; Vargo & Lusch, 2004a). Deriving from this viewpoint of value, customer-driven value co-creation has emerged as a hot concept within the marketing conversation, stressing the importance of customer engagement, interaction and relational participation in the

value-creating process (Vargo & Lusch, 2004a). Today, extensive research has been conducted on the topic of customer-driven value co-creation, however the topic has not yet been examined in the context of airfare aggregators.

# *Millennials – the future generation of travelers*

The millennial generation, also known as generation Y, is defined as people born between 1982 and 1999 (Lippincott, 2010). Today, millennials represent a quarter of the world's population and they are quickly becoming the world's largest generational group (Kultalahti & Viitala, 2014). Millennials are digital natives who tend to favor the use of direct online booking services (Palfrey & Gasser, 2008; Santos, Veiga & Águas, 2016). Furthermore, millennials are considered to be the first generation that has traveled frequently since early childhood, and they are further expected to become the largest segment of travelers by the year of 2020 (Santos et al., 2016). Thus, as millennials are the future dominant generation of travelers, they become especially interesting to study in relation to co-creation with airfare aggregators.

#### 1.1 Problem statement

The complexity in delivering value on the global market, combined with intensified competition, provides challenges for airfare aggregators, and implies a need to uncover novel sources of delivering value. In order to address these challenges, the concept of customer-driven value co-creation could provide interesting insights for airfare aggregators. Today, extensive research has been conducted on customer-driven value co-creation, however the topic has not yet been examined in the context of airfare aggregators. Furthermore, as the future dominant generation of travelers, millennials are especially interesting to study in the context. Therefore, a study of how airfare aggregators should co-create value together with millennials, may

provide important insights to how future competitiveness could be ensured. This leads us to the following research question:

How should airfare aggregators co-create value with millennials?

# 1.2 Purpose of dissertation

The purpose of this dissertation is to examine how airfare aggregators should cocreate value with millennials. In order to achieve this purpose, we aim at developing a final framework built on the essential elements that should be considered by airfare aggregators in order to establish and sustain co-creation with millennials. This framework will be built on a theoretical framework, developed based on a literature review of the co-creation concept, synthesized with an empirical framework deriving from empirical data regarding millennials' co-created experiences with airfare aggregators. The final framework is intended to provide implications for industry as well as academia.

#### 1.3 Delimitations

In order to develop the theoretical framework, we have reviewed existing co-creation literature. However, considering the wide scope of the conversation, the dissertation is limited to our choice of literature. We have aimed at reviewing literature as close as possible to our research question, however, we recognize that certain aspects of the conversation may have been disregarded. Furthermore, the empirical data collected is limited as the focus group discussions were conducted in English and the sample groups only consisted of Swedes. However, Swedes, although not native English speakers, generally have a high level of English proficiency. Furthermore, this choice of only including Swedes in the sample group, was based on convenience since the two authors of the dissertation are Swedes and thus have greater access to the Swedish community in Copenhagen.

# 2. Literature review

In this chapter, we present, and discuss, existing co-creation theory. Subsequently, the theoretical framework, based on the theoretical elements essential for guiding the dissertation's purpose, is outlined.

# 2.1 Argumentation

# 2.1.1 Service-dominant logic: a backward step or a necessary step?

In recent years, the service-dominant logic, (henceforth referred to as the S-D logic) advocated by Vargo and Lusch (2004a) is arguably the new perspective within the marketing literature which has gained most attention and approval among marketing academics in recent years (O'Shaughnessy & O'Shaughnessy, 2009). The S-D logic emphasizes service experience rather than the mere transaction of goods in the creation of value. Through relational interaction, value is determined in use, rather than in exchange, and thus co-created with the customers. (Vargo & Lusch, 2004a; Vargo, Maglio & Akaka, 2008). However, not all marketing scholars embrace this new marketing perspective. Two academics who openly criticize Vargo and Lusch's (2004a) position are O'Shaughnessy and O'Shaughnessy (2009). They characterize the S-D logic as regressive for the marketing literature and argue that paradigm is regressive as a single best perspective for marketing and that it is not suited for theory construction and theory development (O'Shaughnessy & O'Shaughnessy, 2009). In their article, "Service-dominant logic: a necessary step", Vargo and Lusch (2011) directly responds to O'Shaughnessy and O'Shaughnessy's (2009) criticism of the S-D logic. The authors argue that the arguments presented by O'Shaughnessy and O'Shaughnessy's (2009) are misleading and must therefore be addressed since scholars from all around the world have embraced the S-D logic and its potential to generate contributions to the conversation (Vargo & Lusch, 2011). Thus the paper is a critical analysis of the arguments presented by O'Shaughnessy and O'Shaughnessy (2009), where S-D logic forms the theoretical basis of the analysis. The findings show that the S-D logic is not regressive nor aiming at overthrowing all other marketing perspectives. Furthermore, Vargo and Lusch (2011) explain that theory advancement is essential within S-D logic, and that the perspective actually puts emphasize on theory development and theory construction.

In their critical analysis, Vargo and Lusch (2011) firmly disagree with O'Shaughnessy and O'Shaughnessy's (2009) position and state that the S-D logic is, indeed, a necessary step for the marketing literature. Firstly, they logically respond to the critique regarding S-D logic being regressive and intended to dismiss all other marketing perspectives. They argue that the only perspective that they have dismissed is the traditional goods dominant logic. As O'Shaughnessy and O'Shaughnessy (2009) fail to present contradictory evidence, this argumentation is considered to be fair. Furthermore, in their argumentation, they refer to their previous studies where they clearly emphasize the potential of integrating different marketing perspectives and logics together with S-D logic. (Vargo & Lusch, 2011). In the article "Why "Service"?" (Vargo & Lusch, 2008, p. 32) state: "...that "service," or more precisely the service-for-service foundation, of S-D logic provides a common lens for viewing and perhaps linking a host of theories and logics. Importantly, we do not claim that S-D logic is a theory itself but, rather, as indicated, a logic, perhaps one that can unite other logics and form the foundation and lexicon for a unified theory". Thus, they clearly state that S-D logic does not intend to dismiss all other marketing perspectives. In their response, Vargo and Lusch (2011) further blames much of the critique on careless review of the S-D logic literature, which may evidently be the case here. Careless review of the S-D literature is arguably even more evident when assessing O'Shaughnessy and O'Shaughnessy's (2009) argumentation for S-D logic being indifferent to theory development and construction. In their response, Vargo and Lusch (2011) present several studies where they highlight the importance of theory development and theory construction within S-D logic. However, the most notable evidence for O'Shaughnessy and O'Shaughnessy's (2009) failure in

reviewing relevant S-D literature is the countless marketing scholars from all around the world who have embraced and developed S-D logic in attempts to generate theoretical and practical contributions to the concept.

The S-D logic, as initially presented by Vargo & Lusch (2004a), marked a groundbreaking paradigm for the marketing literature. The evolution and prominence of S-D logic is evident when reviewing the modern marketing literature, and failure in reviewing the marketing literature is perhaps the strongest factor for dismissing O'Shaughnessy and O'Shaughnessy's (2009) arguments against the paradigm. This is evident when assessing the argument for S-D logic being intended as a singular perspective. In several studies, Vargo & Lusch clearly points out the potential of integrating different marketing perspectives and logics together with S-D logic. As academics, Vargo and Lusch do, on several occasions, advocate theory integration of the S-D logic, this argument can be dismissed. Furthermore, the ability of a theoretical concept to evolve within the conversation is essential for it to be embraced by scholars and gain further prominence within any science. This is clearly the case for S-D logic as several renowned academics have studied and developed S-D logic in attempts to generate theoretical and practical contributions to the concept. Examples of renowned academics that have embraced and built on the S-D logic include: David Ballantyne; Richard J. Varey; Adrian Payne; Kaj Storbacka; Pennie Frow; and Hannu Saarijärvi, to name a few. Moreover, in their presentation of service science, Spohrer, Maglio, Bailey and Gruhl (2007) considers S-D logic as the foundational theory within the service marketing discipline. Also, aforementioned, Vargo and Lusch (2011) clearly present several of their own studies where they highlight the importance of theory development and theory construction within the S-D logic. To conclude, when assessing the critique presented by O'Shaughnessy and O'Shaughnessy (2009), it is clear that their arguments are, in fact, misleading. This is especially evident when reviewing the vast amount of S-D literature, which they arguably failed to do. Perhaps the arguments presented by Vargo and Lusch (2011) was necessary as the paradigm had been so misinterpreted by two prominent scholars within the field. Now, the theoretical and practical possibilities with S-D logic are even more clear. This clarification might prove to be valuable for S-D logic in its pursuit to becoming the central paradigm within marketing science.

#### 2.1.2 Co-destruction

In their study, scholars Plé and Cáceres (2009) introduce the concept of codestruction, which they define as: "...an interactional process between service systems that results in a decline in at least one of the systems' well-being" (p. 341). The academics further explain that inappropriate or unexpected use of the available resources in an interaction will result in value co-destruction for at least one of the parties (Plé & Cáceres, 2009). Co-destruction can be divided into accidental misuse or intentional misuse. Not all customers engaging in co-creation are able to use their resources as the firm intended, simply because they are limited by their frame of reference. In these circumstances, when customers misuse the available resources, the misuse is considered to be accidental. Intentional misuse, on the other hand, occurs when: there is a preceding case of role conflict; when front-line service employees are regarded as service systems in themselves, rather than resources of the firm; there is intentional misuse of resources in the context of managing distribution channels; or, lastly, when service systems, in order to obtain more value for themselves, co-destroy value for the firm. Additionally, the scholars emphasize that the different service systems need to have harmonized expectations regarding the service experience, and further which resources to integrate in their given roles, in order for the interaction to be fruitful. Thus, if there are differences in the expectations, and further uncertainties in regards to resource integration, codestruction can emerge. (Plé & Cáceres, 2009). In conclusion, academics Plé and Cáceres (2009) advocate that before implementing a co-creation strategy, firms need to consider where, how, and to what extent co-destruction might occur.

Presenting the concept of co-destruction brings a new side of co-creation theory to the table, highlighting that value co-creation is not the only possible outcome in the interaction between service systems. We support Plé & Cáceres's (2009) findings and their recognition of different aspects of how customers and firms can co-destruct value. However, there is still a need for further investigation on the subject in order to add more variables and layers to the concept of co-destruction. For instance, academics Plé & Cáceres (2009) focus on the process of co-destruction and not the outcome that co-destruction generates. Thus, we argue that there is a lacking understanding of the effects of co-destruction and hence a need for development regarding this aspect of co-destruction theory.

The findings presented by Plé and Cáceres (2009) is supported by Järvia, Kähkönena and Torvinen (2018) who further develop their arguments by clarifying why codestruction emerges. They argue that co-destruction derives from: absence of information; insufficient level of trust; mistakes; inability to serve; inability to change; absence of clear expectations; and customer misbehavior or blaming. Moreover, Sugathana, Ranjanb and Mulkyc (2017) further support Plé and Cáceres's (2009) recognition of co-destruction. However, they are arguing that existing literature has neglected the outcome of co-destruction, and the emotions that codestruction are causing (Sugathana et al., 2017). Academics Sugathana et al. (2017) argue that there are two stages of consumer emotions in relations to co-destruction and that firms must be ready to manage those feelings. The first emotion stage includes immediate and spontaneous emotions, such as feelings of disappointment and sadness with failure (Sugathana et al., 2017). The second emotion stage includes emotions of attribution contingent (Sugathana et al., 2017). Managing each of the two stages requires different resources, commitments, and strategies from firms, and are of great importance in order to have some control over the effects following codestruction. Summarized, academics Plé and Cáceres (2009), Sugathana et al. (2017)

and Järvia et al. (2018) all present important ideas regarding co-destruction and hence contribute with new perspectives adding to the conversation.

#### 2.1.3 Co-innovation

Three perspectives of co-creation of innovation has been recognized in existing literature, namely: the technology-driven perspective (Russo-Spena & Mele, 2012); the customer-driven perspective (Howe, 2008); and the service-driven perspective (Vargo & Lusch, 2004a). Jointly, these three perspectives provide a conceptualization of co-innovation defined by Russo-Spena and Mele (2012) as: "a co-creation process within social and technological networks in which actors integrate their resources to create mutual value" (p. 5). Earlier research has recognized value co-creation as a process of multidirectional resource integration and multiple interactions. A notable example is Vargo and Lusch's (2004a) presentation of the 12 Co's of co-creation. However, academics Russo-Spena and Mele (2012) consider innovation as a process of co-creation from a practice-based view and thus draw our attention towards the multifaceted and complex nature of innovation activities. Based on the findings of Vargo and Lusch (2004a), Russo-Spena and Mele (2012) present the five "Co-s" model, which represent five of the 12 Co's relevant in regards to innovation in the online environment. The model represents different stages of the innovation process and in these different stages, interaction between the actors is considered to be essential in order to enable collaboration and resource integration. The five "Co-s" model consist of: coideation; co-evaluation; co-design; co-test; and co-launch. In order to successfully execute co-innovation, relevant actors, actions and resources, should be recognized for each of the five "Co-s". (Russo-Spena & Mele, 2012). Furthermore, scholars Russo-Spena and Mele (2012) emphasize the importance of the innovation process rather than the innovation outcome.

In their study, Russo-Spena and Mele (2012) put strong emphasis on the process of innovation. Although they argue that the innovation process is more important than the innovation outcome, there is still a need to understand the impact customers may have on the outcome. By assessing the potential outcome of customer involvement in co-innovation, firms can better define the appropriateness of engaging customers in either radical innovation or incremental innovation. This is essential as customers are arguably not appropriate sources of innovation in radical innovation (Gustafsson, Kristensson & Witell, 2012). Nevertheless, Russo-Spena and Mele (2012) provide a clear framework, with different stages, which can be applied in organizations who wish to co-innovate with their customers. However, it is important to consider that customers have different abilities and knowledge, which will impact the possibilities for co-innovation, something that has not been recognized by Russo-Spena and Mele (2012). Moreover, the complexity of a company's service can make customers more or less compatible for co-innovation. This factor has further not been considered by Russo-Spena and Mele (2012). However, even though we see potential to clarify and develop certain areas of Russo-Spena and Mele's (2012) five "Co-s" model, we still recognize the direction it provides for companies when pursuing co-innovation.

In accordance with Russo-Spena and Mele (2012), Thomke and Von Hippel (2002) also puts emphasize on the process of co-innovation. They argue that companies should stop to try to figuring out what customers want and instead put focus on supporting customers in the innovations process (Thomke & Von Hippel, 2002). Furthermore, Thomke and Von Hippel (2002) suggest that firms should provide customers with a user-friendly toolkit, enabling customers to create independently. In opposite to Russo-Spena and Mele (2012) and Thomke and Von Hippel (2002), Ulwick (2002) concludes that companies should focus on the features customers seek from the outcome of innovation rather than the mere innovation process. According to Ulwick (2002), when the desired outcome is the primary focus, innovation becomes a manageable and predictable process. Hence, adapting this strategy makes

the shortcomings regarding customers' compatibility to co-innovate manageable. Thus, we consider Ulwick's (2002) findings to complement the findings of Russo-Spena and Mele (2012) and Thomke and Von Hippel (2002).

To conclude, there is potential to clarify and develop certain areas of Russo-Spena and Mele's (2012) five "Co-s" model, however we still support their ideas and recognize the direction their model provides for companies pursuing co-innovation. We consider Thomke and Von Hippel's (2002) user-friendly toolkit as an important enabler for co-innovation. Furthermore, we consider Ulwick's (2002) findings to fill essential gaps of the five "Co-s" model.

## 2.1.4 Customers role in service delivery

The presence of customers in service production and delivery is a topic that has been discussed in management theory for decades. One scholar who contributed with early knowledge to the topic is Bowen (1986). Summarizing previous research, Bowen (1986) identifies three key issues that have been recognized in relation to customer presence in service organizations. The first issue is the fundamental question regarding if it is desirable or not to have the customers present in service production. The second issue regards if the service environment must be managed when the customer is present. Finally, the third and last issue concerns the fact that customers often are expected to be a part of the service production. (Bowen, 1986). After conducting research on these issues, Bowen (1986) concludes that it is desirable to have customers present when they substitute or complement the labor and information provided by employees. When involving customers, customer-firm interaction is considered to be essential. Furthermore, customer presence is desirable when the frontline employees possess beneficial information about customers. (Bowen, 1986). Concluding the study, Bowen (1986) argues that customers are coproducers of services and hence should be managed as employees. Thus service firms should provide their customers with motivation, ability to be co-producers, and role clarity.

The environment has changed a lot since Bowen's (1986) study, but there is still important substance to the conclusions presented, especially concerning the importance of customer-firm interactions. The concept of having the customers present in service production and delivery is still a hot topic, however today it has developed from co-production to a co-creation perspective. Since it has been over 30 years since Bowen's (1986) study was published, there are areas of his findings that needs to be complemented and also areas that need to be developed. For instance, one aspect is the fact that the Internet and digitalization has been given a central role in our society, affecting how and when customer-firm interaction will occur. Furthermore, in his study, Bowen (1986) only highlights the benefits of having customers present. Thus, another aspect that is not recognized in his findings is the potential risks of customer involvement, today known as co-destruction.

The importance of customer-firm interaction has been recognized by Ramaswamy (2009), Mele, Russo-Spena and Colurcio, (2010) and Zhang and Chen (2008). However, they all take the conversation further from the co-production perspective to co-creation, and highlight the importance of customer-firm interaction for value co-creation (Mele et al., 2010; Ramaswamy, 2009; Zhang & Chen, 2008). Scholars, Zhang and Chen (2008), similarly to Bowen (1986), conclude that firms seeking to involve customers in service delivery actively need to consider potential sources of customer-firm interaction. However, in contradiction to Bowen's (1986) findings, Ramaswamy (2009) argue that the employees should be put first and the customer second, putting emphasis on empowering employees. The outcome however is argued to be the same since the two scholars highlight customer-firm interaction as an enabler for generating knowledge and insights, which may lead to competitive advantages for the firm (Bowen, 1986; Ramaswamy, 2009). Furthermore, academics

Slywotzky and Morrison (2001) present insights for customer-firm interaction in the online environment that may complement Bowen's (1986) findings. In their study, Slywotzky and Morrison (2001) argue that customer-firm interaction will due to information exchange increase productivity, and hence save money. Furthermore, they argue that firms should communicate with their customers during the entire service process and also provide them with assistance since customers do not want to be independent (Slywotzky & Morrison, 2001).

### 2.1.5 Value creation through marketing interaction

The research paper conducted by Ballantyne and Varey (2006) is based on the S-D logic paradigm presented by Vargo and Lusch (2004a). In their study, scholars Ballantyne and Varey (2006) argue that the interaction aspect of the value-creating process is not given adequate attention within the S-D logic and hence that the paradigm needs to be extended by emphasizing marketing exchange through interaction. Thus, the authors aim to gain a deeper understanding of how value-inuse can be enhanced through marketing interaction. S-D-logic forms the basis of the analysis and furthermore three value-creating and exchange-enabling activities are employed. The exchange-enablers are: relating; communicating; and knowing, and they are later integrated into the S-D logic and generated into the S-D logic of exchange. The study finds that co-creation of value should revolve around relational interaction as interaction creates a new form of reciprocal service experience where value is created. To conclude, the authors state that interaction should lie in the heart of marketing theory. (Ballantyne & Varey, 2006).

The, S-D logic, as initially presented by Vargo & Lusch (2004a), marked a groundbreaking paradigm shift for the service marketing literature. However, the generality and breadth of S-D logic is evident as several aspects of the concept have been studied in depth and evolved since the concept was first introduced. One aspect of S-D logic that has been further studied in-depth is the interaction process. The

primary motivation for this lies in the close connection between interaction and cocreation of value. Customer-firm interaction is essential in the value creating process
as value-in-use is based on service experiences (Vargo & Lusch, 2004a). Therefore,
in order to co-create value, firms must gain knowledge of the customers' experiences
to better understand how value is perceived. Moreover, Ballantyne and Varey (2006)
argue that through marketing interaction activities, a second form of reciprocal
service experience is enabled and value is created. More specifically, interaction
through relating, communicating, and knowing, are essential activities in the valuecreating process (Ballantyne & Varey, 2006). Existing theory clearly emphasizes the
importance of relational customer-firm interaction in value co-creation, and
rightfully so. As the value of services is based on customers' experiences, it is
essential for firms to gain knowledge of how value-in-use is perceived in order to
enhance the value-creating process. Thus, interaction becomes essential in value cocreation as it is the fundamental enabler to gain this knowledge.

Extensive knowledge of how customer-firm interaction enhances the value creating process is crucial for understanding how value is successfully co-created between firms and customers. The importance of customer-firm interaction is highlighted, not only by Ballantyne and Varey (2006) and Vargo and Lusch (2004a; 2004b), but by several other researchers. Scholars Payne, Storbacka and Frow (2008) extend the S-D logic and the concept of value co-creation by analyzing the interactivity between the firm and the customers in the value creating process. They further underline the importance of interactivity through individual and contextual relationship experiences as well as reciprocal learning between the firm and the customers (Payne et al., 2008). In addition, Prahalad and Ramaswamy (2004b) argues that as value is based on experiences, interactivity between the firm and the customer becomes crucial in order to co-create unique experiences and thus revealing new sources of competitive advantage. Furthermore, Varey (2002) argues that too much focus has been put on marketing communication outcomes rather than the marketing

communication process, which is grounded in interaction. To conclude, with reference to the abovementioned scholars, we support Ballantyne & Varey's (2006) position highlighting the importance of marketing interaction and its implications for value co-creation.

#### 2.1.6 Customer motivation

Since the S-D logic, along with the concept of value co-creation, was first introduced by Vargo and Lusch (2004a), a great number of studies have been conducted on the subject. However, Bettiga, Lamberti and Noci (2014) recognize a lacking understanding of why customers engage in value co-creation. In their study, Bettiga et al. (2014) argue that ability is the fundamental component for customer engagement in co-creation. Furthermore, motivation is highlighted as a significant component to customers' willingness to engage in value co-creation. The authors put motivation in two building blocks: altruism; and social reputation. Altruism is argued to be the dominant motivator. (Bettiga et al., 2014). Furthermore, the findings of Bettiga et al. (2014) suggest that neither time or money spent, nor the mere opportunity to participate has any particular significance to the willingness of customers to engage in value co-creation.

We recognize ability and motivation as key elements for customers to engage in value co-creation. However, looking at the ability aspect, as well as the two building blocks of motivation presented by Bettiga et al. (2014), these categories may not be representable for all types of customers as some may be motivated by other factors, such as extrinsic motivators. Therefore, we argue that the framework should be complemented with additional motivators for customer engagement in value co-creation.

Authors, Fu and Lu (2017) present evidence stating that customers' willingness to engage in value co-creation is motivated by psychological ownership. This

contradicts the findings of Bettiga et al. (2014) which highlights ability, altruism and social reputation as the primary factors for customers to engage in value co-creation. In addition, academics Roberts, Hughes and Kertbo (2014) brings new perspectives to the motivation element by recognizing the following three fundamental motivators: individuals' motivations to innovate; motivations to contribute to community innovation activities; and motivations to collaborate directly with companies. In addition, Roberts et al. (2014) find that the following four motivators also appear to operate across the three fundamental motivators: fun/interesting; desire for a better product; passion; and recognition.

In summary, we fully recognize motivation as a key element for customers to engage in value co-creation. Of the reviewed literature, the research conducted by Bettiga et al. (2014) was one of the earliest published studies highlighting the motivational perspective of customer co-creation, which may explain the narrow consideration of potential motivators. Thus, we consider, the motivators presented by Fu and Lu (2017) and Roberts et al. (2014) to be suitable complements to Bettiga et al.'s (2014) framework. However, we consider their framework to be a good starting point, but we further acknowledge the importance of assessing additional motivators to represent all types of customers.

### 2.1.7 Customer engagement

As the value co-creation literature has emerged, Saarijärvi (2012) argues that the concept has become abstract and provides little practical implications for business managers. Especially, little research has been conducted regarding the strategic implications of different value co-creation mechanisms. In essence, value co-creation mechanisms are ways in which firms engage their customers to support the value co-creating process. For instance, value co-creation mechanisms could be customer engagement in: marketing; sales; production; and service development. (Saarijärvi, 2012). According to Saarijärvi (2012), assessing the strategic implications of

different value co-creation mechanisms is essential since not all companies benefit from the same mechanisms and some companies do not benefit from value co-creation at all. Therefore, Saarijärvi (2012) aims at investigating what effect different value co-creation mechanisms have on customer value proposition. In their study, value co-creation is first discussed and reviewed with focus on different value co-creation mechanisms. Furthermore, economic, functional, emotional and symbolic customer value propositions are reviewed, and thereafter applied as the central propositions in the analysis. The study finds that customer value proposition must be carefully assessed in order to find the perfectly fitting value co-creation mechanisms to integrate customer resources. This can be achieved by understanding whether the intended customer value proposition is based on delivering economic, functional, emotional or symbolic value, and subsequently evaluating which value co-creation mechanisms that best supports the delivery of that customer value proposition. If there's a fit, firms may successfully leverage customers in the value-creating process. (Saarijärvi, 2012).

Today, the conversation revolving value co-creation has truly become widespread within the marketing academia. As the literature is becoming more versatile, clear conceptualization of the different aspects of value co-creation is needed for practical implication of the concept. One essential aspect of value co-creation is the actual engagement of the customers. When engaging customers in value co-creation, there are numerous value co-creation mechanisms to consider and according to Saarijärvi (2012), firms must therefore carefully assess how they can benefit from these. This reasoning is considered to be fair as different firms operate within different business contexts and may therefore benefit from different value co-creation mechanisms. In his study, Saarijärvi (2012) further argues that not all firms benefit from value co-creation and that customers and firms are not always keen to co-create. However, when it comes to the mere experience of services or goods, where value is created in use, we argue that all companies benefit from value co-creation since customer,

voluntarily or not, co-create or co-destruct value. Conversely, when looking at co-creation from a collaborative perspective, Saarijärvi's (2012) arguments are strengthened since certain value co-creation mechanisms may be redundant in the value-creating process. In such cases, integration of customer resources may become a waste of time and resources for the firm.

The study conducted by Saarijärvi (2012) is interesting from a strategic perspective. When it comes to examining the implications of value co-creation mechanisms, it is clear that one mechanism does not fit all since all firms are different. Firms operate within different industries, business contexts and have different customer value propositions. Therefore, careful assessment of customer value propositions is essential before deciding upon which value co-creation mechanism that should be applied. When the aim is value creation, value should be the decisive factor. In this sense, we support the position of Saarijärvi (2012) and embrace his attempt to make value co-creation more practically applicable. Several studies within the marketing literature has pointed out that little is known about customer engagement in cocreation and that value co-creation theory therefore lacks practical implications for managers (Frow, Payne & Storbacka, 2010; Grönroos & Ravald, 2011; Payne et al., 2008; Saarijärvi, Kannan & Kuusela, 2013; Woodruff & Flint, 2006). For instance, Frow et al. (2010) urge researchers to focus on the identification of value co-creation mechanisms in detail since there is a lack of frameworks for understanding customer engagement in value co-creation processes. Furthermore, Grönroos and Ravald (2011) argue that a thorough assessment of customers' role in value-creating processes is needed when examining the practical implications of the value cocreation. To conclude, we support Saarijärvi's (2012) position and consider his study to be an important step into providing practical implications for value co-creation theory.

### 2.1.8 Value co-creation and organizational capabilities

Several studies within the marketing literature have extended the S-D concept by discussing managerial and practical implications for value co-creation (Payne et al., 2008; Ramaswamy & Gouillart, 2010b; Saarijärvi, 2012; Saarijärvi et al., 2013). However, few scholars have studied the organizational capabilities required to efficiently execute S-D logic in practice (Karpen, Bove & Lukas, 2012). Due to this knowledge gap, Karpen et al. (2012) argue that managers have limited guidance in how to efficiently implement S-D practices and value co-creation activities. Karpen et al. (2012) further argue that it is important for firms to align with their value partners to ensure value-creation. Therefore, the aim of their study is to link S-D logic with strategic business practice (Karpen et al., 2012). The research is based in S-D logic and focuses on value co-creation between firms and customers. The S-D logic is then connected with business strategy and conceptualized into the framework: S-D orientation. The study finds that in order to enhance resource integration and interaction, and thus facilitate value co-creation, firms need to consider six strategic capabilities which constitute the S-D orientation. The capabilities include: individuated interaction capability; relational interaction capability; ethical interaction capability; empowered interaction capability; developmental interaction capability; and concerted interaction capability. To conclude, firms should manage these capabilities, and their organizational setup, so that effective interaction and resource integration is enabled. (Karpen et al., 2012).

We consider that Karpen et al. (2012), fills a necessary knowledge gap when assessing the organizational capabilities that enhances value co-creation. In their study, Karpen et al. (2012) argue that the knowledge gap has resulted in limited guidance for managers regarding how to efficiently implement S-D practices. This argument is reasonable as not only the management of customer engagement is essential for efficient execution of value co-creation. Firms must also look internally at the organizational capabilities which may enhance this process. These two aspects

may be considered as intertwined since optimizing relevant capabilities is necessary for organizations to successfully manage customer engagement and thus enabling efficient resource integration in the co-creating process. However, it may be a waste of resources for firms to optimize all six capabilities as certain capabilities may be negligible as facilitators for certain value co-creation mechanisms. Therefore, in the context, one might emphasize the importance of assessing the fitting value co-creation mechanism (Saarijärvi, 2012) since different organizational capabilities may enhance different value co-creation mechanisms. In their study, however, Karpen et al. (2012) recognize the difficulty in optimizing all six capabilities simultaneously and urge for further research regarding how to prioritize between different capabilities under different circumstances. In essence, Karpen et al. (2012) argues that successful execution of value co-creation is about aligning firms with their value partners. Thus, evaluating how to manage and optimize the organizational capabilities enhancing this alignment adds important insights for firms seeking to co-create value with their customers.

The study conducted by Karpen et al. (2012) provides interesting insights to how S-D logic should be efficiently managed and implemented in practice. The presented S-D orientation provides a framework, which helps firms to assess the strategic capabilities necessary to facilitate value co-creation and further how they can optimize these capabilities. In the quest of co-creating value, it is essential for firms to examine internal capabilities which may enhance this process. Within the conversation, the importance of assessing organizational capabilities, as a central element of value-actualization in the co-creation process, is highlighted by Day and Moorman (2010). Furthermore, scholars Madhavaram and Hunt (2008) call for more extensive research regarding co-creation capabilities since they argue that it would benefit the marketing science by acknowledging customers as co-creators of value. In addition, the S-D orientation focuses on interaction-enhancing capabilities and hence adding to the knowledge of the interaction aspect, which is highlighted as a

fundamental aspect of value co-creation by several scholars (Ballantyne & Varey, 2006; Payne et al., 2008; Prahalad & Ramaswamy, 2004b). To conclude, we fully support the position of Karpen et al. (2012) and acknowledge their study as an important contribution to academia as well as adding important insights for practical implications.

#### 2.1.9 Co-creation in e-commerce

Scholar Zwass (2010) argue that the opportunities for customer-firm interactivity, enabled by the web, makes co-creation uniquely suited with e-commerce. Thus, enabling individuals to become significant and productive co-creators in e-commerce (Zwass, 2010). However, Zwass (2010) argues that previous studies of the topic have not attempted to integrate and contextualize co-creation theory together with other relevant disciplines, and thus failed to create a suitable and relevant framework for understanding co-creation within e-commerce. Furthermore, Zwass (2010) argues that e-commerce managers have expressed several issues in efficiently managing cocreation. Moreover, he argues that competitive advantage will be sought through cocreation and therefore e-commerce players must know how to successfully manage the process to ensure future competitiveness. Hence, the aim of his study is to develop and contextualize co-creation to better suit the e-commerce context. (Zwass, 2010). In his analysis, Zwass (2010) employs co-creation theory and elements from other relevant scientific fields, such as e-commerce and information systems, to finally develop a framework of web-based co-creation. The proposed framework consists of the following factors that e-commerce players need to consider when applying a co-creation strategy: performers of tasks; motivation to co-create; process governance; task characteristics; product aggregation; and economic value. To conclude, the framework intends to contribute to the development of co-creation theory and new approaches to co-creating value. (Zwass, 2010).

In his study, Zwass (2010) propose a co-creation framework contextualized to suit the e-commerce industry. He argues that the web provides unique opportunities for customer co-creation, mainly related to enhanced possibilities for customer-firm interactivity. Therefore, an examination of co-creation in e-commerce context becomes especially interesting. (Zwass, 2010). The fact that the web provides prodigious possibilities for customer-firm interaction is indisputable, and as interaction is a fundamental element of co-creation, an examination of co-creation within the e-commerce landscape becomes interesting for the conversation. Furthermore, Zwass (2010) argues that there is a knowledge gap regarding the understanding of co-creation within e-commerce and calls for integration of cocreation theory with other relevant concepts. Moreover, he argues that e-commerce managers have experienced several issues when managing co-creation and that this lacking knowledge becomes problematic for e-commerce players as competitive advantage will be sought through co-creation. Hence, his attempt to contextualize co-creation to suit the e-commerce context becomes interesting from both a theoretical and a practical viewpoint.

With his proposed framework, Zwass (2010) provides several interesting insights regarding value co-creation in the web landscape. The fact that the web provides unique opportunities for customer-driven co-creation is supported by Paredes, Barrutia and Echebarria (2014). In accordance with Zwass (2010), they argue that the study of co-creation in the e-commerce context is interesting as the internet has provided a platform where customers can easily interact and engage with firms and thus enabling co-creation of value. Moreover, Zwass (2010) argues that co-creation in the e-commerce context have not been studied enough. This is also supported by Paredes et al. (2014), who similarly argue that value co-creation in e-commerce has not been discussed enough, which is surprising as e-commerce is highly interactional. In addition, Gummerus (2010) state that research on value co-creation in e-commerce is rare, further supporting the position of Zwass (2010). In

conclusion, with reference to the abovementioned scholars, we believe that Zwass's (2010) contextualization of co-creation in e-commerce adds important insights to the conversation and we therefore support his position.

#### 2.1.10 Co-creation in the online environment

The authors Zhang, Lu, Torres, and Chen (2018) present a study seeking deeper understanding of the elements affecting customer co-creation and co-destruction in the online environment. Presenting their results, Zhang et al. (2018) claim that online engagement can be divided into four elements: people; organization; technology; and service design. The scholars argue that positive engagement online has a spillover-effect leading to value co-creation. Moreover, they highlight the features: responsiveness; empathy; speed; and quality, as essential for stimulating co-creation. (Zhang et al., 2018). Furthermore, Zhang et al. (2018), recognize co-destruction in cases of process failure, bad design, and consumer-driven technology failure. These potential failures in service delivery have proven to cause dissatisfaction, and may ultimately lead to co-destruction. (Zhang et al., 2018).

We recognize Zhang et al.'s (2018) contribution to the conversation as they acknowledge different perspectives of customer-driven co-creation in the online environment. Furthermore, as customer presence in the online environment is rapidly growing, Zhang et al.'s (2018) provides valuable insights to the rapidly growing industry. Moreover, we support the study's recognition of both the co-creation and the co-destruction perspective. Assessing both negative and positive spill-overs from customer engagement arguably strengthens their findings.

Several academics have argued for the significance of co-creation research within the online environment. For instance, Zwass (2010), Paredes et al. (2014) and Gummerus (2010) argue that co-creation in the e-commerce context is a rare topic that has not been discussed enough within the marketing literature. Furthermore,

Zhang et al.'s (2018) consideration of the co-destruction aspect is supported in existing co-creation literature by Järvia et al. (2018) and Plé and Cáceres (2009). With reference to these scholars we support Zhang et al.'s (2018) contribution to the marketing conversation. Furthermore, assessing the actual findings presented by Zhang et al. (2018), certain aspects of their findings align with Fu and Lu's (2017) ideas. Both studies find that online behavior is formed by customer engagement. Scholars Fu and Lu (2017) however presents additional insights regarding customer engagement in the online environment. In essence, Fu and Lu (2017) argues that customer engagement is built on psychological ownership, and that customers feeling high psychological ownership towards services show higher levels of engagement. The deeper understanding of the engagement aspect, presented by Fu and Lu (2017), adds valuable add-ons to Zhang et al.'s (2018) findings. In conclusion, Zhang et al.'s (2018) framework together with Fu and Lu's (2017) ideas offers important and novel theoretical insights that may successfully assist us in the quest of answering our research question.

#### 2.2 Position

In the following section, we will present our position regarding the central theoretical themes reviewed. Subsequently, a theoretical framework, integrating four dominant elements relevant for the research context, will be outlined. These elements were chosen after careful review of the literature as they all fit to the purpose of the dissertation. The purpose of this dissertation is to examine how online airfare aggregators should co-create value with millennials. Thus, the research context for the theoretical framework is the online environment, and value co-creation is the central dominant element. Within the conversation, innovation is often considered as a fundamental element of value co-creation. Hence, co-innovation is emphasized as an important aspect to the value co-creation element. Furthermore, in the theoretical framework, value co-creation functions as the central element, driven by the

following three elements: customer motivation; customer engagement; and customer-firm interaction. The customer motivation element is highlighted in the framework, since it is a prerequisite for value co-creation process. Moreover, the customer engagement element is emphasized in the theoretical framework, since it underlines value co-creation mechanisms. Lastly, the customer-firm interaction element is highlighted, since the interaction lies in the heart of value co-creation.

### 2.2.1 Online environment

As we are examining customer-driven value co-creation for online airfare aggregators, the research context of our study is the online environment. Thus, the online environment forms the frame of the theoretical framework.

Recent co-creation literature elaborates on customer engagement within the online environment. Academics argue that new possibilities for customer-firm interactivity, enabled by the web, provide both opportunities and risks for firms applying a co-creation strategy. In essence, customer engagement in the online environment may lead to both co-creation and co-destruction. Therefore, with reference to the research question, the overall frame of the proposed framework is the online environment.

#### 2.2.2 Value co-creation

The S-D logic presents a new viewpoint on how value is created in economic exchange. In the S-D logic, value-creation is considered as "...the core purpose and central process of economic exchange" (Vargo et al., 2008, p. 145). Since the S-D logic was first introduced, several academics have developed the paradigm, proving its wide acceptance within the marketing literature. With reference to the academic prominence of S-D logic, we strongly support the paradigm and its viewpoint on value-creation. Furthermore, theory development and concept integration is considered to be essential for S-D logic and thus we feel empowered to integrate different theoretical perspectives of the literature into the theoretical framework.

One form of value co-creation fitted within the online environment is co-innovation. In the reviewed literature, co-innovation is presented as a collaborative engagement process where resource integration creates mutual value in form of new innovative ideas. Thus, discovering co-innovation possibilities is considered to be essential for value co-creation in the online environment.

# 2.2.3 Customer motivation

In the reviewed literature, customer motivation is highlighted as a fundamental element for customers' willingness to engage in co-creation. Assessing the drivers of customer motivation is important to ensure customer engagement and ultimately co-creation. Therefore, the motivation element is an essential element in the proposed theoretical framework.

#### 2.2.4 Customer-firm interaction

Interactivity is the fundamental activity necessary for facilitating customer engagement in value co-creation. Thus, customer-firm interaction is highlighted by several academics in the value co-creation literature. Customer-firm interaction impregnates the whole value co-creation process, and it is therefore included as a dominant element in the theoretical framework.

### 2.2.5 Customer engagement

Today, co-creation has become a fairly broad concept with several potential value co-creation mechanisms for firms to apply. Firms must therefore carefully assess which value co-creation mechanism that best supports the delivery of the firm's customer value proposition, in order to avoid poor resource allocation. When the aim is value creation, value should be the decisive factor. Therefore, grounding the decision, of which value co-creation mechanism to apply, on customer value

proposition is therefore considered to be essential. Assessing appropriate value cocreation mechanisms provides important insights to the value co-creation process, and is therefore a key element in the theoretical framework.

#### 2.3 Theoretical framework

After having reviewed the literature, it has become clear that customer motivation, customer-firm interaction and customer engagement are the three essential elements necessary for firms to assess in order to facilitate value co-creation within the online environment. Together these elements are integrated and form the proposed theoretical framework. The purpose of this dissertation is to examine how airfare aggregators should co-create value with millennials, and thus the theoretical framework will provide guidance in our inductive research approach by developing our understanding of the topic under research.

In the figure below, we have visualized the elements applied in the theoretical framework and how they are integrated in the research context.

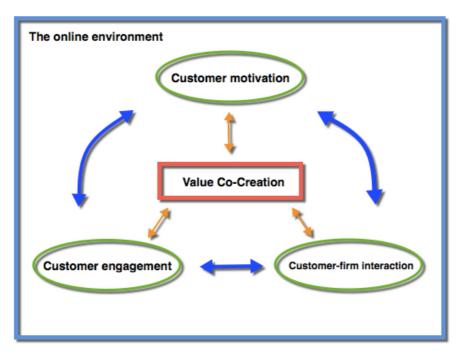


Figure 1: Theoretical framework

# 2.4 Knowledge gap

To illustrate the knowledge gap, we have drawn a literature mapping diagram. In the diagram, we have mapped the reviewed literature upon the three central concepts represented in the research question: value; airfare aggregators; and millennials. Within the reviewed literature, not a single study examines airfare aggregators nor millennials. Thus, the chart shows the clear knowledge gap regarding millennials' engagement in value co-creation with airfare aggregators. Considering the clear knowledge gap, we aim to enrichen the conversation by adding novel insights intended for airfare aggregator's value co-creation with millennials. Furthermore, in the reviewed literature, the three elements in the theoretical framework: customer motivation; customer engagement; and customer-firm interaction, have not been examined concurrently. Hence, our study aims at providing both theoretical implications as well as practical implications.

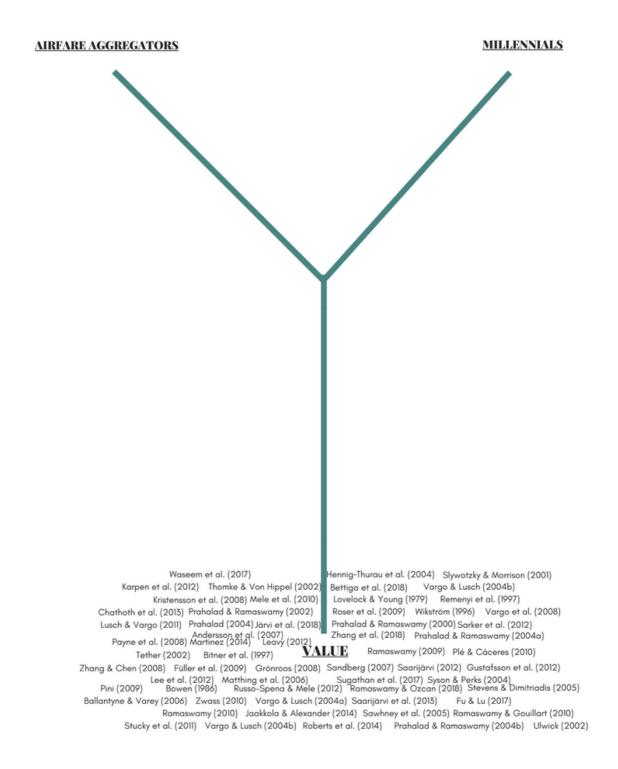


Figure 2: Literature mapping diagram

# 3. Methodology

In this chapter, the research approach, as well as the choices of methodology for collecting and analyzing the empirical data, will be outlined.

#### 3.1 Philosophy of science

When conducting scientific research, one must outline the fundamental scientific perspective, explaining how the researcher view the world in regards to composition of knowledge and the relationship between theory and research (Bryman & Bell, 2011; Hudson & Ozanne, 1988). The ontological stance explains the nature of reality and social beings and hence the way in which the world is being viewed. The ontological stance is furthermore most frequently distinguished between constructionism and objectivism. (Hudson & Ozanne, 1988). In this dissertation, the ontological stance is in line with constructionism. Academics Bryman and Bell (2011) argue that constructionists view the world as socially constructed by the actors in it. Furthermore, Bryman and Bell (2011) argue that social phenomena and meanings are constructed in the interactions among individuals. Moreover, scholars Hudson and Ozanne (1988) emphasis that from a constructionist view, numerous realities exist, which are in constant change based on individual perceptions.

The epistemological stance explains in which way knowledge is understood and viewed. The epistemological stance is furthermore most frequently distinguished between interpretivism and positivism. (Bryman & Bell, 2011). The epistemological stance taken in this dissertation is in line with interpretivism. Interpretivism is developed from a social science approach and stresses that subjective meanings and differentiations of individuals must be considered when understanding the human behavior (Bryman & Bell, 2011). Furthermore, interpretivism search to explain

subjective experiences from a position of objects, meanings and motives in regards to context and time (Hudson & Ozanne, 1988).

There are two approaches frequently considered in regards to the relationship between research and theory, the deductive approach and the inductive approach (Bryman & Bell, 2011). In this study, an inductive approach is applied. Authors Bryman and Bell (2011) state that the inductive approach suggests that the researcher construct new theory from collected empirical data. Moreover, an inductive approach is most often in line with the interpretivist perspective (Bryman & Bell, 2011).

## 3.2 Research strategy

This dissertation is a grounded theory inspired case study. Grounded theory is an appropriate approach when processing data of qualitative and inductive character (Charmaz, 2006). Additionally, the goal with grounded theory is to construct theory form collected empirical data. When conducting research in accordance with grounded theory there are systematic guidelines for gathering, synthesizing, analyzing and conceptualizing qualitative data. Furthermore, the grounded theory approach can help the researchers to explain and predict a behavior. (Charmaz, 2006). Moreover, grounded theory differs from other qualitative research methods where empirical data is usually used for justification or as evidence to define already existing theory. Grounded theory, on the other hand is applied in a wider sense, where empirical data is used to picture a reality. The choice for applying grounded theory as research method is connected to the acknowledgement of empirical data to communicate and further guide the researcher through the process. (Strauss & Corbin, 1998).

### 3.3 Research design

There are several ways in which social science research can be conducted, such as surveys, experiments and case studies, to name a few (Yin, 1989). In this thesis, the research will be based on an empirical case study. Scholar Yin (1989) argues that the case study approach is suitable to apply in order to answer a *why* or *how* question. The research question that will be answered in this thesis is of a how-character, which makes the case study approach appropriate. Moreover, academics Jerolmack and Shamus (2014) argue that there are three ways for social science researchers to seek understanding of the human behavior: by observing the process; studying written or recorded material of people; and by asking questions and paying attention to their answers. All three may be achieved by applying the case study approach. Additionally, Bryman and Bell (2011) stress that the case study approach should be connected to the purpose of the study. Therefore, in line with these recommendations, the chosen methodological approach of the dissertation is a single empirical case study, inspired by grounded theory principles.

#### 3.4 Data collection

## 3.4.1 Character of focus groups

Focus groups where conduced in order to collect the empirical data. The benefits of conducting focus group discussions lie within the interaction that occurs between the participants, which enable the researcher to see "behind the conversation" (Eriksson & Kovalainen, 2008; Fern, 2001). Furthermore, focus groups allow the researcher to study body language, emotions, conflicts, tensions and silences (Eriksson & Kovalainen, 2008). Therefore, all focus group discussions were videotaped, allowing the researchers to go back and review the sessions. Furthermore, when conducting focus group discussions, the researcher need to remember that the data collected may be affected by social pressures and social norms (Grudens-Schuck, Lundy & Larson, 2004). Moreover, focus groups

can empower participants when an environment is created allowing collaborative interactions. Thus, if the focus group is successful, the participants may collectively develop and explore the subject (Eriksson & Kovalainen, 2008; Fern, 2001).

#### 3.4.2. Facilitator

During the focus group sessions, one of the researchers acted as facilitator while the other researcher acted as observing facilitator. According to Eriksson and Kovalainen (2008) alikeness between facilitator and respondents enables trust. Thus, the choice to use the researchers as facilitators was made based the researchers' alikeness with the participants, all being Swedish millennials.

#### 3.4.3 Interview guide

An interview guide, consisting of six explorative questions of open character, was designed. In addition, some supporting questions were outlined in order to help the facilitators to keep the discussion going and create depth (Appendix 2).

#### 3.4.5. Amount of conducted sessions

Academics Eriksson and Kovalainen (2008) argue that one focus group may be satisfactory for a research purpose. However, two focus groups are usually argued to be the minimum. Additional focus groups can be conducted if the researcher seek to access more depth and obtain varied empirical data. (Eriksson & Kovalainen, 2008). For the study, three focus groups were conducted in order to create depth and variety to the empirical data.

#### 3.4.6 Purposive sampling

In the selection of participants for the focus groups, a purposive non-probability sample was applied. Scholars Etikan, Musa and Alkassim (2016) argue that a non-

probability sample often is used since it is less costly than a probability sample and can be applied more quickly. Furthermore, Etikan et al. (2016) highlight the importance of taking the type, nature and purpose of the study into consideration when choosing which non-probability sample method to apply. For purposive samples, researchers should select participants based on the purpose of the study and how well the researcher think that the participants can contribute to the study based on their set of knowledge and experiences. (Etikan et al., 2016). Thus, the participants were selected based on the following characteristics: Swedish; millennials; frequent travelers; and prior experience with airfare aggregators. In order to find participants meeting these characteristics, a questionnaire was published in the Facebook group: "Svenskar i Köpenhamn", a community of Swedish people living in Copenhagen. Lastly, Etikan et al. (2016) argue that a purposive sample cannot be applied in a quantitative study and thus the method goes in line with the qualitative nature of the study.

#### 3.4.7 Size of group

Academics Eriksson and Kovalainen (2008) argue that the suitable number of participants for focus groups is somewhere between two to ten participants. Furthermore, Eriksson and Kovalainen (2008) state that between six and eight is an appropriate number of participants in order for the facilitator to manage the group and at the same time enable interactions among the group members. In line with Eriksson and Kovalainens' (2008) recommendations, all three focus groups consisted of seven participants.

#### 3.4.8 Contextual alignment

The element of the participants' familiarity with each other is something that needs to be taken into consideration when conducting focus groups. It is either appropriate to conduct focus groups of people that know each other, or focus groups of complete strangers. (Eriksson & Kovalainen, 2008). Familiarity among

the participants can according to Eriksson and Kovalainen (2008) create sense of comfort. Furthermore, considering our sample of frequent traveling Swedish millennials living in Copenhagen, the possibility to create three groups with complete stranger was limited. Therefore, the focus groups were constructed so that everyone knew someone else in the group beforehand. This approach further gave the participants similar conditions going into the focus group discussions. In addition, we formed the three different groups based on common features of the participants. This, according to Eriksson and Kovalainen (2008), can make the discussions run more smoothly. Also, combining participants with different backgrounds may negatively affect the discussion (Eriksson & Kovalainen, 2008).

#### 3.4.9 Ethical considerations

The ethical considerations of the method have two dimensions. Firstly, that the empirical data is collected in ethical way and secondly that the collected data is handled in an appropriate way. (Blumberg, Cooper and Schindler, 2008). Both dimensions need to be taken into consideration when conducting a research study and hence it is important that the participants are fully informed what the data will be used for (Eriksson & Kovalainen, 2008; Blumberg et al., 2008). Furthermore, if the focus groups are videotaped, or recorded, the participants need to give their consent. Moreover, the participants should be informed about their right to anonymity. (Eriksson & Kovalainen, 2008). Therefore, prior to conducting the focus groups, all participants signed a letter of consent (Appendix 1).

# 3.5 Transcription

The three conducted focus group discussions were transcribed according to a verbatim approach (Appendix 3). When using a verbatim transcription approach

the written words are a precise reproduction of the audio recorded material (Poland, 1995).

#### 3.6 Coding

When all the three focus group discussions had been transcribed, the empirical data was coded in line with the grounded theory approach suggested by Strauss and Corbin (1998). Coding is when the data is processed in parts in order to make it possible to transform the empirical data into theory (Strauss & Corbin, 1998). Scholars Strauss and Corbin (1998) argue that the coding should be completed in the following three steps: open coding; axial coding; and selective coding. The three steps will further be described below.

#### 3.6.1 Open Coding

In the first step of the coding process, open coding was applied. When applying open coding, short sentences or words should be coded (Strauss & Corbin, 1998). The open coding was conducted based on ideas, not concepts. This approach was taken in order to make it possible to finally transform the empirical data into theory, and not just label the data with already existing theoretical concepts. Furthermore, the coding was initially made separately between the researchers to decrease biases. The researchers' different versions of coding were later compared and compiled to form one completed group of open codes for each focus group. This constituted the foundation for next step of the coding process.

#### 3.6.2 Axial Coding

The second step of the coding process is axial coding. In the axial coding step, open codes are categorized and academics Strauss and Corbin (1998) stress that no new information about the codes should emerge. Hence, in this step, similar codes form the open coding were grouped together into categories, which

subsequently were labeled based on the content of the codes. However, scholars Strauss and Corbin (1998) stress that identified categories may be influenced by the interpretive lens of the researchers. Thus, the risk of such biases is something that needs to be taken into consideration by the researchers.

#### 3.6.3 Selective coding

The third and final step of the coding process, proposed by Strauss and Corbin (1998), is selective coding. In this step the categories from the axial coding process are merged into themes, which indicate how the categories are related to each other and tell their stories (Strauss & Corbin, 1998). In accordance with selective coding, we combined the categories identified into two higher-level themes. The higher-level themes further formed the foundation of the empirical framework. To illustrate the three-step coding process, we have constructed three coding trees based on the focus group discussions (Appendix 4).

## 3.7 Reliability and validity

Reliability and validity are two common measurements to assure the quality of a study. When conducting academic research, it is the responsibility of the researcher to assess the validity and reliability of the study (Bryman & Bell, 2011). Validity measures the quality and integrity of the conclusions generated from a research (Bryman & Bell, 2011). Reliability concerns how repeatable the study is (Bryman & Bell, 2011). Furthermore, in regards to reliability, scholars Bryman and Bell (2011) argue that a single case study is not generalizable for all cases. However, they argue that a case study can be used to find commons grounds for cases of similar character, suggesting that the strength of a case study is particularization rather than generalization (Bryman & Bell, 2011).

## 4. Case stories

In this chapter, we present the case stories for the three focus group discussions. Each case story is presented as a standalone story, but they all follow the same structure. The case stories are hierarchically built on the higher-level themes deriving from the selective coding. Within each higher-level theme, the categories, which form the theme, are presented. Each category is further described by the specific codes building the category. The codes, identified in the empirical data, ultimately tell the case stories.

#### 4.1 Case story 1

#### 4.1.1 Customer-firm alignment

The nature of customer-firm alignment is identified throughout the case, and hence forms the first higher-level theme. From the empirical data, simplicity in contact is highlighted as a significant dimension for young people to align. Furthermore, reasons to why young people align are underlined.

#### Easy to align

Looking at the empirical data, it is evident that young people think that it is not easy to come in contact with airfare aggregators and that it should be easier to come in contact with them. As one interviewee puts it: "...I find it trickier to come in contact with these types of services. There's no like customer service phone number that is easily accessible. So maybe like a chat function or something would be something that could improve the experience." (Appendix 3.1, p. 96, §10). The same interviewee continues: "...if you click on customer service, there is like 500 redirections before I get to some sort of phone number." (Appendix 3.1, p. 104, §120). Another interviewee concurs as follows: "I think William had a good point with like being able to access contact information to get in contact with them. Maybe some kind of chat thing is much more in time" (Appendix 3.1, p. 97, §25). A third

interviewee further elaborates on the importance of simplicity in contact. The interviewee more specifically says: "...having a personal contact or just a phone number that you can call also makes it easier to trust the company and service that they offer." (Appendix 3.1, p. 97, §30).

#### Why young people align

When looking at reasons to why young people align with airfare aggregators, all the interviewees clearly express that getting something back is the most prominent reasons for aligning with such services (Appendix 3.1). One interviewee puts it as follows: "...the first thing that comes to mind is would they give me some kind of discount for helping them out?" (Appendix 3.1, p. 102, §85). The interviewee continues: "I would need some kind of economic incentive or some kind of discount or something like that." (Appendix 3.1, p. 102, §88). Furthermore, several interviewees highlight speed and simplicity as important factors to align with airfare aggregators (Appendix 3.1). As one interviewee puts it: "If it would be a quick thing on the website, like can you give us one idea on how to improve our site type 10 letters, then I would be more inclined to do it" (Appendix 3.1, p. 103, §106).

Furthermore, several interviewees emphasize connection to a service as a reasons for aligning. One interviewee says: "...it would also be if I know that I will use the service again in the future like Momondo then I would say yes because that the one I usually use when I travel but if it were to be another service then I would probably say no. So it also depends on which company that is asking." (Appendix 3.1, p. 103, §105). Another interviewee continues: "...you're not a customer with Momondo, you don't have a relationship like you said, because for example with your bank, maybe you would be willing to collaborate with them somehow regardless of the compensation or not. But Momondo is not the something because I'm actually a customer with SAS or whatever." (Appendix 3.1, p. 102, §89). Moreover, getting something back seems to be more important when engaging with services you feel

less connected to. As one interview puts it: "I guess that's also a question about what type of compensation do I get for involving with a company I have no other attachment with. I think that's the thing." (Appendix 3.1, p. 102, §83). Another interviewee concurs as follows: "It's a lot different from other services I have connection to. So with these aggregators it's for me at least, no connection so I would need some sort of incentive." (Appendix 3.1, p. 103, §104).

However, in cases of bad service experience, the interviewees seemed more inclined to give feedback so that the service can improve. In cases of bad service experience, getting something was not mentioned as a motivational factor (Appendix 3.1). One interviewee elaborates: "I guess if I would have a bad experience from one of these sites I guess I would be interested in engaging to speak my mind to say that this actually doesn't work or if I'm treated badly or given the wrong information or something like that, I would like to give them feedback." (Appendix 3.1, p. 98, §40). Another interviewee agrees and continues: "I agree. That's the only time you actually give them feedback." (Appendix 3.1, p. 98, §41). Lastly, one interviewee in the focus group considered personal and professional development as a motivational factor for engaging with airfare aggregators (Appendix 3.1, p. 102, §96).

#### 4.1.2 Technology use habits

Technology use habits is the second higher-level theme deriving from the empirical data. The significant dimensions to young peoples' technology use habits in this case are: why young people use it; how young people use it; and lastly, why young people do not complete bookings.

#### Why young people use the technology

When assessing the empirical data, it seems evident that price and time are the primary reasons why young people use airfare aggregators. One interviewee puts it as follows: "I also think that being a student, at least I don't have that much money

to spend yet since I don't have a job really. So, then the price is basically everything I'm looking for." (Appendix 3.1, p. 99, §57). This is confirmed by all interviewees (Appendix 3.1). Moreover, in the quest for finding the right price, convenience and speed is also highlighted. As one interviewee puts it: "For me it's mostly about price. So, as long as it's easy to find." (Appendix 3.1, p. 96, §10). Another interviewee follows: "...the price is like the main thing, that it's easy to find." (Appendix 3.1, p. 96, §13). Additionally, saving time is highlighted in another aspect, i.e. accessibility of airlines in new regions. One interviewee says: "...it's also about accessibility. Because if you're travelling long distance you might not be familiar with the airlines in that region. So it could be nice if you're travelling within a country that you're not that familiar with, then they know the airlines that you have as options." (Appendix 3.1, p. 97, §20).

#### How young people use the technology

When it comes to how young people use airfare aggregators, it seems to vary from booking to booking. Most interviewees state that they use airfare aggregators, but for most interviewees the service is primarily used to benchmark prices to airlines they usually use (Appendix 3.1). For instance, one interviewee says: "Me I just look up the price, but then I actually go to SAS website or Norwegian or so on and actually book the ticket. If you guys are like me?" (Appendix 3.1, p. 100, §61). Another interviewee follows: "Yeah, definitely, I only use it for benchmarking." (Appendix 3.1, p. 100, §62). The price factor is further evident as one interviewee state: "...but I would check them both. First check Momondo and then see where I get directed and then also check that airlines website. Because maybe somewhere in the algorithm there's a price difference and I want to check out which one is the cheapest. So that's the solution I use when I use these services." (Appendix 3.1, p. 101, §80). In addition, accessibility is mentioned, within this category. One interviewee explains the use habit as follows: "...I also regularly book through

Momondo so I click at it and get directed to a site and book the ticket there. If it's like a random airline, like not SAS or Norwegian." (Appendix 3.1, p. 101, §81).

## Why young people do not complete bookings

From the data, several factors to why young people are reluctant to complete bookings through airfare aggregators can be derived. The price consciousness is highlighted as young people seem to be reluctant to pay a markup to airfare aggregators for their service. When asked why they do not complete the booking through airfare aggregators, one interviewee answers: "I think it's because you don't trust that they don't make a markup somehow." (Appendix 3.1, p. 100, §65). Another interviewee follows: "I see no reason to pay them when I can directly to the airline." (Appendix 3.1, p. X, §100). Another factor to why young people avoid to complete bookings seems to be the fact that they want to cut the intermediary. One interviewee simply puts it as follows: "I think you just want to cut the intermediary." (Appendix 3.1, p. 101, §72). Another interviewee elaborates more thoroughly: "...if you are at the airport. And there's something wrong with your ticket, it's difficult to call Momondo but you can always go to the SAS desk at the airport. So in that sense it's much more convenient to skip the intermediaries." (Appendix 3.1, p. 100, §70).

## 4.2 Case story 2

## 4.2.1 Customer-firm alignment

As for to the first case, the nature of customer-firm alignment is identified throughout the second case, and hence it forms the first higher-level theme. From the empirical data, simplicity in contact is highlighted as a significant dimension for young people to align. Furthermore, reasons to why young people align are underlined.

#### Easy to align

For the second case, it is clear that young people think that it should be easy to come in contact with airfare aggregators. When asked if the group wanted more ways to interact with airfare aggregators, one interviewee answered: "More simple ways." (Appendix 3.2, p. 118, §91). Another interviewee concurs as follows: "...I like the idea of knowing that it's easy to reach them." (Appendix 3.2, p. 118, §92). Furthermore, young people wish for simplicity in contact seems to be related to trust and safety. One interviewee puts it as follows: "I think a possibility to chat would increase their trustworthiness." (Appendix 3.2, p. 118, §86). Another interviewee continues: "...I see your point that by just knowing that there is a chat would make you feel more safe" (Appendix 3.2, p. 118, §88). A third interviewee agrees: "Yeah exactly you just want to feel safe, just in case if there would be a problem." (Appendix 3.2, p. 118, §94).

#### Why young people align

Looking at why young people align with airfare aggregators, all respondents express that they would be open to engage as long as they get something back (Appendix 3.2). One interviewee says: "I would do it, but of course their need to be some kind of reward." (Appendix 3.2, p. 116, §71). A second interviewee agrees as follows: "...if I couldn't get anything out of it, I wouldn't do it." (Appendix 3.2, p. 116, §66). In addition to getting something back, speed is highlighted as an important factor to why young people engage with airfare aggregators. One interviewee elaborates: "It depends on how much effort you have to put in, if it just like three question and its easy and you could win a trip, I would be like yeah." (Appendix 3.2, p. 115, §57).

Furthermore, in the case, several interviewees highlight connection as a reason for aligning. As one interviewee puts it: "I may consider it if it was like some kind of contest to win a ticket. But since I am not such an active user, I would probably not engage on the website." (Appendix 3.2, p. 115, §54). Another interviewee continues:

"I would be more willing to answer a survey sent to me by SAS than if Momondo sent me a survey. I would feel more loyal to SAS. Even if a booked my ticket through Momondo, SAS is the company actually doing the flight." (Appendix 3.2, p. 115, §55). Additionally, when looking at the interviewees stance on community alignment, getting something back, again, seems to be the primary motive. Several participants the group expressed that they are open to creating accounts and profiles if they got something back for it or a better service experience (Appendix 3.2). One interviewee elaborates: "I think I could do it if I could collect credits..." (Appendix 3.2, p. 120, §114). Another interviewee agrees and also fills in by adding the enhanced service experience aspect to it: "Yeah, but it's also so much easier if you have a problem if you have an account because then they can just look up all of your data, and information." (Appendix 3.2, p. 120, §115).

#### 4.2.2 Technology use habits

As for the first case, technology use habits is the second higher-level theme deriving from the empirical data. The significant dimensions to young peoples' technology use habits in this case are: why young people use it; how young people use it; and lastly, why young people do not complete bookings.

### Why young people use the technology

Looking at the data, price seems to be the primary reason for why young people use the service. When asked what the interviewees' expectations are when using airfare aggregators, one interviewee answered: "To find super cheap tickets." (Appendix 3.2, p. 122, §144), whereupon several interviewees in the focus group agreed. Furthermore, the time aspect is emphasized. One interviewee puts it as follows: "Yeah definitely, you save time, time and money. I think that is my main driver for using those types of sites." (Appendix 3.2, p. 114, §36). Another interviewee concurs: "For me I just see the time and the money aspect." (Appendix 3.2, p. 115, §51). In addition to price, accessibility is emphasized, that you can compare

alternatives. One interviewee puts it as follows: "Yeah and I would say, convenience and comparability. So you can see all the airlines in one place." (Appendix 3.2, p. 114, §38). Another interviewee concurs: "...it's easy and you can see different ways and different airlines and then chose the cheapest." (Appendix 3.2, p. 113, §20).

### How young people use the technology

When looking at how young people use airfare aggregators, most interviewees seem to use the technology to benchmark prices and airlines rather than to complete bookings (Appendix 3.2). One interviewee describes the process as follows: "I don't want to buy tickets from them I just want to see what's available and then I go to SAS own site to buy." (Appendix 3.2, p. 112, §14). Another interviewee follows: "I agree with you, I always go to those sites to see prices, for price comparing, and then I always go back to the original sites." (Appendix 3.2, p. 112, §17). Moreover, one interviewee describes the research functionality as follows: "...when you want to go far away, then it pops up a lot of airlines that you never heard of and that you would never think of." (Appendix 3.2, p. 114, §35).

#### Why young people do not complete bookings

In this case, there are a number of reasons to why young people do not complete bookings. One example is the absence of youth ticket alternatives that some airlines offer. One interviewee says: "I think the annoying part with Momondo is that they don't have SAS youth." (Appendix 3.2, p. 113, §22), whereupon several interviewees in the focus group agrees. Furthermore, the extended customer journey is highlighted as a reason. One interviewee says: "...I would proceed to check-out, if it was less messy and there wasn't always a lot of extra steps." (Appendix 3.2, p. 121, §123). Another interviewee continues as follows: "...I think that the problem is that it doesn't feel like an entire consumer journey." (Appendix 3.2, p. 121, §130), and several interviewees agree. Another emphasized issue is that you do not always know what you get. One interviewee says: "...I think they add all this extra, like luggage

and things, that is included in the original ones." (Appendix 3.2, p. 112, §13). Another interviewee agrees: "...Maybe that is a problem that it so different every time that you don't know what to expect." (Appendix 3.2, p. 121, §129).

Since airfare aggregators are intermediaries, some of the interviewees expressed that they don't know who to contact when something happens: "...it was confusing who could actually help me, because I found the ticket on Momondo, booked it at other side and the it was a different airline." (Appendix 3.2, p. 117, §82). Another interviewee responds: "...Yes, it's the trustworthiness problem. When I book something from SAS, I know it will work and counts for something. If something goes wrong with the ticket or the luggage, they will help me. It's more like a grey-zone if you book with Momondo. That's one of the reasons I don't book through Momondo." (Appendix 3.2, p. 117, §83).

#### 4.3 Case story 3

### 4.3.1 Customer-firm alignment

As for the first two cases, the nature of customer-firm alignment is identified throughout the second case, and hence it forms the first higher-level theme. From the empirical data, simplicity in contact is highlighted as a significant dimension for young people to align. Furthermore, reasons to why young people align are underlined.

## Easy to align

When it comes to customer-firm alignment, simplicity and speed is underlined as important factors in the case. One interviewee elaborates as follows: "...I think it's crucial to have maybe a chat where you can write and get an answer within a few minutes" (Appendix 3.3, p. 134, §125). Another interviewee follows: "The chat function should maybe pop up so you don't need to look for it, like scroll down to

contact us and then go to like several steps." (Appendix 3.3, p. 134, §127). A third interviewee also stresses the importance of simplicity to engage with airfare aggregators: "So, that's also like if it's easy I think you're willing to contribute to that to improve the website" (Appendix 3.3, p. 137, §153).

#### Why young people align

Looking at the empirical data for motivations to engage and participate with airfare aggregators, getting something back seems to be the common denominator. One interviewee elaborates: "I know for similar kind of businesses, like hotels.com, they have a deal where you get your tenth night for free or something and they pay for your tenth night you book through hotels.com. So if Momondo and those kinds of sites could develop something similar, some kind of bonus loyalty program I think that I could be motivated to help them further." (Appendix 3.3, p. 130, §77). Another interviewee concurs as follows: "I totally agree. That would be super motivating to use it." (Appendix 3.3, p. 130, §78). The same interviewee further explains the importance of getting something back to participate: "...if you get an email like hey man do you want to help us with a survey? Then you just delete that email real fast so I think I agree with having some reward, like having some points or whatever." (Appendix 3.3, p. 133, §113). Furthermore, young people seem to be inclined to give feedback in cases of bad service experience. One interviewee puts it as follows: "...definitively if I had a bad experience, I would definitely give them a bad review" (Appendix 3.3, p. 129, §61). Also, it seems important that their feedback is considered. One interviewee explains: "I also value the reassurance of change if I contribute with something." (Appendix 3.3, p. 133, §119). Aligning with airfare aggregators in a community is also discussed in the case and getting something back and extending the service experience are mentioned as motivations for such participation (Appendix 3.3). One interviewee elaborates: "...extending the service would probably in a good way motivate me to create a profile." (Appendix 3.3, p. 138, §166). The interviewee concludes: "...I think that a lot of these suggestions

comes back to the idea of having profiles and I think to motivate people to create profiles is probably through a loyalty program because people want to benefit from having a profile on a website. So, I think that creating more extensive profiles and loyalty program probably facilitate a lot of these ideas that we have brought up right now." (Appendix 3.3, p. 137-138, §161).

#### 4.3.2 Technology use habits

As for the first two cases, technology use habits is the second higher-level theme deriving from the empirical data. The significant dimensions to young peoples' technology use habits in this case are: why young people use it; how young people use it; and lastly, why young people do not complete bookings.

## Why young people use the technology

When assessing why young people use airfare aggregators, saving money is highlighted by several interviewees in the case as the primary reason. One interviewee says: "For me it's just an economic reason. That's the only reason why I use this site." (Appendix 3.3, p. 127, §43). Another interviewee simply puts it: "...I'm looking for the cheapest flight of course." (Appendix 3.3, p. 132, §96). Furthermore, the time aspect is emphasized. One interviewee elaborates: "It's quick. You enter the website and straight away you go in and enter your flight details and in a matter of minutes you have all the available flights so I believe it's very, very easy and frictionless." (Appendix 3.3, p. 124, §12). Another interviewee continues: "...it makes it very convenient for you to see the different prices and time schedules of flights across different companies instead of going through all the different airlines by yourself." (Appendix 3.3, p. 124, §13). In the case, saving time is also highlighted in another aspect, i.e. accessibility of airlines in new regions. One interviewee says: "Also, I mean of course the monetary thing and of course like transparency and convenience but also if I want to see which airlines fly there." (Appendix 3.3, p. 127, §45).

## How young people use the technology

When it comes to how young people use airfare aggregators, it seems to vary from booking to booking. One interviewee states: "I would say like 50% of the times I complete the purchase through these sites." (Appendix 3.3, p. 128, §51). Young people seem to complete bookings via airfare aggregators when it is with an unfamiliar airline. One interviewee explains: "...I use it like a research tool. If I see that an airline that I know fly this route that I want to fly, maybe Norwegian, then I go into Norwegian's website and buy from there. But if it requires two different airlines and it's through an airline I don't really know that well then I use Momondo all the way to purchase the ticket." (Appendix 3.3, p. 128, §52). Another interviewee concurs: "...either I book directly through a company I trust and do it right away or I go into Momondo and then I go all the way through with the booking through Momondo" (Appendix 3.3, p. 127, §50).

## Why young people do not complete bookings

In the case, the interviewees express several reasons to why they don't complete the booking via airfare aggregators. One issue relates to the fact that airfare aggregators don't offer all flight alternatives. More specifically, they don't offer youth tickets. One interviewee explains: "...if you take SAS for example you can go on a youth ticket if you're under 26 and that's a problem because I don't know if Momondo, Expedia and Trivago and all those other places, if you can find these special prices." (Appendix 3.3, p. 124, §15). Moreover, the prolonged customer journey is highlighted as a reason as you don't know what you get. One interviewee explains: "But I think that's the negative thing that you get transferred to a third party and more often than not the third party appears very shady." (Appendix 3.3, p. 125, §24), whereupon several interviewees agree (Appendix 3.3). Furthermore, reluctance to paying markups to airfare aggregators is highlighted. One interviewee elaborates: "...I rarely complete the purchase on aggregators because often when you get a

price on Momondo for example and then you go to the actual airline that sells the tickets and it's in many cases it's actually cheaper buying directly from that airline than going through Momondo, so I never complete the purchase." (Appendix 3.3, p. 127, §49).

Since airfare aggregators are intermediaries, some of the interviewees sees potential issues if something would go wrong during the trip. One interviewee says: "Like for example if the flight is cancelled, what happens now? Do I get booked on another flight or am I completely disserted in the middle of nowhere because I booked with a shady company?" (Appendix 3.3, p. 128, §59). In addition, getting something back is also emphasized in relation to completing the purchase via airfare aggregators. One interviewee says: "If the benefits are beneficial enough to actually prefer Momondo to SAS or any other loyalty program, I think that I could prefer Momondo to make the purchase through Momondo instead." (Appendix 3.3, p. 130, §81). Another interviewee agrees and continues: "...so a program like this would actually increase loyalty. And actually also, you know increase the purchase on Momondo." (Appendix 3.3, p. 132, §96).

# 5. Empirical Framework

In this chapter, we present the empirical framework, summarizing the dominant ideas from the three case stories. Reviewing the empirical data, it becomes evident that that the two higher-level themes, *Customer-firm alignment* and *Technology use habits*, are apparent in all three case stories. Thus, the empirical framework is built on these two higher-level themes as the fundamental elements influencing young peoples' co-creating experiences with airfare aggregators. Furthermore, the two fundamental elements are fueled by their respective categories, which are built on the dominant ideas from the empirical findings. The dominant ideas for each of the two fundamental elements are presented below.

## **5.2** Customer-firm alignment

According to our empirical findings, speed and simplicity, in customer-firm alignment between young people and airfare aggregators, is considered as lacking today. Speed and simplicity is stressed by young people in regards to aligning with airfare aggregators. Looking at further motivations for young people to align with airfare aggregators, the empirical data shows that getting something back is highlighted as the most prominent motivation. Furthermore, service connection is emphasized as a motivation for young peoples' alignment with airfare aggregators. Moreover, getting something back seems to be more important when aligning with services young people feel less connected to. However, in cases of bad service experience, young people seem to be motivated to give feedback without getting something back.

# 5.2 Technology use habits

Assessing the empirical findings, it is evident that price is the primary reason to why young people use airfare aggregators. Furthermore, saving time is also emphasized. The time aspect is highlighted in two aspects, to save time in browsing for the right

price and for accessibility of airlines in new regions. Furthermore, airfare aggregators seem to be used, mostly, to benchmark prices rather than to complete bookings. Looking at the empirical findings, several factors may explain why young people are reluctant to complete bookings via airfare aggregators. Young peoples' price consciousness is highlighted as they seem to be reluctant to pay a markup to airfare aggregators for their service. Furthermore, the absence of cheap youth tickets, that certain airlines offer, is considered as a problem. Lastly, young people avoid completing bookings via airfare aggregators in order to cut the intermediary as they often experience confusion regarding who to align with in different scenarios, the airline or the airfare aggregators.

#### **5.3** The Empirical Framework Model

In conclusion, customer-firm alignment and technology use habits are the two fundamental elements influencing young peoples' co-creating experiences with airfare aggregators. Furthermore, the two elements are interconnected. In the figure below, we have mapped the empirical findings into a model in order to provide a clear overview.

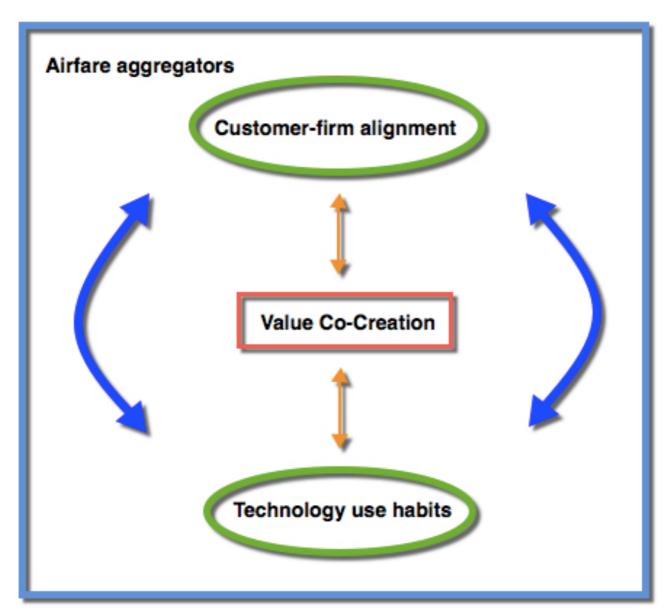


Figure 3. Empirical framework

# 6. Analysis

In this chapter we will present an analysis of the empirical findings in relation to cocreation theory.

## **6.1** Customer-firm alignment

### 6.1.1 Easy to align

According to Zwass (2010), the web provides unique opportunities for customer-firm interaction. As a result, Zwass (2010) argues that co-creation has become uniquely suited within the online environment and customers have become significant and productive co-creators. In addition, in regards to value co-creation, several authors advocate the importance of interaction within the online environment as it is argued to enhance organizational learning and being a substantial source of knowledge-transfer (Mele et al., 2010; Ramaswamy, 2009; Slywotzky & Morrison, 2001; Zhang and Chen, 2008). Looking at the empirical data, speed and simplicity in customer-firm interaction is especially highlighted as important for young people, clearly indicating their expectations for airfare aggregators. Thus, with reference to existing literature and the empirical findings, the online environment provides opportunities for airfare aggregators to co-create value with their customers. These opportunities will be further analyzed in this section.

The empirical findings highlight that young people experience a lack of possibilities to interact with airfare aggregators and they further wish it would be easier to get in contact them. This goes in line with Slywotzky and Morrison (2001) argument that customers do not wish to be independent, showing that the airfare aggregators should be available during the entire service process. Furthermore, Zhang & Chen (2008) argue that it is the companies' responsibility to actively find ways to interact with customers. Thus, airfare aggregators should seek new methods for customer-firm interaction, adapted to young peoples' expectations, i.e. fast and simple customer-

firm interaction. Moreover, the lack of possibilities for customer-firm interaction is critical since several scholars stress that interaction is crucial for value co-creation (Mele et al., 2010; Payne et al., 2008; Prahalad & Ramasamawy, 2004b; Vargo & Lusch, 2004a). Furthermore, according to Bowen (1986) customer-firm relationships benefit from interaction. In addition, Ramaswamy (2009) argues that information attained through the customer interaction is knowledge useable, which may provide competitive advantage. Consequently, by facilitating customer-firm interaction, airfare aggregators may successfully build relationships with their customers and facilitate value co-creation, and thus gain competitive advantage. Furthermore, according to Ballantyne and Varey (2006), relating, communicating and knowing are the three fundamental interaction activities that co-creation of value should revolve around. As young people experience a lack of possibilities for customer-firm interaction, airfare aggregators may potentially fail in facilitating these three interaction activities and thus value co-creation may be negatively affected.

In order to facilitate customer-firm alignment and value co-creation, it is further important to consider the organizational perspective. Authors, Karpen et al. (2012) present six organizational capabilities required to successfully execute value co-creation in practice. These organizational capabilities are all based on interaction as the interaction element is considered to be essential for reciprocal resource integration with customers as value partners (Karpen et al., 2012). As mentioned, our empirical findings tell us that young people experience a lack of possibilities to interact with airfare aggregators and thus seek more simple and fast ways for customer-firm alignment. This may indicate a lacking consideration from airfare aggregators regarding the organizational capabilities necessary to facilitate co-creation. Reviewing the different capabilities in Karpen et al.'s (2012) framework, this becomes further evident. Individuated interaction capability is the capability to understand the customers expected service outcomes. This particular capability is arguably lacking for airfare aggregators as young people seem to often not know

what to expect when using these services. Furthermore, relational interaction capability is the capability to emotionally connect with customers in service processes. Looking at the empirical findings, young people seem to not feel any connection to airfare aggregators, indicating a lack of consideration for this particular capability. Moreover, empowered interaction capability is the capability to enable customers to engage in shaping the content of the service experience. Assessing the empirical data, this capability is arguably lacking as young people seem to find it difficult to come in contact and engage with airfare aggregators. This is arguably also the case for developmental interaction capability, which is the capability to assist customers' knowledge development in service processes. As young people perceive limited possibilities to interact with airfare aggregators, there are arguably limited possibilities for assistance in knowledge development. The same argument may also be applied for concerted interaction capability, i.e. the capability to facilitate integrated service processes with customers, since limited interaction and engagement possibilities may prevent successful integration of customer resources. Assessing the framework presented by Karpen et al. (2012), in relation to the empirical findings, five out of six organizational capabilities required to successfully execute value co-creation, seem to be absent. This indicates challenges for airfare aggregators when attempting to co-create value with young people.

#### **6.1.2** Why young people align

Academics Bettiga et al. (2014) argue that ability is the primary factor for customer engagement in co-creation. This idea contradicts the empirical findings which suggest that motivation is the primary factor for young people to align with airfare aggregators. This could arguably be connected to the fact that young people do not fully trust airfare aggregators and feel less connected to them. The weak connection may indicate a lack of psychological ownership, a concept highlighted by Fu and Lu (2017). Scholars Fu and Lu (2017) argue that psychological ownership motivates customers to engage in co-creation. Thus, the lack of psychological ownership may

explain why motivation, rather than ability, is the primary motivator in the case of airfare aggregators.

However, although not being viewed as the primary motivator by Bettiga et al. (2014), motivation is nevertheless highlighted, by several scholars, as a fundamental factor for customer engagement in co-creation (Bettiga et al., 2014; Roberts et al., 2014; Zwass, 2010). As aforementioned, the empirical findings suggest that motivation is essential for customer engagement with airfare aggregators. However, the motivational characteristics found in the empirical findings stands in contrast to existing research. Academics, Bettiga et al. (2014) and Zwass (2010) stress that intrinsic motivators are dominant for customers' willingness to engage in co-creation. This stands in opposite to the empirical findings, which indicate that extrinsic motivators are dominant. Furthermore, the empirical findings suggest that customers value speed and simplicity when aligning with firms. This also stands in contrast to the ideas of Bettiga et al. (2014), who argue that time and resources spent does not affect customers' motivation to engage in co-creation. These contradictions between existing theory and the empirical data may be explained by the lack of psychological ownership.

Academics, Roberts et al.'s (2014) findings suggest three perspectives of customer motivation: individuals' motivations to engage; motivations to contribute to community engagement activities; and motivations to collaborate directly with companies. Since none these three perspectives are evident in the empirical data, this further illustrate the dominance of extrinsic motivators for young people to align with airfare aggregators. Moreover, the values: fun/interesting; desire for a better product; passion; and recognition, are additional motivators to the three main perspectives identified by Roberts et al. (2014). Assessing the empirical findings, only the desire for a better product is evident. This further emphasize the dominance of extrinsic motivators for young people to engage with airfare aggregators in co-creation.

Furthermore, the empirical findings tell us that extrinsic motivators are essential for young people to consider engagement in co-innovation activities. This indicates importance of assessing appropriate rewards for young people to participate in such activities. Furthermore, in the co-innovation process, customers' engagement and ability are essential factors (Russo-Spena & Mele, 2012), thus the willingness to engage, as well as the complexity of airfare aggregators' service processes, need to be taken into consideration since customers' experiences and skills can put restraints on the process. Scholars, Thomke and Von Hippel (2002) argue that the use of a userfriendly tool-kit provides enhanced possibilities for customer engagement in coinnovation processes. Thus, a user-friendly tool-kit could prove to be useful for airfare aggregators when aligning with young people in co-innovation activities as it enhances possibilities for customer engagement and potentially provides speed and simplicity to the process. Another scholar also recognizing customer-driven cocreation is Ulwick (2002). In his study, Ulwick (2002) suggest that customer-driven innovation should have its starting point in the intended outcome features of the innovation. Thus in his approach, customers are not involved throughout the coinnovation process since their involvement could put restraints on the process (Ulwick, 2002). Hence, applying Ulwick's (2002) strategy, i.e. focusing on customers' desired outcome features, could give airfare aggregators the opportunity to achieve incremental, as well as radical innovations in relation to speed and simplicity when aligning with young people.

Additionally, the empirical data tells us that young people are inclined to provide feedback in cases of bad service experience. This can be connected to Sugathana et al.'s (2017) ideas regarding co-creation and emotions. According to the authors, the first stage of feelings is immediate and spontaneous (Sugathana et al., 2017). Thus, providing feedback in cases of service failure may be connected to the first stage of emotions since the immediate emotions in such cases are characterized by anger and disappointment. Assessing the empirical findings, cases of bad service experience

are the only scenarios where customers' alignment is not based on any other motivator. Therefore, the fact that young people give feedback in cases of bad service experience is arguably driven by emotion.

## **6.2** Technology use habits

#### 6.2.1 Why and how young people use the technology

When assessing why and how young people use airfare aggregators, the empirical findings clearly show that saving money is the primary reason. Furthermore, saving time by convenience, accessibility and comparability, is also a prominent reason to why young people use airfare aggregators. What is important to notice is that the time aspect most often is related to price, i.e. to save time when browsing for the right price. Thus, economic value seems to be the primary customer value proposition for airfare aggregators.

According to Saarijärvi (2012) not all companies benefit from the same value cocreation mechanisms, i.e. ways in which firms engage their customers to support the value-creating process. Therefore, Saarijärvi (2012) investigate the strategic implications of different value co-creation mechanisms. The findings of his study show that customer value proposition must first be assessed, in order to apply the perfectly fitting value co-creation mechanism that best supports the delivery of that value (Saarijärvi, 2012). When the customer value proposition is based on delivering economic value, as is the case for airfare aggregators, Saarijärvi (2012) argues that customer engagement should be sought in processes that may result in decreased monetary sacrifices. Two value co-creation mechanisms are mentioned in relation to economic value: co-production; and co-distribution. Looking at the empirical data, young people seem to be motivated to co-produce their service experiences by different means as long as they get something back and thus decreasing their monetary sacrifice. According to Saarijärvi (2012) customers have to be incentivized

by, for instance, lower prices in order to engage in co-production. Hence, with reference to the empirical findings and Saarijärvi (2012), co-production could successfully be pursued by airfare aggregators in order to deliver economic value. When looking Saarijärvi's (2012) ideas regarding co-distribution, it seems to be more easily applicable for goods than services. Moreover, since airfare aggregators are intermediaries, this provides additional challenges for the application co-distribution since aggregators merely aggregate and present services provided by other businesses.

Going back to reasons why young people use airfare aggregators, the time aspect seems to be twofold. Another aspect of saving time that is highlighted by young people is the accessibility of unfamiliar airlines in new regions. The time aspect, regardless of being related to price or accessibility, may be considered as providing functional value. According to Saarijärvi (2012), when customer value proposition is based on delivering functional value, the main focus should be to provide services that meet customers' needs and meeting those needs as convenient as possible. Hence, service provides must gain knowledge of how customers' sacrifices, in terms of time and effort, can be minimized. To achieve this, Saarijärvi (2012) supports different value co-creation mechanisms that aim at harnessing customer knowledge in the service development process. This is important as the customers have the best knowledge about their own preferences. Specific value co-creation mechanisms mentioned by Saarijärvi (2012) are co-development and crowdsourcing, as these may help to integrate necessary customer resources to deliver functional value. The empirical findings tell us that young people may participate is such co-developing activities, but similarly to the previous example, some kind of extrinsic reward is necessary. Thus, with reference to the empirical findings and Saarijärvi (2012) ideas, co-development could successfully be pursued by airfare aggregators in order to deliver functional value.

#### 6.2.2 Why young people do not complete bookings

One factor to why young people do not complete the booking through airfare is that they do not want to pay a markup to airfare aggregators for their service. This highlights the significance of economic value as customer value proposition for airfare aggregators, and hence the importance to deliver economic value to young people. In addition, another factor to why young people do not complete the booking via airfare aggregators is that they do not offer all the flight ticket alternatives. More specifically, youth tickets do not appear when browsing for flight tickets on airfare aggregators. This highlights the significance of functional value as customer value proposition for airfare aggregators, and hence the importance to deliver functional value to young people. This example illustrates a case where airfare aggregators may have failed in knowing their customers' needs relating to functionality.

Assessing the empirical findings, the absence of customer-firm alignment possibilities negatively impacts young peoples' decision to book via airfare aggregators. For instance, confusion often arises regarding who to contact if something goes wrong, and thus young people seem to have low trust in airfare aggregators. This may be connected to psychological ownership since young peoples' low trust in airfare aggregators is linked to the lacking interaction possibilities, which in turn may have created a weak customer-firm relationship. Furthermore, the weak relationship between young people and airfare aggregators is also evident as young people seem to wish to cut the intermediary and often prefer to complete bookings directly with the airlines. The importance of maintaining relationships with one's customers is highlighted by Payne et al. (2008). In their study, Payne et al. (2008) stress that relationships are one of the fundamental basis in the value co-creating process. Assessing the empirical data, it seems evident that young people do not feel close to airfare aggregators and thus their relationship may be considered as weak. This implies that the possibilities for value co-creation with

young people may suffer. The weak customer-firm relationship could also be connected to lacking psychological ownership.

The empirical findings tell us that young people often do not know what to expect, and who is responsible for what, when using airfare aggregators. This, consequently, affects their willingness to complete bookings. In such scenarios co-destruction, as described by Plé and Cáceres (2009), may occur. In S-D terms, value co-creation occurs when both the service provider and the customer have matching expectations of the service experience and hence which resources that should be integrated in their interaction. Reversely, co-destruction occurs when there are differences between the customers' and the firm's expectation (Plé & Cáceres, 2009). To illustrate, the empirical findings tell us that the extended customer journey is an issue for young people as they do not always know what they get when using such services, nor who is responsible if a problem occurs. Thus, as airfare aggregators are intermediaries, customers seem to be confused regarding which resources the service provider should integrate in the service experience. These discrepancies in service expectations is evidently one reason why young people avoid completing bookings via airfare aggregators. This may arguably be a case of co-destruction.

On the topic of co-destruction, Järvia et al. (2018) present three reasons why co-destruction emerges: absence of information; insufficient level of trust; and absence of clear expectations. The absence of information is evident as young people often experience confusion regarding who the responsible party is if something goes wrong. Moreover, the findings show that young people do not always know what they get when using airfare aggregators. This implies that airfare aggregators have failed in providing the customer with clear expectations. The lack of information could further be connected to the absence of clear expectations as sufficient information would provide clearer expectations. To prevent co-destruction from evolving, both the customer and the company must be in line with realistic

expectations on the service process. Lastly, the empirical findings clearly show that there is a general consensus of insufficient level of trust towards airfare aggregators. In conclusion, since Järvia et al.'s (2018) three reasons for co-destruction seem to be evident in the case, co-destruction may explain why young people do not complete their bookings via airfare aggregators.

## 7. Discussion

In this chapter, we briefly summarize the key ideas from the empirical framework. Furthermore, we discuss the theoretical framework. Moreover, we synthesize the empirical framework with the theoretical framework and present the final framework. Lastly, we discuss the synthesis and answer the research question.

## 7.1 Empirical findings

The empirical framework is built on the two central themes identified in all three case stories, *Customer-firm alignment* and *Technology use habits*. Thus, we consider the similarities in the data gathered, from the three focus group discussion, to strengthen our empirical findings. Below follows a three-point summary of the key ideas from the empirical framework.

- 1. The main elements influencing customer-firm alignment between millennials and airfare aggregators are extrinsic rewards, speed, simplicity and service connection.
- 2. Economic value is evidently the primary customer value proposition for millennials when using airfare aggregators. However, functional value is also highlighted as a prominent customer value proposition.
- 3. Assessing millennials use habits, the fundamental reason for not completing bookings via airfare aggregators seems to lie within confusion regarding service expectations, deriving from airfare aggregators being intermediaries.

### 7.1 Disagree with theory

In the literature, ability was highlighted as the primary factor for customer engagement in co-creation (Bettiga et al., 2014). However, the empirical findings did not show any indications of ability as a contributing factor for customer engagement with airfare aggregators. Instead the empirical findings clearly show that motivation is the primary factor contributing to young peoples' willingness to engage in co-creation with airfare aggregators.

Furthermore, Bettiga et al. (2014) and Zwass (2010) stress that intrinsic motivators are dominant for customer co-creation. Furthermore, Roberts et al.'s (2014) advocate three perspectives of customer motivation: individuals' motivations to engage; motivations to contribute to community engagement activities; and motivations to collaborate directly with companies are evident in the empirical findings. These motivators stand in contrast to the empirical finings which clearly indicate that young peoples' main motivations are of extrinsic nature. In addition, the findings of Bettiga et al. (2014), stating that time and resources spent does not affect the motivation to engage in co-creation also contradicts the empirical findings suggesting that customers value speed and simplicity when engaging with airfare aggregators.

# 7.2 Agree with theory with add-ons

In the empirical findings, millennials clearly highlight the importance of opportunities for customer-firm interaction, thus aligning with existing theory which also underline the importance of customer-firm interaction in value co-creation. Furthermore, the importance of customer-firm interaction is highlighted by Slywotzky and Morrison (2001), stressing that customers do not want to be independent from their service providers. This further aligns with the empirical findings, which indicate that millennials value extended possibilities for customer-firm interaction with airfare aggregators.

Furthermore, with reference to the empirical findings, we agree with existing theory recognizing the risks of co-destruction. According to Plé and Cáceres (2009) co-destruction can occur when there are differences between customers' and firms' expectations of the service experience and the resources the different service systems should integrate. The data tells us that millennials often are confused in regards to the resources airfare aggregators should integrate in the service experience and thus bookings are often avoided and value co-destructed. Moreover, on the topic of co-destruction, Järvia et al's. (2018) three reasons to why co-destruction emerges: absence of information; insufficient level of trust; and absence of clear expectations, are all evident in the case as millennials highlight all three reasons as factors for avoiding bookings via airfare aggregators.

The empirical findings further align with existing theory in regards to the concept of psychological ownership. The data tells us that millennials do not feel connected to airfare aggregators as service providers and hence they feel less motivated to engage with them without receiving any external reward. This aligns with Fu and Lu (2017) findings stating that a sense of psychological ownership towards a service provider motivates customers to engage in co-creation.

# 7.3 Synthesis

The purpose of this study was to provide further insights to existing value co-creation literature by examining co-creation between millennials and airfare aggregators. In order to gain knowledge regarding millennials' co-created experiences with airfare aggregators, we analyzed data gathered from three focus groups discussions and subsequently developed an empirical framework based on the dominant ideas presented in the three case stories. Furthermore, in order to gain a deeper understanding of the topic under research, we reviewed existing co-creation literature and developed a theoretical framework built on the essential elements facilitating

value co-creation in the online environment. By synthesizing the empirical framework with the theoretical framework, we aim at gaining new insights and knowledge necessary to finally answer our research question:

How should airfare aggregators co-create value with millennials?

The synthesis of the two frameworks has resulted in a final framework suitable for assessing how airfare aggregators should co-create value with millennials. In the final framework, the fundamental elements, which must be considered to facilitate value co-creation, and avoid value co-destruction, are: customer motivation; customer-firm interaction; and customer engagement.

In the figure below, we have visualized the different elements of the final framework and how they are integrated and connected.

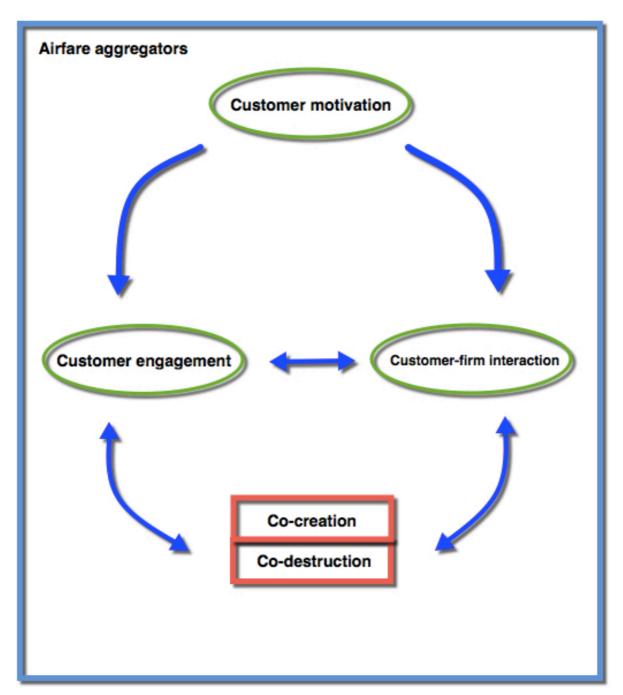


Figure 4: Final framework

Motivation is considered as the driving element in the final framework. We argue that in order to successfully facilitate customer-firm interaction and customer engagement, motivation is essential. The motivation element is inspired by existing theory synthesized with aspects from the customer-firm alignment theme from the empirical framework. Furthermore, the customer-firm interaction element is inspired by existing theory synthesized with features from the customer-firm alignment theme. Moreover, the customer engagement element is inspired by existing theory synthesized with aspects from the technology use habits theme. As visible in the figure above, the two elements, customer-firm interaction and customer engagement are connected and they are further considered as drivers for the final element – co-creation/co-destruction. The co-creation/co-destruction element is inspired by existing theory synthesized with findings from both the customer-firm alignment theme and the technology use habits theme. The four elements of the framework, their nature and interrelations, will be further discussed below.

### 7.3.1 Customer motivation

Millennials willingness to interact and engage with airfare aggregators in co-creation and co-innovation is highly driven by extrinsic motivators. This phenomenon may be explained by the weak service connection and the lack of trust millennials feel towards airfare aggregators, indicating an absence of psychological ownership. Hence, as millennials feel low psychological ownership towards airfare aggregators as service providers, extrinsic motivators are essential for customer participation in co-creation and co-innovation.

### 7.3.2 Customer-firm interaction

As the framework illustrates, customer-firm interaction is driven by motivation. In regards to customer-firm interaction, millennials highlight the importance of speed and simplicity when aligning with airfare aggregators. Furthermore, assessing

customer-firm alignment, millennials consider that airfare aggregators have failed in creating an environment facilitating customer-firm interaction. This is critical as interaction is a fundamental enabler for value co-creation in the framework. Thus, airfare aggregators need to consider speed and simplicity when enhancing customer-firm interaction with millennials in order to facilitate co-creation.

# 7.3.3 Customer engagement

As the framework indicates, customer engagement is driven by motivation. When employing the framework, the applied value co-creation mechanism should depend on the intended customer value proposition, in order to support the delivery of that value. When using airfare aggregators, the primary customer value proposition for millennials is economic value. Thus, customer engagement should be sought in processes that may result in decreased monetary sacrifices. Furthermore, millennials are motivated to co-produce their service experience with airfare aggregators as long as the engagement benefit them economically. Therefore, in the final framework, co-production is the proposed value co-creation mechanism for airfare aggregators to apply when engaging with millennials. In such customer engagement, customer-firm interaction is essential, illustrating the connection between the two elements in the framework.

In addition, when using airfare aggregators, functional value is highlighted as an essential customer value proposition for millennials. In order to support the delivery of functional value, it is of essence for firms to gain knowledge of how customers' sacrifices, in terms of time and effort, can be minimized. Thus, for airfare aggregators to harness customer knowledge in the service development process, co-development is further proposed as a value co-creation mechanism to apply when engaging with millennials. Again, extrinsic motivators are essential to ensure such engagement, further strengthening the motivation element in the final framework. Also, as

interaction is essential to harness customer knowledge, this further illustrates the connection between the customer engagement element and the customer-firm interaction element in the final framework.

### 7.3.4 Co-creation/Co-destruction

As the framework illustrates, customer-firm interaction and customer engagement are two driving elements that may lead to co-creation of value. In airfare aggregators quest of pursuing value co-creation with millennials, customer-firm interaction is a fundamental aspect to consider. Since millennials currently perceive lacking possibilities for customer-firm interaction, airfare aggregators should seek to create a suitable environment facilitating this element. The customer-firm environment should further be characterized by speed and simplicity. Furthermore, we argue that the assessment of appropriate value co-creation mechanism is an essential aspect for airfare aggregators to acknowledge in their attempt to co-create value with millennials. Since the primary customer value proposition is economic value, co-production is the proposed value co-creation mechanism for airfare aggregators when engaging with millennials. In addition, functional value is highlighted by millennials and thus co-development is further proposed as a value co-creation mechanism for airfare aggregators.

However, as the framework illustrates, customer-firm interaction and customer engagement may also lead to co-destruction of value. Since millennials currently perceive lacking possibilities for customer-firm interaction, co-destruction may occur as their expectations are not met. Furthermore, as airfare aggregators are intermediaries, absence of information is evident and thus confusion arises regarding millennials' service expectations. As a result, millennials' trust towards airfare aggregators is negatively affected. This arguably may lead to co-destruction as bookings are avoided. Furthermore, instead of completing bookings, millennials tend

to use airfare aggregators merely to benchmark prices and thus they arguably do not integrate resources in line with airfare aggregators expectations. Ultimately, this behavior may also lead to co-destruction.

# 7.4 New insights

The purpose of this thesis was to answer the research question: *How should airfare co-create value with millennials?* The answer to the research question may be found in the discussion above and we will now summarize the most significant insights in a four-point summary:

- 1. As the final framework illustrates, motivation is the initial driving element to consider for airfare aggregators when pursuing a co-creation strategy with millennials. When motivating millennials to engage and interact with airfare aggregators, extrinsic motivators are essential.
- 2. Airfare aggregators should create an environment facilitating enhanced customer-firm interaction to enable value co-creation with millennials. In this environment, speed and simplicity are essential features.
- 3. In order to support the delivery of economic value and functional value, coproduction and co-development are proposed as suitable value co-creation mechanisms for airfare aggregators to apply when engaging with millennials.
- 4. Finally, the two elements, customer-firm interaction and customer engagement may, if applied as described above, lead to co-creation. However, co-destruction could also emerge from customer-firm interaction and customer engagement. Therefore, airfare aggregators must carefully align service expectations with millennials.

# 8. Conclusion

The purpose of this dissertation was to examine how airfare aggregators should cocreate value with millennials. The research context was chosen as a clear knowledge gap was identified in existing co-creation literature. Thus, we aimed at enrichen the conversation by adding novel insights to an unexplored research environment. In order to gain deeper knowledge of the topic under research, existing co-creation theory was first reviewed and a theoretical framework was subsequently developed. The theoretical framework further provided guidance in our inductive research approach by enriching our understanding of the co-creation phenomenon. The case study was inspired by grounded theory in order to construct theory from empirical data. Based on the data collected from three focus group discussions, three case stories were presented and subsequently an empirical framework was developed. Furthermore, in order to answer the research question, we analyzed and synthesized the empirical framework and the theoretical framework in order to develop a final framework suitable for assessing co-creation opportunities between airfare aggregators and millennials and thus answer our research question:

How should airfare aggregators co-create value with millennials?

After applying the final framework, we conclude that extrinsic motivators are essential for motivating millennials to engage and interact with airfare aggregators in co-creation. Furthermore, airfare aggregators should create an environment facilitating fast and simple customer-firm interaction to enable value co-creation with millennials. Moreover, co-production and co-development are suitable value co-creation mechanisms for airfare aggregators when co-creating economic and functional value with millennials. Finally, in order to avoid co-destruction, airfare aggregators must carefully align service expectations with millennials.

In conclusion, we consider the final framework as a suitable tool for guiding airfare aggregators in how to co-create value with millennials.

### 8.1 Limitations

The scientific perspective, and the methodological approach taken, may have provided limitations for the thesis. For instance, the possibilities for generalization of our findings could be considered limited since qualitative single case studies, debatably, cannot contribute to scientific development (Bryman and Bell, 2011; Farquhar, 2012). However, Flyvberg (2006) supports generalization from single case studies and further argues that the research approach is fundamental for scientific development. In addition, the application of qualitative coding as method for the data analysis may be affected by subjective biases of the researchers (Bryman, 2012). Furthermore, the use of focus group discussions as the source of the primary data analyzed, may also have limited the thesis. More specifically, the expressed opinions of the participants may be affected by the environment, and the social structure of the groups, and thus the expressed views may not reflect the participants' actual beliefs (Jerolmack & Khan, 2014). Lastly, the purposive sampling may also have limited the research since the participants may share similar characteristics being Swedish millennials living in Copenhagen. The sample group is considered as fairly generic, which may explain their similar beliefs evident in the empirical findings. Therefore, one may argue that the findings may not be accurate for the entire millennial generation. Moreover, as the focus group discussions were conducted in English, the language barrier may have limited the participants' ability to express themselves properly. However, the choice to conduct the focus group discussions in English was made in order to avoid translations of the empirical data, and thus to limit the researchers' biases.

# 8.2 Implications

# **8.2.1 Implications for industry**

Our strategic implications, for how airfare aggregators should co-create value with millennials, are based on the insights gained from the final framework. Hence, the structure of the presentation of the strategic recommendations will follow the different elements in the framework. Firstly, as extrinsic motivators are essential for airfare aggregators to motivate millennials co-create, some form of reward programme could be implemented. A clear-cut example is Hotels.com's reward programme which offer their customers every tenth night for free. This would further support the delivery of economic value which is the primary customer value proposition in the case. Secondly, to enable co-creation, airfare aggregators should create an interactive environment facilitating speed and simplicity in customer-firm interaction. For instance, they could consider adding a simple chat-function on their websites, which would suit that purpose. Thirdly, in order to support the delivery of economic value and functional value to millennials, airfare aggregators should consider co-production and co-development for value co-creation mechanisms. For example, the aforementioned reward programme would require that millennials created profiles and thus shared information with airfare aggregators. In that sense, the experience could be considered as co-produced between the two service systems. Furthermore, the proposed chat function could provide airfare aggregators with essential customer knowledge and thus facilitate co-development. Lastly, airfare should recognize the risk of co-destruction. This risk could successfully be managed by clearly communicating service expectations with millennials in order to avoid confusion. To summarize, by following these strategic recommendations, airfare aggregators may succeed in co-creating value with millennials.

### 8.2.2 Implications for academia

As the possibilities for generalization of our findings could be considered limited by the single case study approach, we support future research of cases of similar character in order to find common grounds and thus strengthen the generalizability. Furthermore, considering the generic characteristic of the sample group, we suggest that future research is conducted with a sample group of millennials from more diverse and widespread backgrounds. This would hopefully generate generalizable insights for the entire millennial generation. Lastly, as the empirical findings regarding millennials motivations to engage in co-creation stand in stark contrast to existing theory, we encourage future research regarding the motivational element.

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# **Appendices**

# Appendix 1: Letter of consent for focus group discussions

# **Appendix 1.1: Letter of consent – Focus group 1**



#### Letter of consent,

I hereby agree to participate in the Focus Group and give my consent that the researcher may use the material provided during the sessions for the purpose of the dissertation.

The Focus Group is estimated to take 60 minutes and will be recorded and videotaped in order to support the researchers process of transcription and coding.

The information generate by you will be processed securely so that no unauthorized individual will have access to the material. Moreover, the result will be presented anonymously in the dissertation.

Involvement in the study is voluntary and you can at any time cancel you cancel your participation.

Focus Group I	Signature
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Responsible for the study are: Daniel Keberku: dake16ab@student.cbs.dk Linda Gausland Christensen: liga16ab@student.cbs.dk

# **Appendix 1.2: Letter of consent – Focus group 2**



#### Letter of consent,

I hereby agree to participate in the Focus Group and give my consent that the researcher may use the material provided during the sessions for the purpose of the dissertation.

The Focus Group is estimated to take 60 minutes and will be recorded and videotaped in order to support the researchers process of transcription and coding.

The information generate by you will be processed securely so that no unauthorized individual will have access to the material. Moreover, the result will be presented anonymously in the dissertation.

Involvement in the study is voluntary and you can at any time cancel you cancel your participation.

Focus Group 2	Signature
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Responsible for the study are: Daniel Keberku: dakel6ab@student.cbs.dk Linda Gausland Christensen: liga16ab@student.cbs.dk

# **Appendix 1.3: Letter of consent – Focus group 3**



#### Letter of consent,

I hereby agree to participate in the Focus Group and give my consent that the researcher may use the material provided during the sessions for the purpose of the dissertation.

The Focus Group is estimated to take 60 minutes and will be recorded and videotaped in order to support the researchers process of transcription and coding.

The information generate by you will be processed securely so that no unauthorized individual will have access to the material. Moreover, the result will be presented anonymously in the dissertation.

Involvement in the study is voluntary and you can at any time cancel you cancel your participation.

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Responsible for the study are: Daniel Keberku: dake16ab@student.cbs.dk Linda Gausland Christensen: liga16ab@student.cbs.dk

# **Appendix 2: Interview guide**

### **Introduction (5 min)**

- Introduce facilitator and observing facilitator:
  - o Role as facilitator will be to guide the discussion.
  - o Role of observing facilitator is to observe the discussion.
- The study's objective is explained:
  - o To study your experiences, engagement and interactions with airfare aggregators.
  - o You are selected because you are millennials and frequent travelers.
- Guidelines:
  - o No right or wrong answers, only differing points of view.
  - You don't need to agree with each other, but you must listen respectfully as others speak.
  - o Again, as you are aware, we are videotaping the interview so try to speak one person at the time.
  - We want to highlight that this is a discussion, so we encourage you to interact with each other.
  - o Feel free to use examples in your answers.

### Presentations/Icebreaker (5 min)

- The respondents are asked to present themselves:
  - o Name.
  - Age.
  - o Occupation (student/job).

### **Explorative questions (30 min)**

- How do you perceive the overall customer experience when using airfare aggregators? Positive and negative.
  - What are your overall feelings towards airfare aggregators? Positive or negative?
- What do you consider as the main sources of value when using airfare aggregators? Examples: economic, symbolic, functional, emotional.
- How would you be willing to engage with airfare aggregators in improving and shaping the customer experience? For example: marketing, pricing, design, sales.
  - o If no, why not?
  - What would motivate you to engage with airfare aggregators in improving and shaping the customer experience?
- How would you be willing to collaborate with airfare aggregators in innovation (new service features)?
  - o If no, why not?
  - o What would motivate you to collaborate with airfare aggregators in innovation?
- How do you perceive the opportunities for customer-firm interaction when engaging with airfare aggregators or other e-commerce players?
  - o In regards to service experience?
  - o In regards to new service development?
- Do you have any suggestions on what airfare aggregators could do better in regards to facilitating customer interaction and engagement?
- Is there something you would like to add?

# **Appendix 3: Transcripts of focus group discussions**

# **Appendix 3.1: Transcript – Group 1**

Facilitator: Daniel Keberku (Da)

Observing facilitator: Linda Gausland (Li)

*Group: M*, *H*, *W*, *J*, *I*, *S*, *O* 

- 1. Da: All right everybody, welcome and thank you for being here. We appreciate it a lot. My name is Daniel, I'm the facilitator of this discussion and this is Linda my thesis partner and she is the observing facilitator. My role is to guide the discussion and Linda's role is to observe the discussion. Our study's objective us to study how millennials, or generation Y, can co-create value together with airfare aggregators. Basically your experiences with them and how you can engage in their service. The guidelines are no right or wrong answers, you only have different points of view. You don't have to agree with each other but you must listen respectfully while others speak. Again as you're aware, we are videotaping this interview so try to speak one person at a time. We also want to highlight that this is a discussion so we encourage you to interact with each other during the discussion. Lastly, feel free to use examples in your answers. If we could start off with some introductions. If everyone could please tell us your names, age and occupation. We can start with you.
- 2. M: My name is Michael. I'm 26 years old and I am a student.
- 3. **H:** My name is Hampus and I'm also a student and I'm 25 years old as well.
- 4. W: My name is William. I'm a student and I'm 26.
- 5. **J:** My name is Jacob. I'm a student and I'm 22.
- 6. **I:** My name is Isabella, I'm 25 years old and I'm unemployed.
- 7. **S:** My name is Sophie. I'm 25 and I'm also a student.
- 8. **C:** Christian, 26 and a student.
- 9. Da: Perfect. All right let's start with the explorative questions. So first of all, how do you perceive the overall customer experience when using airfare aggregators? You can express both positive and negative experiences.

10. W: For me it's mostly about price. So, as long as it's easy to find. For example, with Momondo I find it very easy to find prices. If I want to engage with them, maybe I find it trickier to come in contact with these types of services. There's no like customer service phone number that is easily accessible. So maybe like a chat function or something would be something that could improve the experience.

### 11.Da: Perfect. But if we could start off with the general customer experience.

- 12. W: The general experience is positive. As I said, for me it's mostly about price so as long as I can easily access it, it's good and convenient for me.
- 13. C: I guess I agree with that as well that the price is like the main thing. That it's easy to find. I guess I'm kind of a bad example since I never kind of use these websites myself. My general experience when I use them is that they're a bit like, there's a lot of fuzz on the website. I would like maybe more direction like to the actual travels and prices. So I'm not the biggest fan.
- 14. W: I think there's something in there with trust. Because a lot of these airlines that come up at the top, they're not the airlines that I usually go for. I think that the way I use Momondo and these sites is that I look for what is the lowest price and then if it's not the airlines I trust, Norwegian and SAS, then maybe I would consider them, but otherwise if SAS in on top in terms of price or if it's close to the top, I go straight to their website instead.
- 15. C: Exactly.
- 16.**S:** I'm the same.
- 17. **H:** I would agree. I also think that since I'm a student and I'm under 26, I can still fly in the youth category with like for examples Norwegian or SAS. So, as you said, I agree with that, that I use them mostly to see if there's something better than the youth tickets on the SAS or Norwegian websites.
- 18. Da: All right. So you mention that the price is the most important factor. If we continue to talk about the value that you see in using these kinds of services. What is the main source of value? Is it the economic value, or is it maybe emotional, functional, symbolic? What is the main source of value for you guys when you use airfare aggregators?
- 19. M: For me it's convenience, that they compare all the prices across.
  - Everyone agrees –

- 20. I: And it's also about accessibility. Because if you're travelling long distance you might not be familiar with the airlines in that region. So it could be nice if you're travelling within a country that you're not that familiar with, then they know the airlines that you have as options.
- 21.**C:** True.
- 22.Da: So, William and Oscar talked some about their feelings towards these kinds of services. But for you other guys, what are your overall feelings towards these kinds of services on the positive or negative note.
- 23.**S:** I agree with William. I think it's positive. When I use them I also like benchmark the price, but also as mentioned, I more often use youth tickets on airlines I usually use.
- 24. Da: So let's move on to engagement. Some of you briefly touched upon that before. How would you guys be willing to engage with airfare aggregators in improving or shaping the customer experience. That could for example be in marketing. It could also be sales and pricing and also perhaps service design. So, any type of engagement that you can come up with.
- 25. C: Again I think William had a good point with like being able to access contact information to get in contact with them. Maybe some kind of chat thing is much more in time and I think that people are familiar with using those kinds of services with other customer contacts. So I guess that would be actual a good thing for services like Momondo.
- 26. W: Yeah.
- 27. **H:** Yeah, I also think that the simplicity you talked about, that there's a lot of fuzz going on, on the website. I don't know if it's commercial or if it's information, but it's so much everywhere so it's kind of easier to understand and to see what you're actually looking for.
- 28. C: Exactly. Like a cleaner something that is more... Yeah.
- 29.**S:** And also, I've been using, the one I've been using is Momondo and I think it feels so impersonal when I'm at Momondo.
- 30. M: I agree. But also, having a personal contact or just a phone number that you can call also makes it easier to trust the company and service that they offer.
- 31. Da: So we've been talking about engagement. What motivate you to engage in different experience-improving and value-creating processes?

- 32. **H:** You mean like give them feedback on how to improve their service?
- 33. Da: Yeah, exactly.
- 34. M: For me it would be some form of compensation. Some form of like priority, or bonus program or lower prices. They probably can't offer lower prices since they just present other airline's prices, but some form of special treatment or priority would get me to engage.
- 35. C: What was the question again?
- 36. Da: What would motivate you to engage with airfare aggregators in improving or shaping the service?
- 37. C: Like you said. You need some kind of incentive to do this.
- 38.**S:** Like for example hotels.com, if you use them you get every tenth night for free. Maybe they could do something similar.
  - Everyone agrees –
- 39. Da: Does anyone else have anything to add regarding motivation to engage in improving the service?
- 40. **H:** I guess if I would have a bad experience from one of these sites I guess I would be interested in engaging to speak my mind to say that this actually doesn't work or if I'm treated badly or given the wrong information or something like that, I would like to give them feedback.
- 41. C: I agree. That's the only time you actually give them feedback.
- 42.**H**: Exactly.
- 43.**I:** Yeah.
- 44. **H:** Yeah, so that would be something or if something's not working.
- 45. Li: So why do you want to give them feedback?
- 46. **H:** Because I guess, if my ticket is wrongly booked or if I'm directed to the wrong place, I don't know, then that would kind of piss me off I guess.
- 47. Li: So you want to improve the service or you want compensation?

- 48. **H:** I guess both. Compensation, but also in the long run that would probably help them to improve.
- 49. C: Exactly. You give them feedback and then you hope they can improve.
- 50. **H:** Exactly.
- 51. Li: So, if it was a service that you know that you will never use again and something went wrong, would you still give them feedback?
- 52. **H:** Well I guess so. First of all, I would try to solve the problem. I guess that I would like to speak my mind and say that this doesn't work. Give me compensation or just fix the problem. So that would be an incentive, if something doesn't work on the negative side of it.
- 53. C: Yeah.
- 54. D: So going back to the sources of value. You all expressed value in convenience, functionality, time and also economic value. Could you see like symbolic value or emotional value in these types of services? For instance, if you travel for leisure, would you consider it an emotional experience as well with the booking? Or is it simply economic and functional?
- 55. S: For me it's more economic.
- 56. C: Yeah, I guess today when travelling is so close to you, it's not like the same feeling I guess like people had back in the day. The trip itself could perhaps be emotional, but not the booking part of it.
- 57. **H:** I also think that being a student, at least I don't have that much money to spend yet since I don't have a job really. So, then the price is basically everything I'm looking for.
  - Everyone agrees –
- 58. **H:** So it's just a quick click and I have no emotion connected to the service.
- 59. I: I also think that it's somehow an emotional value, at least for me because I know the site, I've used it so many times and I know that all my friends use Momondo as well. So I trust Momondo and if something would go wrong, I know, or at least I think that I could turn to Momondo and say this is my problem, how can we fix it. So I guess that's some kind of an emotional value attached to it and if it would be

- some random site I've never used before I would be more reluctant to maybe booking it if I could find similar tickets through Momondo.
- 60. **J:** A really good thing about Momondo as well is like you said before the accessibility you have of all the different services. You have the hotels, you have the flights and everything. But if you look at hotel side of it, it's super convenient because I'm not always using it for the price when I'm travelling. I also look at Trustpilot. For example: you can see reviews and you can see that something has this many reviews and this rating and then compare it to something else. So for me it's not just about the economic aspect, it's also about you know getting as much as you can for the money you put in to your hotel. That's also one good thing about Momondo.
- 61. W: I have a question relating trust. Me I just look up the price, but then I actually go to SAS website or Norwegian or so on and actually book the ticket. If you guys are like me?
- 62. C: Yeah, definitely, I only use it for benchmarking.
- 63.**S:** Yeah.

### 64. Li: And why do you do that?

- 65. **W:** I think it's because you don't trust that they don't make a markup somehow. At least I think so.
- 66. **C:** I see no reason to pay them when I can directly to the airline.
- 67. **W:** Exactly, exactly. If you pay 1000kr for flight tickets, then my guess is that Momondo is going to have some sort of markup there, so it's going to be 1050 or something similar.
- 68.**I:** I think it's because you're directed, so Momondo they don't sell the tickets themselves. They direct you to different booking sites. So those booking sites might have some service charge or something like that. So when you pay with you credit card suddenly the ticket is 200kr more expensive or something.
- 69. W: Exactly.
- 70. **M:** Also, if you are at the airport. And there's something wrong with your ticket, it's difficult to call Momondo but you can always go to the SAS desk at the airport. So in that sense it's much more convenient to skip the intermediaries.

- 71.**S:** So I don't know how it works with insurance and stuff when you book with Momondo. Is that the same as when you book?
- 72. C: I guess they have some kind of deal there. I don't think it's like insecure to travel with Momondo and I don't think that's the problem. I think you just want to cut the intermediary.
- 73.**S:** So say that your plane is cancelled. Are you put into a different priority group since you booked with Momondo?

### 74. Li: It's with the airlines.

- 75. **I:** Also, if you find a ticket on Momondo and then you're directed to Supersavertravel or something like that, then they have an insurance that you can buy on to your ticket through them. So it's not through Momondo you actually buy the ticket. They are just kind of like the middle man. They just find the tickets and then you have the insurance with the travel agency that you book the ticket with I think.
- 76. Da: How many of you actually go through with the booking with Momondo? Or do you just use it for benchmarking?
- 77. C: I've booked with Momondo a few times, but it's not something I regularly do.
- 78.**S:** Me too.
- 79.**J:** Same here.
- 80. **H:** Yeah same here, but I would check them both. First check Momondo and then see where I get directed and then also check that airlines website. Because maybe somewhere in the algorithm there's a price difference and I want to check out which one is the cheapest. So that's the solution I use when I use these services.
- 81.**I:** I do that too, but I also regularly book through Momondo so I click at it and get directed to a site and book the ticket there. If it's like a random airline, like not SAS or Norwegian.
- 82. Da: Moving on from service experience to innovation which is a common phenomenon for these kind of services. That customers actually engage in innovating the service. This is not just about improving the service, but more like adding new service features. For instance, add hotels. So, would you be willing to collaborate with airfare aggregators in innovation, and if no why not?

83. C: I guess that's also a question about what type of compensation do I get for involving with a company I have no other attachment with. I think that's the thing. I mean I would answer no to this question, but it's still a question about what do I get.

### 84. Da: So compensation is crucial for motivation?

- Everyone agrees –
- 85. **H:** Yeah I think like the first thing that comes to mind is: would they give me some kind of discount for helping them out.
- 86. C: Some benefit.
- 87.**S**: Yeah.
- 88. **H:** Exactly. Connecting back to what I said earlier, when I give them feedback on their service. Like, there's a span. I would need to be very happy or extremely annoyed to be engaged. But in this kind of way to innovate their service I would need some kind of economic incentive or some kind of discount or something like that.
- 89. W: But it's also you know, you're not a customer with Momondo, you don't have a relationship like you said, because for example with your bank, maybe you would be willing to collaborate with them somehow regardless of the compensation or not. But Momondo is not the something because I'm actually a customer with SAS or whatever.
- 90. Li: So what would be the motivation if you innovated with a bank?
- 91. W: Just a better service.
- 92. S: Yeah because you're more of a loyal customer to a bank.
- 93. W: Yeah, if I'm going to have my loans placed there or bank accounts and my insurances or whatever, then I know I'm going to use the service continuously for some year, but with Momondo it's like...
- 94. C: You're not sure when you're going to use is again.
- 95. W: Exactly.
- 96. M: For me for the last question regarding feedback, it was more related to bonus programs and priority and so on, but here it feels like I mean if you can benefit

from this being part of the innovation process or like in an educational setting from a personal or professional point of view that could actually get me to get involved with Momondo.

### 97. Da: For personal development?

- 98. **M:** Yeah, personal development. Maybe I can draw from it in a professional setting later in life or so on. And from an educational perspective it could be interesting.
- 99. Li: So how many would like to engage in innovation with Momondo? And how with not like to do it? If you start.
- 100. **M:** It depends on the terms, but yes. I would like to say yes at least. Maybe yes if I get some sort of compensation or if I feel like I can learn from it and can benefit later in life.

### 101. Li: And the compensation is more like?

- 102. **M:** Priority of bonus program or something like that.
- 103. **H:** I would say no because I would need some kind of compensation. As you mentioned, bonus points or discounts something like that in order to help them out in this way. I think.
- 104. **W:** I agree with you. It's a lot different from other services I have connection to. So with these aggregators it's for me at least, no connection so I would need some sort of incentive.
- 105. **J:** I think I would say yes actually, but same thing as Michael said, it is mostly about the compensation you get and it would also be if I know that I will use the service again in the future like Momondo then I would say yes because that the one I usually use when I travel but if it were to be another service then I would probably say no. So it also depends on which company that is asking.
- 106. **I:** I also think it depends on how much you use the service. I would say yes if it was a very, I think it depends on how they design the feedback sort of taking. I don't know. If it would be a quick thing on the website, like can you give us one idea on how to improve our site type 10 letters, then I would be more inclined to do it. But if it would be like come to our office for a whole day and sit down and discuss how we can improve our services then I would say no because it wouldn't be worth it. Unless it was a really nice compensation.
- 107. **S:** I would say no if it weren't for any compensation.

- 108. **C:** I kind of agree with most people that I would do it if I get something out of it, but I don't think realistically I would.
- 109. Da: Let's move on to the type of interaction. You touched upon that just now. So how do you perceive like the opportunities for customer-firm interaction engaging with airfare aggregators or other e-commerce players. What's the possibilities for you as customers to actually engage in this type of innovation or improvement of service experience? It could be for example a chat function. Do you see any?
- 110. **C:** Like get in contact with them?
- 111. **Da: Yeah.**
- 112. **C:** I would never do it, but I guess people would use social media to get in contact with them as well. Like write on their Facebook page or Twitter or whatever. But you talk about all e-commerce players? Or? Because I don't see people like doing it for Momondo and stuff but for big e-commerce stores like Amazon I guess that people would engage through social media maybe.
- 113. Li: Why would you not engage with them?
- 114. **C:** Because that's not something that I do, like from a personal point of view. Engaging with companies on social media and such things.
- 115. **Li: Why?**
- 116. **C:** I guess there's no good answer to that question. It's just strictly from a personal perspective.
- 117. **W:** I think it's like convenience for me. For all these kind of services where I have no relation to them. If it's really fast, I think you mentioned it, you just click on something and write a few lines or if it pops up something saying hey do you need help. So if they engage you with something instant like that, the I would maybe consider typing a few sentences like hey your design is not good or whatever.
- 118. **C:** Exactly.
- 119. Da: Do you feel like that type of functionality is missing?
- 120. **W:** Yeah. And it would also build some sort of relation between me and Momondo for instance. If something comes up saying do you think our design is working or are you finding what you're looking for or something like that. Because

if you click, at least my feeling is like if you click on customer service, there is like 500 redirections before I get to some sort of phone number. So for me that would be the thing.

- 121. **I:** But it's also like how much do you actually need to interact with that kind of middle man. Like you only use Momondo like a benchmark as we also discussed, or to be redirected to another site where you will actually buy your ticket. So if you just sort of used this site for a list of different routes you can take to your destination then how much would you need to interact with the people who are behind the company sort of. And it might be better to interact with the site you're getting directed to or when you're looking at SAS and Norwegian's webpage to find a similar ticket to like hey I found those tickets on Momondo but I can't find them here, are they not available or something like that. So at least from my perspective it wouldn't be necessary to interact with a site like Momondo but more the sites where I would actually pay money for the tickets.
- 122. **J:** Yeah.
- 123. **S:** Then I mean, that's when we use SAS and Norwegian because this is companies we know. If we would go like a longer trip with companies that you mentioned that we don't have any clue about, then I would rather go to Momondo like can you fix this. Like my plane is not coming or this and that happened. Instead of contacting the airline I don't know anything about, like in a destination I've never been to. Then I would rather go to Momondo. But maybe that's not possible.
- 124. **W:** But I think like for them, their business is to be top of mind for us as customers so for them to interact they can actually gain something. At least I think that maybe using flygresor.se or Momondo or Expedia or whatever they're called. The first one that comes up to mind for me is the one I'm somehow connected to or have engaged with before. So for me, it's Momondo because of all the commercials, but maybe it's cheaper for them to just have like a chat function that can basically push them or push their sort of to become more top of mind for me.
- 125. Da: All right so our last question is, we've been talking a bit about possible solutions. You mentioned pop-up chats and things like that. Can you come up with other possible solutions or suggestions to how airfare aggregators could facilitate interaction and engagement with you guys?
- 126. **S:** Do you have profile on Momondo?
- 127. Da: Yeah it's possible.
- 128. **I:** Okay so you create your own account.

- 129. Da: Yeah, yeah. But that's actually something that I realized when I started to work on this project.
- 130. **C:** But they don't demand this of you?
- 131. Da: No it's kind of hidden. The website is like purple and the log in thing is like light purple and you find it in the top right corner.
- 132. **S:** But I think it's nice that you don't have to create a profile.
- 133. **I:** But what's the advantage to have a profile?
- 134. Da: They can remember your searches.
- 135. **W:** Recommend stuff to you based on your searches.
- 136. Da: So you wouldn't want to sign up?
- 137. **S:** I would if they like gave me for example like incentives or promotions or stuff. Like extra flight credits in my profile. But otherwise no.
- 138. **C:** But I think that using any ticket service today you need to create a profile so for their point of view I would demand a profile. I guess some people would consider that fuzzy but like today I just booked a football game ticket and I had to create a new account on Ticketmaster and I'm so used to that right now so I don't have a problem doing that and I guess they would kind of gain from it.
- 139. Da: Yeah and you can sign in via Facebook so it's kind of...
- 140. **C:** Yeah exactly, as I said earlier, I think it's stupid from their point of view even though I see the advantage of having people just quickly book their tickets.
- 141. **J:** Is it possible today to do it with Facebook?
- 142. Da: Yeah it is.
- 143. **J:** Okay because that's something I could do.
- 144. **H:** I would say that it's an advantage to not have to sign up, because the way I use their site is to see it as a benchmark to other sites and in that sense I think it would be very annoying to have to sign up every time or one time.

- 145. **C:** Yeah but I see it like a way to you know you can search for you flights and when you actually need to... well that's right you don't actually buy it through Momondo. Then I guess a profile maybe is well...
- 146. **S:** Unnecessary.
- 147. **H:** I guess like it's also your travel pattern. For me I mostly travel back and forth to Sweden from here like and within Europe and every time I go for a longer distance then I guess I would use Momondo. But taken these shorter trips, I have my trusted companies I use like SAS and Norwegian. But going to like Bali or whatever you don't really know the airline going there and in that case I would maybe use them more.
- 148. Li: So do you think like Momondo could change their site or service? Would you like to have something more from the site or are you happy as it is today?
- 149. **I:** I think Momondo is one of the few airfare aggregators they you get a really good overview. You can see the different, you can see in the top the different price fluctuations day by day. You can see like Tuesday it seems to be like really cheap to my destination for instance. Then you have the option to like choose okay do I want direct flight or do I want stops and you can click on that little thing kind of do I need to have a super luxurious airline or can I go with whatever. So you have like different options on the site and I don't think all those airline aggregator sites have that so I think it provides pretty good overview if you just want to search for tickets and then also go into something else and book it. So for my point of view I can't come up with an idea to kind of change their site.
- 150. **Da:** So everyone here is using Momondo as their primary aggregator?
  - Everyone agrees –
- 151. **H:** I guess that flygresor.se is also one that I have looked at.
- 152. Da: Perfect. Now we have covered all the questions but do any one of you have something you would like to add?
- 153. Li: Something about Momondo or engagement or motivation or whatever.
- 154. **H:** Yeah just a though that popped into my head now like sometimes further distances into countries I've never been to. I don't know if that's necessary or if they can do that but like a recommendation about the airline for example if I'm travelling to Russia and somewhere else I have this thought in my mind that every

airline there is not maybe that trustworthy, when it comes to coming in time and luggage etc.

- 155. **C:** Safety.
- 156. **H:** Yeah, now Russia was just an example but you know what I mean.
- 157. Li: Would you like people on Momondo to write those reviews or would you prefer if users did it?
- 158. **H:** I'm not sure.
- 159. Da: You mentioned like Trustpilot and that you wanted the whole 360 overview with recommendations, could that be a possible integration to get Trustpilot into Momondo?
- 160. **J:** Definitely.
- 161. Li: Would you write reviews on Momondo if you had the option?
- 162. **H:** Once again if it's very good or very bad.
- 163. **C:** Exactly.
- 164. **J:** If they for example send you a text messages or a message right after you're off your flight for example like can you just evaluate or give us a quick number or whatever, then it would be quite easy and furthermore the reason why I use Momondo is also because they have the hotels and flights on the same site. I don't know about flygresor.se, they only have flights right?
- 165. **H:** I'm not sure.
- 166. **J:** That's the reason why I use Momondo because they have everything connected in the same place. If you look at hotels.com then you use that for hotels and flygresor.se for flights and you know that's the main reason why I use Momondo instead other aggregators.
- 167. Da: Does anyone else have anything they would like to add?
- 168. S: One thing that I thought of that I think would make me trust Momondo more is for example like you mentioned, like if something happens to my route or to my flight I would like to have the information like for example in an email or in a text message from Momondo not from the company so then after maybe you could get

the text like could you rate us after your trip. But I would like to get information from Momondo to feel like they took care of me.

- 169. Da: You think that that's lacking with airlines today? That they don't give you enough information about flight delays?
- 170. **S:** No, it's just connected to trust and Momondo.
- 171. Li: So do you feel like you're missing ways during the flight like you book your tickets but you want to have more ways to interact with Momondo during like the travelling part?
- 172. **S:** No I just thought about what would make me trust them more. And then I think like if something happened, say that my flight got cancelled and I was in between in like in a layover and then I got the information from Momondo directly like your flight is 2 hours late then I would trust them like a reliable platform more than if I saw that in like a random airline.
- 173. Li: Do you think that if you trust Momondo more, would you engage more within the site as well?
- 174. **S:** Yes.
- 175. Li: How do you other feel about that?
- 176. **W:** No I agree. All these services I use where I feel comfortable interacting with them or services I use frequently and trust, the more I think it's like more correlation. The more trust I feel the more comfortable I feel interacting with the actual services.
- 177. I: I agree but I also think that for a site like Momondo I think it would be very difficult to provide such a service. Because when you are booking through Momondo you are redirected to another site and then Momondo don't know if you book the ticket or just look at that site and like okay they added 500kr for service charge and I'm not going to book it. Then Momondo has no idea if you actually booking the ticket and you're actually going on the flight you clicked on through Momondo so I think it would be really difficult for them to keep track of who actually clicking on and who's not. So then they would like to have to add probably other algorithms to figure that out. And that would probably cost a lot of money, I don't know.
- 178. **H:** What's their business model? Is it if you click on that link to the website or is it if you buy the ticket?

- 179. **S:** I think that if you book they get a share of the ticket price so I don't think they add anything.
- 180. **I:** Okay, okay.
- 181. **S:** For example, if I book an SAS ticket through Momondo SAS has to give Momondo like a share of the ticket price. I think.
- 182. **H:** Okay.
- 183. Da: If you're redirected to the airline yeah, but if you're redirected to a travel agency they will have their own markup so it would be a bit more expensive.
- 184. W: But then they must keep track somehow of who book.
- 185. Da: Yeah, definitely.
- 186. **W:** I agree with what Sophie says, if they interact more with me, maybe it's just me clicking on a link through Momondo being redirected to jetairways or what it's called, then maybe just Momondo sending me an email like thank you so much for booking, if you have any questions you can reach us here and here. Just something.
- 187. **S:** Yeah. Or something like: hey have a safe trip. It would be so nice.
- 188. Li: Anything more you would like to have from Momondo?
- 189. Da: One nice feature that I would like with Momondo is that one time when I used Momondo, one day they had some options and one day they had other options that they didn't have the day prior and if they could notify me like now we have cheaper tickets. Then obviously you would have to sign up so they can reach you.
- 190. **S:** Yeah or like set like an alert like I want to go to Switzerland during this week, set an alert for me when the tickets are out.
- 191. **J:** That could be a really good thing actually like if you could find tickets between these days under this price, send me an alert, like they do with H&M for example or Zara if you have a wish for a size or something then you can send me an email when it's back in stock. They could do the same thing with Momondo actually. If it's on a hotel or flight or whatever, it could be a really good thing.
- 192. **S:** Or if I like know that I'm going away in three months, like notify me exactly when the tickets comes out so I can book them directly.

- 193. Li: Anything more? Feel free to engage.
  - Long silence -
- 194. Da: All right, so yeah let's wrap it up then. Thank you guys so much.

### **Appendix 3.2: Transcript – Group 2**

Facilitator: Daniel Keberku (Da)

Observing facilitator: Linda Gausland (Li)

Group: M, P, Ha, He, El, Em, K

- 1. Da: Alright everyone, welcome to this focus group. Thank you so much for being here, we appreciate it greatly. First a quick introduction of me and my thesis partner Linda. I'm going to be the facilitator so I will be guiding the discussion and Linda will be the observer, taking notes and filling in with some questions. The study's objective is to assess how airfare aggregator can co-create value together with their customers. Basically we want to figure out how you experience their service. In our theoretical framework we use theories revolving around, customer engagement, motivation and interaction. Customer motivation for actually engaging in the process and the nature of the interaction. You are all selected because you are millennials and frequent travelers. So the guidelines are no right or wrong answers, only differing points of view. You don't need to agree with each other, but you must listen respectfully as others speak. Again, as you are aware, we are videotaping the interview so try to speak one person at the time. We want to highlight that this is a discussion, so we encourage you to interact with each other. And lastly feel free to use examples in your answers. Are you ready?
  - Everyone agrees –
- 2. Da: So if we could start off with a presentation of everyone. Just present yourself with your name, age and occupation. We can start off with you.
- 3. **M:** I am Madeline, am 26 years old, and I am currently working at Nespresso within finance and control
- 4. **P:** My name is Petronella and I am 24 years old, and I am currently unemployed.

- 5. **Ha:** My name is Hanna, I am 24 years old and I work as an accountant.
- 6. **He:** I am Hedwig, I am 25 years old and I am currently working as country manager at a social media bureau.
- 7. **El:** I am Elin, 27 years old and I work with CRM and e-commerce at Chanel.
- 8. Em: I am Emelie. I am 26 years, and I work as a HR assistant at Trust Pilot.
- 9. **K:** My name is Karin, I am 24 years old and I work with merchandise at HM.
- 10. Da: Alright, perfect, perfect. Let start off by, by talking about airfare aggregators, and your overall customer experience. How do you perceive the overall customer experience when using airfare aggregators? You can both express positive and negative.
- 11. **El:** Actually I bought a ticket from Momondo one week ago and that was the first time a bought a ticket form those kinds of e-commerce. And yeah I thought it was really smooth.
- 12. Li: Anything more you would like to add to your experience.
- 13. **El:** Well I mean for me it was smooth because otherwise I usually go in to SAS or Norwegian, and then I try to see which days I like to go but here I can just choose when and where I want to go and then I can just find different types of prices. For me I think that's a really good service.
- 14. **He:** I usually use Momondo or flygresor.se. I don't want to buy tickets from them I just want to see what's available and then I go to SAS own site to buy. Because if you proceed to check-out at Momondo' it feels fishy sometime and I think they add all this extra, like luggage and things, that is included in the original ones.
- 15. **Em:** Yeah.
- 16. He: I think so.
- 17. **Em:** I agree with you I always go to those site to see prices, for price comparing, and then I always go back to the original sites.
- 18. **Ha:** For me, Momondo specifically feels very clear and it's really straightforward and if you don't want to do any transfers you can put that in. But also this kind of website is more for when I travel leisure to somewhere in Europe or further travels. Not just for traveling between Copenhagen and Stockholm.

- 19. **P:** I was sitting with it today looking at different destinations, from one destination to another and, from that destination to another and then back home. So when you are traveling to more destinations than just back and forth, like a normal flight, then I think Momondo is a really good options because I could not find those tickets if I just was using like SAS or Norwegian. In those cases I would book through Momondo instead of going to all the different sites, because that would have been, yeah...
- 20. **M:** When I should go somewhere I always start with Momondo instead of going to SAS or Norwegian. I think that a good thing with Momondo is that, for example, often when you want to go travel outside Europe, it easy and you can see different ways and different airlines and then chose the cheapest. If you go to ex: SAS, you cannot always find the cheapest option, but if you go to Momondo you have several airlines to choose from. I think that that's the best part of it.
- 21. He: Yeah.
- 22. P: I think the annoying part with Momondo is that they don't have SAS youth.
  - Everyone agrees –
- 23. **P:** So then you have to go there as well to look for those tickets.
- 24. **K:** I agree, and what's really good with those kind of sites, Momondo or Sky scanner, is that you can see over a month how the prices are and how they change. The over view is really good.
- 25. **He:** But are those really correct? Sometimes when you click on them they change and that feel really fishy.
- 26. **K**: Aha.

- Everyone laughs—
- 27. **He:** So I think that is something that's, is yeah weird.
- 28. M: But do you know if you can have your own account, on Momondo
- 29. Li: Yes, that's possible.
- 30. **Ha:** I didn't know that.
- 31. El: I didn't know that.
- 32. **He:** So, what does that mean?

- 33. M: No I was just thinking if you had your profile, maybe you could add your age and then you could get access to the youth tickets as well, from Momondo. And you could get some kind of discount if you booked through them.
- 34. Da: You touched upon this a before, but what do you consider as the main sources of value when using airfare aggregators? For example, it could be economic, symbolic, functional or emotional value.
- 35. **He:** What you said, when you want to go far away then it pops up a lot of airlines that you never heard of and that you would never think of.
- 36. **P:** Yeah definitely, you save time, time and money. I think that is my main driver for using those types of sites.
  - Everyone agrees –
- 37. **He:** It's nice to have access to all of the airlines.
- 38. **K:** Yeah and I would say, convenience and comparability. So you can see all the airlines in one place.
- 39. Li: So a lot of you talked about Momondo, why do you think that is the first option when you're browsing for flight tickets?
- 40. **Ha:** I think if you want to go to for example Lisbon and search for it on Google, they are the top once with their ads. I think that they want to be top of mind.
- 41. **He:** Before I always used flygresor.se, I didn't know if Momondo existed before you know those thinks that you put on your basket on your bicycle. Before they always had Momondo and I think that because of that I always use it. And flygresor.se looks kind of old, old. So it looks more esthetic appealing to use.
  - Everyone agrees –
- 42. Em: Yeah and is more easy to use.
- 43 Ha: Yeah its all of the different colors
- 44. **Em:** Yeah and everyone talks about it, so I guess it a lot of word of mouth.
- 45. **M:** I think it for me, I have used it for so many years so I feel like a loyal customer. So it's just natural for me to first go to Momondo, even if a do know that there are other sites, I always go to Momondo first because I know how it works.

- 46. **El:** Yeah for me it was actually the same. It was a friend of mine who recommended me to download the app, and afterwards I am always using it.
- 47 Ma: Yeah
- 48. **El:** But sometimes when I just flying to Copenhagen or Stockholm I just go to SAS or Norwegian directly.
- 49. Li: So just concluding, is one of you seeing another value than saving time and saving money, any other values?
- 50. **K:** The user-friendliness, the function.
- 51. **Em:** For me I just see the time and the money aspect. No emotional or functional value.
- 52. Da: Perfect, let's move on. How would you be willing to engage with airfare aggregators in improving and shaping the customer experience? For example, in marketing, pricing, design, sales.
- 53. Da: No more how you can be a part of shaping and improving the experience.
- 54. **Ha:** I may consider it if it was like some kind of contest to win a ticket. But since I am not such an active user, I would probably not engage on the website. I know a lot of companies using these kinds of chat-windows so you can chat directly with the company. But I wouldn't do that, but maybe if there were some kind of a reward.
- 55. **P:** I would be more willing to answer a survey sent to me by SAS than if Momondo senr me a survey. I would feel more loyal to SAS. Even if a booked my ticket through Momondo, SAS is the company actually doing the flight.
- 56. M: It's funny that you say that, I received a survey form Norwegian today, and opposite to you I don't feel any obligations to answer it. I know the survey can help them improve their service and that would benefit me. But I just don't care. Maybe if there would be some kind of benefit to it, like a contest to a ticket or extra credits for my next flight, but otherwise I would not answer it.
- 57. **Em:** It depends on how much effort you have to put in if it just like three question and its easy and you could win a trip, I would be like yeah. But if it too much work to it like post a picture on the internet, I would not engage it that.

Everyone agrees –

- 58. Da: So we touch up on that, but what would motivate you to engage?
- 59. Em: Rewards.

- Everyone agrees –
- 60. **K:** Yeah because there is nothing cool about using their service. Sure you can get cheap tickets but it's nothing I would like to be connected to, or something I would like to communicate to my friends. So, I would definitely need some kind of reward to engage.
- 61. Da: Would improving your own experience motivate you? No rewards, just for enhancing your experience for the future?
- 62. **He:** If you are really unsatisfied. I know from experience if I experience something that is really bad, I can write a super angry mail.
- 63. Da: So moving on from motivation, would you be willing to collaborate with airfare aggregators in innovation, such as creating new service features? It's basically new service development.
- 64. **P:** For me it would be the same motivations as the last question, personal benefits.
- 65. **M**: Yeah for me two.
- 66. **He:** But maybe if it was a really cool company and you could gather a group and together create an idea and present it, and the winner would get something. But if I couldn't get anything out of it, I wouldn't do it.
- 67. Li: When you are talking about rewards could you be more precise? What would you like to have this in order to engage in innovation?
- 68. **K:** It depends on how much effort you have to put in. If it's like easy tasks, I think credits to book flight for would be good, but if it's more demanding and more developed ideas they are looking for, then I think money is the thing that would make me do it.
- 69. **He:** Or a job.
- 70. **K:** Yeah, or a job offer. But something bigger.
- 71. M: I think it's easier to get people to engage as a group. It would be fun to do it in a group, and not by yourself. I would do it, but of course their need to be some kind of reward.

- 72. Li: Do you see any difference between your bank or grocery store or something that you use almost every day, compared to an airfare aggregator?
- 73. **M:** With the bank, I would say yes since it's where I keep my money. So of course I would be more willing to participate.
- 74. **K:** I think it might be a difference between a product and a service. To engage with a a retailer, is more like something you can see every day. But a service I don't know. I don't know it was just a thought.
- 75. Li: If you came up with an idea with ex. Momondo, would you be afraid that it was a bad idea?
- 76. K: No
- 77. M: No
- 78. **He:** I feel quite distant from Momondo so I would feel more afraid to say that something wrong if I worked at Momondo, but as I don't, I wouldn't be afraid to come up with crazy ideas.
- 79. **K:** Yeah, same. And I feel I have nothing to lose because I am not in the company.
- 80. **P:** Another motivation that you can see at CBS is that they use the students to come up with innovations and the students get something they can put on their CV:s.
- 81. Da: How do you perceive the opportunities for customer-firm interaction when engaging with airfare aggregators or other e-commerce players?
- 82. **K:** I just remembered once I booked a ticket from Momondo or Sky scanner. I booked it by flight something, something really random but the airline was British airways. Then I had problem with my ticket, and it was confusing who could actually help me. Because I found the ticket on Momondo, booked it at other side and the it was a different airline.
- 83. **Ha:** Yes, it's the trustworthiness problem, when I book something from SAS I know it will work and counts for something. If something goes wrong with the ticket or the luggage, they will help me. It's more like a grey-zone if you book with Momondo. That's one of the reasons I don't book through Momondo.
- 84. Da: So, someone well, what is your experience when interacting with ecommerce players in general? It could be any type of customer service.

- 85. **He:** If I face a problem and there is an opportunity for chatting, I usually use that function. But I have never use the customer service at a site like that.
- 86. **Em:** I think a possibility to chat would increase their trustworthiness. Because then you know that there's a person behind it and not just a scam, because there is so many of them but if you can interact that would increase the trust.
- 87. **He:** Yeah.
- 88. **Ma:** Yeah, but at the same time if you go to a website to buy a piece of clothing or book a ticket, I mean it's pretty straight forward. How often do you need help? But when I for a couple of weeks tried a new program I never tried before, it was very useful for me since I could get guides directly through the chat. But I see you point that by just knowing that there is a chat would make you feel more safe, but the question is how often would you actually use it when it comes to e-commerce?
- 89. **He:** Yeah but that's was what I said, probably when you face a problem you will need them, and then it's so much nicer to just use the chat than to call a weird number you find on the site, to like India. It feels like that's happening on these kind of sites.
- 90. Li: Would you like to have more ways to interact with the airfare aggregators?
- 91. **He:** More simple ways.
- 92. **K:** Everyone should have a chat, so they can help you when you have a problem, but if they cannot help you when you are about to fly then it doesn't really matter for me.
- 93. **P:** Yeah like as we have mentioned before, just having the chat, let's you know that you could contact them in an easy way. But I have never used it and I don't think I would. But I like the idea of knowing that it's easy to reach them.
- 94. **El:** Yeah exactly you just want to feel safe, just in case if there would be a problem.
- 95. Li: Would it make a difference if you had more trust in these aggregators and used them more frequently. Would that make a difference in your decision to interact and engage with them? Collaborate with them?

- 96. **P:** I don't think so maybe, I would book more through them, and don't just have a look at them and then go to SAS or Norwegian if I felt more trust in the sites they were referring me to.
- 97. **He:** I think when you go to all of these sites they are usually super messy, with things everywhere, with price, and the fastest, and return tickets. It's just super messy and it make you trust them less when it's not clear. But when you go to Norwegian, it super clear and you have their low fare and everything is just super clear and that makes me more willing to book through them than Momondo.
- 98. **Ma:** Okay, now I maybe are super provocative, but just regarding trust, it's not the experience in itself it's is more about the brand, and I agree with you, if the website is super messy I would probably not use it, but for me the trust is more connected to the company itself. How well establish it is on the market. For me that's more about trust, how I perceive the company. I don't know if you agree with me or not.
- 99. Da: So trust is important for you in order to engage?
  - Everyone agrees –
- 100. **Ha:** Yes, it's the main thing for me I would say.
- 101. Da: Alright so let's be creative here, do you have any suggestion on what airfare aggregators could do better in regards to facilitating customer interaction and engagement?
- 102. **He:** I mean if you go to a website and you click on contact, it should be super clear with a number, a mail, and if they have different offices it should be mapped out so it's clear for you. Otherwise you don't even know if they are a real company or not, and I think that would be an important thing for me.
- 103. **K:** Yeah and I think they could do something more like Airbnb does where they write inspiration guides, so you can read something more about the area you are going to or the best restaurant. They should do something more like that because it about traveling and having fun.
- 104. Li: And then would you like to be a part of creating this inspiration or would you like Momondo as a company just provide it to you?
- 105. **K:** No I would not like to be a part of it.
- 106. Li: Would you like other users providing the information for you?

- 107. **K:** No Momondo themselves, otherwise I think I wouldn't trust it. Then it would be more like a review site and then it will be even more messy. More like recommendations.
- 108. Da: More like a professional blog post with inspiration?
- 109. **K:** Yeah, something like that.
- 110. **Em:** I think user-driven inspiration sounds good. I think it would be very effective and prove a transparency and that you would trust the site more, since you would get the users point of view and not just the site's. It could be effective. But then again it would be more like trust pilot or trip advisor.
- 111. **He:** Maybe you could do some kind of a collaboration with a travel agency. Like all of these Fritidsresor.
- 112. **El:** And I think as you said Madeleine, that it would be good with an account so they could collect data on their users so they could send out campaigns and get more loyalty.
- 113. Da: Would you sign up for an account at Momondo?
- 114. **P:** I think I could do it if I could collect credits, but not if it just was for them to saving my data.
- 115. **M:** Yeah, but it's also so much easier if you have a problem if you have an account because then they can just look up all of your data, and information.
- 116. **Em:** Then you could save your card and make it easier to pay, and that maybe would be beneficial.
- 117. **He:** It need to look good and modern. I think that all good company should have a modern and nice website that doesn't look low budget.
- 118. **Ha:** I think it's just like you said, a bad website can signal that they for example don't have so much money and that business is bad.
- 119. Li: And the look of the website is connected to trust?
- 120. **He:** Yes.
- 121. **Ha:** Yes.

- 122. Li: So I have a question connected to trust. We talk earlier about trust and how it could affect engagement or interaction, but none of you here wanted to change your behavior. What would the difference be if you had trust in a company compared to a company that you hadn't trust in?
- 123. **He:** I would book more through them if I had more trust and I would proceed to check-out, if it was less messy and there wasn't always a lot of extra steps. I think it just annoying to use it, I don't know. It just feels like, when you get a price suggestion for like 3000kr then you have on the side a lot of different travel agencies. So you don't even know which site you are going to book through.
- 124. **Ma:** Yeah but I think, like for me I see them like more like a communicator, so if I have a problem with the travel, I call the agency directly and not Momondo. I see Momondo more like a communicator.
- 125. **He:** So when you call them are you like, hey I booked ticket with you through Momondo.
- 126. **Ma:** No, when you buy the tickets you get directed direct from Momondo to a new site, so you see which site you use for the booking, and which airline it's with. So you get all the information from the airline.
- 127. **He:** No that is not how it works when I do the bookings.
- 128. Da: Yeah that's how it works. Sometimes you get directed to the travel agency and sometimes you get directed to the airline. You never book through Momondo.
- 129. **Em:** Maybe that is a problem that it so different every time that you don't know what to expect.
- 130. **El:** Yeah, because I think as a consumer that when I go to a website and go to the check-out, I want to feel like there is one company. I feel like I as a consumer shouldn't have this experience. I should feel like the experience are from the same company and the same journey. So maybe, the problem is that even if a trust them I think that the problem is that it doesn't feel like an entire consumer journey.
- 131. Li: So how many of you, would like to have it like one site, without all the re-directions to another site.
  - Everyone agrees –
- 132. **K:** I agree, but only if that would come at the same cost. If a change would come with a higher cost I wouldn't prefer that. But in general I agree.

- 133. **Ma:** Yeah, but would that still apply that you could see who you are traveling with. Cause you need to know which airline you are traveling with. So you can book everything through Momondo and then you receive a mail that you have booked through Momondo, but you are traveling with SAS. Becasue you still need to know who you are traveling with.
- 134. **P:** But that you can see when you are looking through your flights. If it SAS or British airway. They could change, but for me the trust is not about interacting. Like more trust would make me more willing to book through them, but not make me more willing to answer a survey. That would I do if I feel more loyalty or if I would earn any benefit from them.
- 135. **He:** It feel like all of us around this table, except from Madeleine maybe. We all use it, but you are the only on that actually book through them, and that is a big issue, I guess. So maybe if the change something we would book though them.
- 136. Li: So more precise, which features need to changes in order for you to book through them.
- 137. **He:** That it's more simple.
- 138. **Em:** User-friendly.
- 139. **El:** Yeah that they are not adding all this extra costs all the time.
- 140. **He:** But that I think they are doing on a normal site.
- 141. **P:** Norwegian as well.
- 142. **He:** Yeah, Norwegian as well. I don't know maybe the extra costs are the same. But it just looks more complicated.
- 143. Li: So one last question, your expectations when you go to an airfare aggregator, what would you say that those are?
- 144. **He:** To find super cheap tickets.
  - Everyone agrees –
- 145. **Ha:** So to see what's out there.
- 146. Li: To benchmark?

- 147. **P:** Yeah.
- 148. Li: So, does anyone of you have something you would like to add to the discussion?
  - Long silence -

149. **Li: No?** 

- Long silence -
- 150. Da: Okay thank you everyone so much.

## **Appendix 3.3: Transcript – Group 3**

Facilitator: Daniel Keberku (Da)

Observing facilitator: Linda Gausland (Li)

Group: Pe, F, S, A, G, J, Ph

- 1. Da: All right, welcome everybody. Thank you so much for being here for our focus group interview. My name is Daniel and I will be the facilitator in this discussion and Linda will be the observer. My role is to guide this discussion and her role will be to observe the discussion. Our study is about how airfare aggregators can create value together with millennials, generation Y, which all you are part of. We have chosen you guys because you are all frequent travelers. First a couple of guidelines. There's no right or wrong answers only different points of view. You don't need to agree with each other but you must listen respectfully as others speak. And again, as you are aware we are videotaping the interview so try to speak one person at a time. We also want to highlight that this is a discussion so we encourage you to interact with each other during the discussion. Lastly, feel free to use examples in your answers. All right, ready? Let's start off with a quick introduction of everybody, we can start with you. Tell us your name, age and your occupation.
- 2. **Pe:** My name is Peder and I'm 23 years old and I'm currently a student at Copenhagen Business School. Studies international business.
- 3. **F:** My name is Felicia, I'm 23 years old and I'm a student as well. Also studies at Copenhagen Business School for E-business.

- 4. **S:** My name is Sara and I'm 22 years old and I work as a technical support representative at Danske Bank.
- 5. **A:** My name is Axel and I'm 22 years old and I'm a student at Copenhagen Business School
- 6. **G:** My name is Gabriel and I'm a student also at CBS, studying service management in my second year. I'm 24.
- 7. **J:** I'm John, I'm a student at CBS. I'm studying service management and I'm 22 years old.
- 8. **Ph:** I'm Philip, I'm 23 years old. I'm a student at Copenhagen Business School studying service management and also work as a student assistant at the digital experience department at Pandora.
- 9. Da: Okay, perfect. So, talking about airfare aggregators. All of you have at some point used them. So, we wanted to ask you how you perceive the overall customer experience when using different airfare aggregators. You can both express positive and negative experiences.
- 10. **Pe:** You want us to compare like the main.
- 11. Da: No, not comparing them. Think about the airfare aggregator you mostly use and think about the experience from start to finish. How you experience that. Your positive thoughts and your negative thoughts. The overall customer experience basically.
- 12. **J:** First of all, it's a very frictionless experience. It's very easy to use it. It's quick. You enter the website and straight away you go in and enter your flight details and in a matter of minutes you have all the available flights so I believe it's very, very easy and frictionless. That's what I value a lot.
- 13. A: I believe it's very transparent because it makes it very convenient for you to see the different prices and time schedules of flights across different companies instead of going through all the different airlines by yourself. It makes it very convenient for you to purchase flight tickets.
- 14. **F:** I also think that... For instance, I use Momondo and what I like about that site is that you can also see like the fastest flights you can see if you don't have any time to fit you can see the longest flight which might be cheaper so you have like different options on your flight route and layover and stuff like that.

15. **Pe:** I also mainly use Momondo and it's really nice. It's like Felicia say you get a good overview. The only problem I see is that, the main issue is nowadays mostly the big companies are trying to cut the prices so if you take SAS for example you can go on a youth ticket if you're under 26 and that's a problem because I don't know if Momondo, Expedia and Trivago and all those other places, if you can find these special prices. I mean, often it's quite up to the customer to do that.

#### 16. Da: No, it's not possible.

- 17. **Pe:** No, and that's the only thing I think is bad at the moment. Otherwise it's really good. It's easy, convenient.
- 18. S: I agree with Felicia that you have a lot of tools to use like how much time you want to spend on the flights and changes. But I think usually the flight companies, I don't recognize them and don't really trust them so then I compare the prices to SAS or another company that I recognize and see if I can find a cheap ticket there for like a similar price of the ticket. So I usually don't go through with my purchase on those sites. But I like the features so I can compare those with the companies I recognize.
- 19. **G:** I agree with everybody as well but for me I also see one more problem. That is that maybe all of us have like frequent flyer accounts with maybe SAS or something like that. You have no indication of which alliance they are a part of. So you can't see really if you can collect points. For me, the actually one of the most important things when I fly.
- 20. **J:** So if you're flying with SAS and buy a ticket from Momondo, can you register your account?
- 21. **F:** I think you're like transported to the site. I don't think you can buy tickets on the actual aggregator site. You're like redirected to like SAS or whatever airline you use.
- 22. **J:** Yeah, because some flights you are directed to another like travel agency. But in that case you can't register your bonus.
- 23. **Pe:** Yeah, but you can do it afterwards.
- 24. **Ph:** But I think that's the negative thing that you get transferred to a third party and more often than not the third party appears very shady.
  - Everyone agrees –
- 25. **Pe:** Yeah and the website doesn't work at all.

- 26. **Ph:** Yeah, and you're not really sure if you're booking there just because of the cheapest price or if you're getting your ticket... The entire experience doesn't...it's not coherent.
- 27. **F:** Yeah, because it feels like you're transferred to like a similar site but that's worse.
- 28. **Ph:** Yeah, exactly.
- 29. **J:** Yeah.
- 30. **Pe:** Yeah.
- 31. **F:** Yeah, like Skyscanner or something and then it's just like another step but with the same functions basically.
- 32. **G:** Do sites like Momondo and Trivago, do they compare with themselves as well? Can you be redirected from Momondo to like...?
- 33. **Pe:** Yeah on Momondo you can be redirected to Expedia. Actually I looked into it yesterday.
- 34. **G:** Okay so you can be redirected to a competitor?
- 35. **Pe:** I have no idea.
- 36. Da: So, Expedia is a travel agency so you can book tickets through Expedia but you can't book tickets through Momondo. So Expedia then would be the last step.
- 37. **F:** Yeah, but it feels like you're directed to a similar site.
- 38. **J:** I also want to add to what you said about the features. That this is the fastest one and cheapest one, etc. I saw today that they added a new one which is the lowest carbon environmental footprint. It was very, I was surprised and I liked that as well because it's also like in a debate right now about applying these airplane taxations on environmental footprint. So I think that's a really good way of listening to your customers.
- 39. Da: So some of you touched upon this before. What do you consider as the main sources of value when using airfare aggregators? I mean it could be economic value obviously with price. Functional value as well and maybe

symbolic value or emotional value. So what are the main sources of value would you say?

- 40. **Ph:** Do you want one specific?
- 41. Da: No you don't have to choose just one.
- 42. **Ph:** Okay so overall I think the most beneficial thing for me is that I can actually choose what I want the airlines to compete on. So if I just want to get there quickly, they can compete on whichever one gets me there the quickest and if I want to get there the cheapest way then I can allow the airlines to compete on the cheapest ticket. So that's the most beneficial part for me.
- 43. Da: So like convenience, functionality?
- 44. **Ph:** Definitely, yeah.
- 45. **Pe:** For me it's just an economic reason. That's the only reason why I use this site. Otherwise I know the main airlines. I can go into Lufthansa or Singapore Airline or SAS or something like that and just book my tickets there. For me it's mainly to go in and get the best price to be able to go there. Then of course, the examples that everybody has mentioned, like getting there the fastest way. That's just like a complement on getting the cheapest price.
- 46. **A:** As I said before, for me it's a question of convenience and transparency. SO I don't have to by myself have to look up all the different airlines and compare prices and time schedules and everything. They just fix everything for me or show me the different prices and times. So that's really convenient.
- 47. **G:** I would say that I often use it as a research tool. Because I often actually, if I want to research where to book a flight somewhere. I often go to my, I'm quite loyal to SAS so I book every trip I can through them, but sometimes SAS doesn't fly there and then I use these sites so okay so which airlines fly there. How can I get there? Also, I mean of course the monetary thing and of course like transparency and convenience but also if I want to see which airlines fly there.
- 48. Da: Okay so would you complete the booking on the aggregator then?
- 49. **G:** It depends on the price obviously and of course the frequent flyer situation.
- 50. Da: Okay so how many of you would say that you complete your purchases through Momondo or do you just use Momondo like a research tool and then go to the airline and complete your booking there?

- 51. **J:** I rarely complete the purchase on aggregators because often when you get a price on Momondo for example and then you go to the actual airline that sells the tickets and it's in many cases it's actually cheaper buying directly from that airline than going through Momondo so I never complete the purchase.
- 52. **Pe:** Often I have a quite good picture of the prices of the places I go to so either I book directly through a company I trust and do it right away or I go into Momondo and then I go all the way through with the booking through Momondo. Because I like and it's really simple. If you don't go into like a shady website or have to take a Aeroflot transfer, then it's totally fine.
- 53. **G:** I would say like 50% of the times I complete the purchase through these sites.
- 54. **A:** For me it depends, as Gabriel said I use it like a research tool. If I see that an airline that I know fly this route that I want to fly, maybe Norwegian, then I go into Norwegian's website and buy from there. But if it requires two different airline and it's through an airline I don't really know that well then I use Momondo all the way to purchase the ticket.
- 55. Da: So moving on to your actual engagement, or possible engagement with these types of sites. So, how would you be willing to actually engage with airfare aggregators in either improving or shaping the customer experience. You could be involved in several different types of ways. In marketing, pricing, design, sales, customer service. All type of engagement you can think of, what would you be open for?
- 56. **Pe:** You mean workwise?
- 57. Da: No, as a customer.
- 58. **Pe:** Okay.
- 59. **F:** Then I would say like to improve some features like for instance the things that you guys were talking about with like the frequent flyer program and the youth tickets and stuff like that. Because for me that's like the obstacle for me to actually do the purchase in Momondo compared to other sites.
- 60. **Ph:** I think also some kind of tool to value the trustworthiness of the third party booking site. As I said some of them are kind of shady so I tend to choose one that's might be a bit pricier if it looks or appears to be more trustworthy. So some way for them to rank, or for customers to rank how trustworthy they are. How the process and booking is via that third party site. That would be prioritized by me.

- 61. **Pe:** Same for me I would say. I don't want to end up in an airport in a random country don't getting cared of by the company I fly with. Like for example if the flight is cancelled, what happens now? Do I get booked on another flight or am I completely disserted in the middle of nowhere because I booked with a shady company?
- 62. Li: So if you had the possibility to give reviews for all the companies, would you engage in that activity?
- 63. **Ph:** I believe so. At least definitively if I had a bad experience. I would definitely give them a bad review, but in the cases of good experiences I think I would. The mediocre, the okay whatever, those I would probably not, but in the exceptional cases I would.
- 64. Li: What would be the motivation behind engaging in that?
- 65. **Pe:** Maybe points.
- 66. S: Or discounts for your next booking.
- 67. **J:** Isn't it only when we have a bad experience? Isn't a good experience the standard so you don't really react to a good experience because you actually except to have a good experience.
- 68. **Ph:** I think there are a lot of standalone third party sites that look not professional enough. I mean a good experience would stand out amongst those companies that are currently on Momondo.
- 69. **J:** Okay so you're surprised that it was a good experience?
- 70. **Ph:** Sometimes yes, definitely.
- 71. **F:** I think that if it's simple enough to rate the company or the airline, I think I would do it because we all do it with Uber or somethings. If it's just easy like few steps, not that complicated I think it wouldn't be a problem for people to do it for free.
- 72. **Pe:** No exactly, if you just get like with Uber, a pop-up in an app, like okay give this four or three stars, something like that. Just takes a few seconds.
- 73. **A:** Exactly. I agree. I think it's a question of making it simple for the customer. Because if Momondo or whatever company makes it really simple for you to rate airlines or third party websites then I think I would do it without any other motivation required.

- 74. **Ph:** I think part of the motivation would also be knowing what Momondo and such sites do with this rating. If it's like Uber where they have like under a certain rating they're not allowed to be on Momondo, then I would definitely participate to know that they would not give anybody else that bad experience. So they actually have to strive to be more professional.
- 75. **G:** Another feature I have seen like in a Flightrader app, I think it's called iHop. They have like, because like airlines are engaged in so much revenue management you can actually track the prices up and down. You can pick like I would like to leave Copenhagen to go to Tel Aviv for example between these dates. Then you or the app can track the best prices for you to go and come back and this is a feature I haven't really seen on the big sites actually but on this app.
- 76. Da: There are like cycles where you can see prices.
- 77. **G:** Yeah, but then you would have to actively go in and check the prices, but this is a really nice feature.
- 78. Da: So, there's a lot of room for improvement obviously for these types of sites. What else would motivate you to actually engage and help them improve your experience. You touched upon bonus points, if it's selfish incentives or can it be because you just want to see the service get better?
- 79. **A:** I know for similar kind of businesses, like hotels.com, they have a deal where you get your tenth night for free or something and they pay for your tenth night you book through hotels.com. So if Momondo and those kinds of sites could develop something similar, some kind of bonus loyalty program I think that I could be motivated to help them further.
- 80. **Pe:** I totally agree. That would be super motivating to use it. And also, I read about a growing thing is small startups are starting to, the main idea is if you travel from one place to another you can sign up and say hey I'm going from Copenhagen to Berlin right now and if someone has something to transport and you have some place in your luggage you can get paid for that. Maybe they could include services like that. Not directly maybe this example, but something like that so when you book you can get discount with different transportation services or something like that. Like include more services, get more discounts and frequent flyer points. Just make it more fun.
- 81. Li: So if Momondo like developed a loyalty program. Some of you had as your favorite company SAS or Norwegian that you usually book by. So would you rather book by Momondo if they had this loyalty program or would you still choose your favorite airline.

- 82. **F:** It depends on what you get from it. Because for SAS which I believe everyone here perhaps is a part of, it gives you like features like you can have extra luggage for free and stuff and I think that must be connected to the actual airline and not the booking site. So, if you could incorporate that as well in the Momondo or whatever bonus program then absolutely, but otherwise I feel like I think that's the most important thing for me.
- 83. **A:** If the benefits are beneficial enough to actually prefer Momondo to SAS or any other loyalty program, I think that I could prefer Momondo to make the purchase through Momondo instead.
- 84. S: And you would probably collect more points if you book by Momondo because you have more airline to choose from and more flights. It's more likely you will find a cheap price or a faster flight by using an airline that only offers their own flights. So, I think I would use it more often.
- 85. **G:** But suppose that the only perks they can give you is points to book flights. And none of the other perks like fast track
- 86. **Pe:** But couldn't you include both?
- 87. **G:** I don't know, like Felicia said. Is Momondo capable of giving you the perk of an extra luggage or fast track or lounge access.
- 88. **Pe:** Maybe you don't need to include them both. Momondo can have a separate frequent flyer program. Maybe not giving you lounge access, but maybe give you discount on the flight.
- 89. **G:** Yeah, suppose that that's the only perk that they can give.
- 90. **Pe:** But then of course if you travel a lot then you will have frequent flyer programs going on anyway right? Because I don't think that SAS or Norwegian will stop with their frequent flyer. But you can have both, right?
- 91. **F:** But then, I think that falls on that you have to like be able to register your points for both the airline you're flying for and Momondo.
- 92. **Pe:** Then Momondo could like give you one offer. So, say you travel from Stockholm to Copenhagen. You go to Momondo and look for the cheapest flight and say you book that flight ten times because you travel in work or something like that, then Momondo can offer you like, we paid for the tenth flight. But also, because maybe you travel with Norwegian or SAS then you also get points from the company. It doesn't have to be either way or a trade-off. Just that Momondo

- offers you to keep you as a customer. And maybe like they do some kind of cooperation.
- 93. **F**: Yeah.
- 94. **G:** Okay so just a question, do you get points when a travel agent books the flight for you?
- 95. S: Yes.
- 96. Da: Yeah.
- 97. **Pe:** Yeah. If you travel with SAS, you travel with SAS.
- 98. **J:** That would also increase the loyalty to the site because right now when I search for a flight I search both for Momondo and I search on other sites as well. So I'm not loyal at all. Because I'm looking for the cheapest flight of course. And I think that everyone does that, so a program like this would actually increase loyalty. And actually also, you know increase the purchase on Momondo.
- 99. **Pe:** And maybe Momondo could do some easy part of the website where you can see all the different alliances like star alliance, like okay which companies is included in star alliance, which companies can I book with to get points. Or, like if I fly with Aeroflot, what do I get like do I die or?
- 100. **F:** Yeah so you could like enter which loyalty programs you're in and then you could see like that.
- 101. **Pe:** Exactly.
- 102. **G:** Do you have a profile on these sites?
- 103. Da: Yeah it's possible.
- 104. **Ph:** A basic, basic profile I think.
- 105. Da: You can register with Facebook.
- 106. **G:** That's a fantastic feature then. They should have like a decent profile where you can put in all your information.
- 107. **Ph:** Get points for each flight.
- 108. **G:** Exactly and track your flight dates and everything.

- 109. Da: Okay, that's somewhat innovation. We talked about improving the service and your customer experience, but would you guys be willing to actually collaborate with airfare aggregators with them in innovation and developing new service features. We talked a bit about it but if you could elaborate more. Would you be open for engaging in innovating, coming up with new service features together with Momondo?
- 110. **J:** Like a crowd sourcing or would be as an individual reach out to them and say like, oh I got this.
- 111. Da: It could be like that, but it could also be like they reach out to you and would you do it then?
- 112. **G:** Like a survey?
- 113. Li: You can decide and you can set your own rules. What would they need to do in order for you to collaborate with them?
- 114. **Ph:** I like the crowd sourcing idea. Where you either compete to win a certain price or get some kind of benefit on the website like cheaper flights. That would definitively encourage me to participate.
- 115. **Pe:** I think it's really hard to catch the people in our society right now if it's no reward. People don't have time to be part of something that takes a few minutes of their time because they're on Instagram or Facebook or Snapchat and if you get an email like hey man do you want to help us with a survey? Then you just delete that email real fast so I think I agree with having some reward, like having some points or whatever.
- 116. Da: So you would actually be open to do it if you get some kind of benefit?
- 117. **Pe:** Yeah, it could be like a chance to win like a flight or like a hotel visit or like whatever.
- 118. **A:** 50.000 points.
- 119. **Pe:** It doesn't have to be big, but something small.
- 120. **G:** A chance to win doesn't work with me.
- 121. **S:** I also value the reassurance of change if I contribute with something. I know that when people call me at work to get help they always give me tips like you should improve this or this and we're like okay, okay perfect thank you and then

we forget about it. Because we know that it's too far away like to an implementation and then they won't tell us what we need to change to make things better so if I would participate I would want reassurance that something would change.

- 122. **F:** Yeah and I think that would give like more honest answers for their questions if you get some kind of compensation of reassurance or whatever then you're being more honest and think about it more than if they just ask you like maybe you don't care that much.
- 123. Li: So if you came up with an idea and a change was made, would you like to have recognition or would it be good enough with the change?
- 124. A: Yeah, recognition.
- 125. J: Yeah, I mean that's a plus but I would settle with 50.000 points.
- 126. Da: Perfect, perfect. So, moving on. So to actually engage with companies, the interaction part is really important. I mean like how does that work. So, how do you perceive the opportunities for customer-firm interaction when engaging with airfare aggregators or if you haven't done that, engaging with other e-commerce players. How simple is it to reach out to them?
- 127. **Ph:** I don't think I've tried to reach out to them but I just get the feeling that they would put the responsibility on third party sites that you book via. That they're just a platform where you can transfer yourself to a third party site and book via that so the responsibility lies with the third party site. I've not tried, but that's just the feeling I get.
- 128. **A:** I don't think I've been in contact with any companies like Momondo. But generally I feel like when I'm interacting with companies I want it to be really simple and fast to get answers from the company. If I contact them by phone, mail, or chat on the website. I like to be able to come in contact with them quick and get quick answers and that would be really important for me. I kind of forgot the question but...
- 129. Da: Okay so if you would want to reach out to them like I want you to add, I want you to search for the cheapest hotels as well. So what kind of opportunities do you see for doing that?
- 130. **A:** I think it's crucial to have maybe a chat where you can write and get an answer within a few minutes, because if I would write something and like okay where can I find this flight I wouldn't want to wait for more than five minutes

because then I would leave, or even less, and then I would leave and go to another website. So that's maybe the most important factor.

- 131. **G:** Yeah.
- 132. **S:** The chat function should maybe pop up so you don't need to look for it, like scroll down to contact us and then go to like several steps.
- 133. **A:** Exactly, I remember one example when I was interacting with my electricity company, I was trying to find a way to contact them, and it said contact us with this number. But the phone line was closed because it was in the evening so they said our chat function is open. But I couldn't find the chat, I couldn't find it anywhere. I was like in every page of their website, I couldn't find it so after that I kind of hated that company like if the chat would have popped up immediately like you said then I would be find and probably be happy with the experience, but not now.
- 134. **Pe:** Do I understand your question right, is it more a question of like how would we have a function on the website to engage or like have a gateway to engage?
- 135. **F:** If we have something we want to add right?
- 136. Da: That was the next question actually, but it doesn't matter. Yeah, more like have you seen a chat window pop up when you have entered Momondo or have you seen any opportunities to interact?
- 137. **S:** Is there a chat?
- 138 D: No.
- 139. **F:** But I feel like the chat or the customer support is more like for questions. Not for like customers who like engage in improving the experience. In that case it's like how do I find this or this is not working or whatever. Basically to like dodge bad experiences, not for improving the website.
- 140. Li: Interaction could also be connected to social media, to like share photos, post something or hashtags or anything like that.
- 141. **Ph:** No I haven't seen anything like that either.
- 142. **A:** Then the incentive would have to be huge if I'm going to hashtag something.
- 143. **J:** Haha, yeah, like I just found this cheap ticket, hashtag Momondo.

- 144. Da: You were kind of creative before but could you give us suggestions on what airfare aggregators could do better in regards to facilitating customer interaction and engagement.
- 145. **A:** Like you said I believe that social media as well could be a good way to interact with customers. A lot of us are very active on social media so I believe forums like Facebook and twitter are good platforms to have interactions with your customers and personally I think that if I would contact them through social media I think I would use Twitter. Then, the same way as when I spoke about the chat I think I would want a quick response to feel like to be engaged with the company and to get them to engage customers through quick responses through social media so increasing interaction through social media would be important.
- 146. Da: Anyone else, do you have any suggestions apart from social media?
- 147. **Ph:** I like the chat bubble. That definitively resonates with me. Because usually you just get referred to frequently asked questions section and if you have a question it often tends not to be on that part so it would be nice to have somewhere you can ask a question quickly and get an answer quickly.
- 148. **G:** But if you're a frequent user of the site, they can track that of course. Then I suppose that you're happy with it or that you use it a lot. If Momondo then could reach out to that person and say like okay we see that you're a frequent user of our site, do you have any suggestions for us to improve and for your suggestion you have the chance to win or we will give you points our something like that. Because I guess that if I use Momondo once and they contact me and they say like we see you're a frequent user, then I would just wouldn't mind so I think that they have to target their frequent users right? And the frequent users that purchase through them. Then you maybe have some kind of loyalty there that you can draw upon if you need ideas for improvement.

# 149. Da: So, the responsibility lies with the company to identify their lead users?

- 150. **G:** Absolutely.
- 151. **J:** Now we talk about improvements, right? I see also a big opportunity for Momondo and all the other sites to track where you fly, track your behavior so that they can predict like for example I see that you fly to Denmark every second month and then they can use that knowledge in designing other or proposing other flights or like now it's very chead to fly to Denmark, are you interested and kind of reading and analyzing the data they have on their users to interact in proposing new

flights and purchases. So I think that's an opportunity that they can really benefit from

- 152. **Pe:** I like that Momondo especially had a huge project going on like a year ago or something where they made a video about 500 people or something like that and then they put everybody in a room and then they realized that okay half of them where related somehow and it was kind of. It was an example of trying to improve the flying and discovering the world. I really liked that one and it built somehow of a culture, a Momondo culture. You can be a customer here and you can see the world and we belong together and something like that. They should do more of that because I think that the main reason why I'm loyal to SAS or other companies is that I feel like a culture. Like going to SAS like okay I'm a SAS customer, I know what I get, I know like what kind of company it is, what kind of interaction I will have with the staff and everything so if you build like a culture around Momondo, you will also increase the loyalty and maybe have like a thing on the website like a project page where you can go in, maybe I don't want to book anything, I just want to go in and do stuff and then you can have like a project page where people can like do crowdsourcing things. Like okay guys, we have a project we want to improve this part of the website, what do you think? Like you wouldn't even have to reach out to people, maybe it's just there and maybe when you're searching for a flight you will never take, maybe just happen to go into that.
- 153. **A:** Like a community.
- 154. **Pe:** Yeah, like a community. Yeah, exactly.
- 155. **G:** Yeah, but then they would have to build a real culture to get that...
- 156. **Pe:** Yeah, but I mean how do you build a culture? It starts somewhere right?
- 157. **A:** Yeah.
- 158. **J:** Yeah. It's true.
- 159. **F:** I know for like some tech companies that amateur programmers can like contact the company and report bugs and stuff like that. So, that's also like if it's easy I think you're willing to contribute to that to improve the website, but I'm not sure if many people do it right now.
- 160. Da: Anyone else have anything to elaborate on regarding new possibilities to interact. Or anything else you would like to add?
- 161. **Ph:** I kind of liked your idea about building a community. Looking up future flights. I would like a good function where you can maybe plan a route for a future

- travel. Perhaps something you would like to do in a future. So you can actually lay up like these are the flights I would take and then Momondo can act on that and be like oh we saw that you were looking on this destination, this ticket is really cheap right now. And then you can actually really think about doing that trip.
- 162. **Pe:** They have a super nice function right now they could build on. You can go in and then you can take like, where do I want to go, what do I want to do, do I want an adventure, do I want sun, do I want to have the city? And then you can go and you can take okay I want to have a cold city, I want a warm city, I want to be close to the beach, I want to see culture. Then you just click on that and then you get like 10 or 20 examples in different price classes and you can have for example, for instance, it's winter I want to go somewhere sunny and you get like all examples from Sri Lanka to Australia. That's a super nice function, and they should build on that.
- 163. **J:** Also, I have a feature. This is about being updated on campaigns from different airline. Like if SAS has a campaign for domestic flights then the site should be updated on these campaigns so they actually can apply to this site. That's also a feature that could be beneficial.
- 164. **F:** Maybe they can have like, because you know SAS has, it's not that advanced but they have like okay you travelled five times around the globe this year or like you can like track your destinations so you can see like maybe on a map like...
- 165. A: Statistics.
- 166. **F:** Exactly, so I think I mean people like to travel and like the idea that they travel a lot. So like if you put some statistics into that and visualize it I think it's more a way to keep people engaged.
- 167. **A:** And I think that a lot of these suggestions comes back to the idea of having profiles and I think to motivate people to create profiles is probably through a loyalty program because people want to benefit from having a profile on a website. So, I think that creating more extensive profiles and loyalty program probably facilitate a lot of these ideas that we have brought up right now.
- 168. **F:** Yeah, a more like tailored experience for you I guess.
- 169. **G:** Yeah, and then if you have that, if Momondo reach out to you, you're more prone to accept, right?
- 170. **Pe:** If I could choose one thing it's the loyalty program. Like, I can erase all the other suggestions, that's the only thing I want. Give me those points.

- 171. **G:** Haha, I also enjoy points.
- Everyone agrees –
- 172. Da: To set up a profile, you would need to get something out of it more than like improving the service. I mean, would you do it voluntarily for nothing like this will make the experience better for me. Or do you actually need some kind of bonus points or...
- 173. **A:** I believe that if they could extend their service to offer other products or services, maybe that could motivate me more than rewards and I can't think of anything right now but maybe that feature to plan your trip or plan future trips or create common trip if all of us want to travel we can create a trip together there. Yeah, extending the service would probably in a good way motivate me to create a profile.
- 174. Da: So does anyone have anything else you would like to add to the discussion?
  - Long silence –
- 175. Li: All right perfect, thank you all so much.

# **Appendix 4: Coding trees**

## **Appendix 4.1: Coding tree – Case story 1**

CODES	CATEGORIES	THEMES
IT'S NOT EASY TO COME IN CONTACT WITH THEM.  IT SHOULD BE EASIER TO COME IN CONTACT WITH THEM  IT'S IMPORTANT TO FIND CONTACT INFORMATION FAST.  IF IT'S EASIER TO COME IN CONTACT WITH THEM, YOU WOULD TRUST THEM MORE.	EASY TO ALIGN	
I WOULD NEED TO GET SOMETHING BACK IF THE PARTICIPATION IS NOT FAST.  I GIVE THEM FEEDBACK WHEN I HAVE A BAD EXPERIENCE BECAUSE THE EXPERIENCE MAKES ME ANGRY.  I WOULD ONLY GIVE THEM FEEDBACK IF I HAD A BAD EXPERIENCE  I GIVE FEEDBACK SO THEY CAN IMPROVE  I WOULD GIVE THEM FEEDBACK IF I HAD A BAD EXPERIENCE.  I NEED TO GET SOMETHING BACK FOR PARTICIPATING AS I HAVE NO CONNECTION WITH THEM.  SOMETHING BACK FOR PARTICIPATING. THE MORE I TRUST A SERVICE THE MORE WILLING I WOULD BE TO INTERAC  I DON'T HAVE A CONNECTION TO AGGREGATORS SO I NEED TO GET T.  I WOULD PARTICIPATE IN NEW SERVICE DEVELOPMENT FOR PERSONAL AND PROFESSIONAL DEVELOPMENT.  I WOULD CREATE A PROFILE WITH AGGREGATORS IF I GOT SOMETHING BACK FOR IT.  YOU DON'T HAVE A CONNECTION TO AGGREGATORS AS THEY ARE AN INTERMEDIARY.  I NEED TO GET SOMETHING BACK FOR PARTICIPATING  GETTING SOMETHING BACK IS THE PRIMARY REASON FOR ME TO PARTICIPATING.  IF I HAVE A CONNECTION TO A SERVICE, I WOULD BE MORE LIKELY TO PARTICIPATE  I WOULD PARTICIPATING.  IF I HAVE A CONNECTION TO A SERVICE, I WOULD PARTICIPATING.	WHY YOUNG PEOPLE ALIGN	CUSTOMER-FIRM ALIGNMENT

YOU SHOULD BE ABLE TO FIND THE RELEVANT INFORMATION FAST. YOU SAVE TIME WHEN COMPARING FLIGHT PRICES YOU SAVE TIME WHEN COMPARING ALTERNATIVES. WHY YOUNG YOU SAVE TIME WHEN BROWSING FOR AIRLINES PEOPLE USE THE IN UNFAMILIAR REGIONS TECHNOLOGY FIND PRICE ALTERNATIVES FAST IS IMPORTANT IT'S ABOUT SAVING TIME SAVING MONEY IS THE PRIMARY THING. IT'S ABOUT SAVING MONEY TECHNOLOGY USE HABITS I SOMETIMES USE AGGREGATORS TO COMPLETE THE BOOKING HOW YOUNG PEOPLE USE THE IT'S ABOUT COMPARING PRICES TECHNOLOGY I USE AGGREGATORS WHEN IT'S AN UNKNOWN AIRLINE. IT'S ABOUT COMPARING PRICES TO AIRLINES YOU USUALLY USE I DON'T WANT TO PAY A MARKUP TO AGGREGATORS FOR THEIR WHY YOUNG THEY CANNOT HELP YOU IF PEOPLE DON'T SOMETHING IS WRONG WITH YOUR TICKET. COMPLETE THE I DON'T WANT TO GO THROUGH BOOKING INTERMEDIARIES. IT'S TOO MUCH INFORMATION.

**Appendix 4.2: Coding tree – Case story 2** 

CODES	CATEGORIES	THEMES
IT SHOULD BE EASY TO COME IN CONTACT  IT SHOULD BE EASIER TO COME IN CONTACT WITH THEM  IT'S IMPORTANT TO FIND CONTACT INFORMATION FAST.  IF IT'S EASIER TO COME IN CONTACT WITH THEM, YOU WOULD TRUST THEM MORE.  IT'S NOT EASY TO GET IN CONTACT WITH THEM.  IF IT'S EASIER TO COME IN CONTACT	EASY TO ALIGN	
WITH THEM, YOU WOULD TRUST THEM MORE.  I NEED TO GET SOMETHING BACK TO PARTICIPATE		
IT NEED BE FAST TO PARTICIPATE AND I NEED GET SOMETHING BACK.		
I'M MORE INCLINED TO PARTICIPATE IF I FEEL CLOSE TO THE SERVICE.		
WOULD CREATE ACCOUNT TO GET HELP FASTER.		CUCTOMEN PURM
I'M MORE WILLING TO INTERACT WITH THE AIRLINE AS THEY ARE DOING THE FLIGHT.	WHY YOUNG PEOPLE ALIGN	CUSTOMER-FIRM ALIGNMENT
I WOULD CREATE A PROFILE WITH AGGREGATORS IF I GOT A BETTER SERVICE EXPERIENCE.		
WOULD CREATE ACCOUNT TO MAKE THE CUSTOMER JOURNEY EASIER.		
I WOULD CREATE A PROFILE WITH AGGREGATORS IF I GOT SOMETHING BACK FOR IT.		
WOULD PARTICIPATE IF I GET SOMETHING BACK.		
I NEED TO GET SOMETHING BACK TO PARTICIPATE, BUT WHAT DEPENDS ON HOW MUCH TIME I HAVE TO PUT IN. I WOULD GIVE THEM FEEDBACK		
IF I HAD A BAD EXPERIENCE.		

IT'S ABOUT SAVING MONEY IT'S SAVES YOU MONEY IT SAVES YOU TIME IT'S EASY AND YOU CAN COMPARE PRICES WHY YOUNG YOU SAVE TIME AND MONEY PEOPLE USE THE YOU FIND SEVERAL PRICE TECHNOLOGY ALTERNATIVES FAST THEY HAVE MORE FLIGHT ALTERNATIVES THAN A SINGLE AIRLINE USE IT TO COMPARE PRICES. IT'S ABOUT COMPARING PRICES YOU CAN COMPARE PRICES OVER A TIME PERIOD USE THE SERVICE TO COMPARE PRICES AND THEN I GO TO THE AIRLINE TO COMPLETE THE BOOKING. HOW YOUNG TECHNOLOGY GIVES YOU ALTERNATIVES FOR PEOPLE USE THE AIRLINES IN NEW REGIONS. USE HABITS TECHNOLOGY USE THE SERVICE FOR LONGER USE THE SERVICE TO GET AN OVERVIEW OF TICKET ALTERNATIVES. WOULD COMPLETE BOOKING IF IT WAS LESS STEPS IN THE CUSTOMER JOURNEY IT'S A PROBLEM THAT THERE ARE SO MANY STEPS IN THE CUSTOMER JOURNEY. THEY DON'T HAVE ALL THE WHY YOUNG ALTERNATIVES. WOULD COMPLETE BOOKING IF IT PEOPLE DON'T WAS LESS INFORMATION. COMPLETE THE A BAD WEBSITE SENDS OUT WRONG BOOKING IT SHOULD BE EASIER TO USE DON'T KNOW WHO TO CONTACT WHEN SOMETHING HAPPENS. YOU DON'T KNOW WHAT YOU GET IT'S A PROBLEM THAT YOU DON'T KNOW WHAT TO EXPECT

## **Appendix 4.3: Coding tree – Case story 3**

IT SHOULD BE EASY TO COME IN CONTACT WITH THEM.  SOCIAL MEDIA COULD BE A GOOD COMMUNICATION CHANNEL	EASY TO ALIGN	
I WOULD PARTICIPATE IF I GOT SOMETHING BACK WOULD MORE LIKELY PARTICIPATE IF I GOT SOMETHING BACK WOULD PARTICIPATE IF IT WAS EASY AND FAST IT'S IMPORTANT THAT MY FEEDBACK IS CONSIDERED  IF I GET SOMETHING BACK AND MY FEEDBACK IS CONSIDERED, I WOULD PARTICIPATE.  PEOPLE WHO USE A SERVICE OFTEN ARE MORE LIKELY TO PARTICIPATE.  I WOULD CREATE AN ACCOUNT IF I GOT SOMETHING BACK IT SHOULD BE FAST AND EASY TO COME IN CONTACT WITH THEM I WOULD GIVE THEM FEEDBACK IF I HAD A BAD EXPERIENCE OR AVERY GOOD EXPERIENCE.  I WOULD CREATE A PROFILE IF THEY ADDED MORE FEATURES.  THE MOST IMPORTANT THING TO PARTICIPATE IS THAT I GET SOMETHING BACK.	WHY YOUNG PEOPLE ALIGN	CUSTOMER-FIRM ALIGNMENT

IT IS MOSTLY ABOUT SAVING MONEY IT IS ABOUT SAVING MONEY IT IS ABOUT SAVING TIME YOU SAVE TIME YOU SAVE TIME WHEN BROWSING FOR WHY YOUNG AIRLINES IN UNFAMILIAR REGIONS PEOPLE USE THE IT'S A FAST AND EASY TO USE TECHNOLOGY IT'S EASY AND IT SAVES YOU TIME YOU GET SEVERAL FLIGHT ALTERNATIVES YOU GET A LOT OF FLIGHT ALTERNATIVES LUSE SERVICES LEEL CLOSE TO I SOMETIMES USE AGGREGATORS TO COMPLETE THE BOOKING HOW YOUNG TECHNOLOGY LUSE IT TO COMPARE PRICES WITH PEOPLE USE THE AIRLINES LUSUALLY USE USE HABITS TECHNOLOGY I COMPLETE THE BOOKING IF I DON'T KNOW THE AIRLINE THEY DON'T OFFER ALL THE FLIGHT ALTERNATIVES THEY SHOULD HAVE ALL FLIGHT ALTERNATIVES TOO MANY STEPS IN THE CUSTOMER JOURNEY YOU DON'T KNOW WHAT YOU GET WHY YOUNG I DON'T WANT TO PAY A MARKUP TO AGGREGATORS FOR THEIR SERVICE PEOPLE DON'T AWANTS NEW FEATURES TO FEEL MORE COMPLETE THE SAFE BOOKING DON'T KNOW WHO TO CONTACT WHEN SOMETHING HAPPENS WOULD COMPLETE THE BOOKING IF I GOT SOMETHING BACK WOULD COMPLETE THE BOOKING MORE OFTEN IF I GOT SOMETHING BACK WOULD COMPLETE THE BOOKING IF I GOT MORE BACK THAN FROM THE

AIRLINE