



CHALMERS
UNIVERSITY OF TECHNOLOGY

Needs that commercial tenants have regarding future services

A case study at Platzer Fastigheter AB

Master's thesis in the master's program Design and Construction Project Management

ISAAC IBRAHIM
JOAKIM LUND-PETERSEN

MASTER'S THESIS ACEX30-19-72

Needs that commercial tenants have regarding future services

A case study at Platzer Fastigheter AB

Master's thesis in the master's program Design and Construction Project Management

ISAAC IBRAHIM

JOAKIM LUND-PETERSEN

Department of Architecture and Civil Engineering
Division of Construction Management
CHALMERS UNIVERSITY OF TECHNOLOGY
Gothenburg, Sweden 2019

Needs that commercial tenants have regarding future services

A case study at Platzer Fastigheter AB

Master's thesis in the master's program Design and Construction Project Management

ISAAC IBRAHIM

JOAKIM LUND-PETERSEN

© ISAAC IBRAHIM & JOAKIM LUND-PETERSEN, 2019

Examensarbete ACEX30-19-72

Institutionen för arkitektur och samhällsbyggnadsteknik

Chalmers tekniska högskola, 2019

Department of Architecture and Civil Engineering

Division of Construction Management

Chalmers University of Technology

SE-412 96 Gothenburg

Sweden

Telephone: +46 (0) 31-7721000

Needs that commercial tenants have regarding future services
A case study at Platzer Fastigheter AB

Master's thesis in the master's program Design and Construction Project Management

ISAAC IBRAHIM & JOAKIM LUND-PETERSEN

Department of Architecture and Civil Engineering
Division of Construction Management
Chalmers University of Technology

ABSTRACT

The Gothenburg region has been growing, and will continue to grow, rapidly. The prediction for year 2035 is that there is an absence of office space for almost 100 000 people in the Gothenburg region. An assumption was made that office tenants would like more individualistic services to enhance their workplace in the future as there are several indicators that the society is heading towards a deeper focus on the individuals today compared to earlier. In order to investigate this assumption, it was considered to be relevant to understand what present services are provided to tenants, what services they want in the future and how they can be provided.

Mixed methods were used to enable both qualitative and quantitative viewpoints. Platzer Fastigheter AB was contacted to enable a survey with self-completion questionnaires with their tenants. The survey was sent to fifteen facilities in the city center of Gothenburg with a response rate of 28,8%. Twenty-six service propositions were included in the survey. An additional six interviews were held with seniors in the commercial real estate sector to broaden the view of services and innovation in the industry. The theoretical framework used in the study have been the perspective of service logic and some additional literature on marketing and branding. The service logic is used by organizations that believe that their customers have a major role when value is created. The product that the company is trying to sell has a certain value only when used by customers.

The results of the study showed that the present services provided to all of the tenants – as expected – are the basic location-intensive soft services; garbage disposal and waste sorting. However, a surprising high number of ~50% of the tenants were also provided with private room for their bikes. On the other hand, the response rate on coffee and fruit delivery was considered low (~20%) and therefore was not seen as representative. Corporate bicycle pool was the most requested service for the future (~35%), which is an indicator of a social trend ongoing in the society. Corporate fitness center, improved waste sorting, and corporate carpool were the second most wanted services (~25%). The participants of the survey were clear regarding the services that are the most relevant in the future, which consist of; waste sorting, waste disposal, room for private bicycle, restaurants/cafés nearby, and janitor services. The assumption was in other words not true to the same extent as perceived since a big part of the most relevant services according to the survey still do not prioritize the individual as much as assumed. Further, four scenarios were identified as possible ways of providing services in the future for Platzer Fastigheter AB. Three out of the four scenarios depend on an organizational change within Platzer Fastigheter AB and will among other things include hiring/employing a business developer and letting their tenants be more active in the value creation.

Key words: Service logic, service innovation, commercial real estate, current services, future services, mixed methods, value co-creation, tenant's needs

Behov som kontorshyresgäster har gällande framtida tjänster
En fallstudie hos Platzer Fastigheter AB

Examensarbete inom masterprogrammet projektledning och organisering inom bygg- och fastighetssektorn

ISAAC IBRAHIM & JOAKIM LUND-PETERSEN

Institutionen för arkitektur och samhällsbyggnadsteknik
Avdelningen för Construction Management
Chalmers tekniska högskola

SAMMANFATTNING

Göteborgsområdet har växt och kommer att fortsätta växa snabbt framöver. År 2035 förväntas det finnas brist på kontorslokaler för nästan 100 000 människor i Göteborg. Ett antagande gjordes att kontorshyresgäster skulle vilja ha tjänster som har fokus på individen för att förbättra den framtida arbetsplatsen då det finns flera faktorer som indikerar att samhället är på god väg mot ett större fokus på individen jämfört med förr. För att testa detta antagande var det viktigt att förstå vilka tjänster som erbjuds till kontorshyresgäster idag, vad dessa hyresgäster vill ha för tjänster i framtiden och hur dessa tjänster skulle kunna erbjudas.

Olika metoder användes för att möjliggöra både kvalitativa och kvantitativa infallsvinklar. Platzer Fastigheter AB kontaktades för att möjliggöra att skicka ut frågeformulär till kontorshyresgäster. Undersökningen skickades till deras hyresgäster i femton fastigheter i Göteborgs stadskärna med en svarsfrekvens på 28,8%. Tjugosex tjänsteerbjudanden inkluderades i undersökningen. Sex intervjuer med erfarna personer inom den kommersiella fastighetssektorn gjordes för att vidga uppfattningen om olika tjänster samt innovation i branschen. Teorin som användes i denna studie är från tjänstelogik perspektivet tillsammans med annan teori inom marknads- och varumärkesföring. Tjänstelogiken används av organisationer som tror på att deras kunder spelar en stor roll i hur ett värde skapas. Enligt denna logik har varje produkt ett företag säljer har först ett visst värde när produkten används.

Resultatet av denna studie visade att de tjänster som erbjuds till alla kontorshyresgäster inom Platzer Fastigheter AB som förväntat är bastjänsterna; sophering och källsortering. En överraskande andel av ~50% av hyresgästerna har också tillgång till privat cykelrum. Svarsfrekvensen gällande kaffe och frukt ansågs vara låg på ~20% och sågs därför inte som representativ. Den mest efterfrågade framtida tjänsten var gemensam cykelpool med en svarsfrekvens på ~35%, vilket är en indikator på en växande social trend i samhället. Gemensamt gym, förbättrad källsortering och gemensam bilpool var de näst mest efterfrågade tjänsterna (~25%). Gällande tjänsterelevansen i framtiden hade sophering, källsortering, privat cykelrum, restauranger/kaféer i närheten och vaktmästartjänster högsta procentandelar. Antagandet var därför inte helt sant såsom det ansågs i början av studien då en stor del av de mest relevanta tjänsterna fortfarande inte prioriterar individen. Fyra scenarion identifierades som olika sätt att leverera tjänster i framtiden för Platzer Fastigheter AB. Tre av dessa fyra scenarion kräver en organisatorisk förändring inom Platzer Fastigheter AB och inkluderar bl.a. anställning av en affärsutvecklare och ökad möjlighet för hyresgästerna att bli mer aktiva i värdeskapandet.

Nyckelord: tjänstelogik, tjänsteinnovation, kommersiella fastigheter, befintliga tjänster, framtida tjänster, mixade metoder, samskapning av värde, hyresgästers behov

Content

1. Introduction.....	1
1.1. Background on services.....	1
1.2. Background on present and future commercial real estate and urbanization in the Gothenburg region.....	1
1.3. Platzer Fastigheter AB.....	2
1.4. Aim and scope	2
1.5. Research question.....	3
1.6. Description of case	4
2. Method.....	6
2.1. Research approach.....	6
2.2. Literature review.....	7
2.3. Case study.....	8
2.3.1. Interviews	8
2.3.2. Survey with self-completion questionnaires	10
2.4. Analysis of empirical material.....	12
2.5. Quality of the study	13
2.6. Ethic perspective.....	14
2.7. Limitations.....	14
2.8. Delimitations	15
3. Theory.....	16
3.1. Definition of service	16
3.1.1. Hard and soft services	16
3.1.2. Service management	17
3.1.3. Facilities management.....	18
3.2. Service design.....	18
3.3. Service logic and goods logic	20
3.4. Value and value proposition.....	21
3.5. Resource integration.....	21
3.5.1. Customer value creation.....	22
3.5.2. Value co-creation	22
3.5.3. Organization value facilitation.....	23
3.5.4. Service profit chain	23
3.6. Service ecosystems	24
3.6.1. B2C, B2B, A2A	25

3.7.	Servicescape	26
3.8.	Innovation.....	26
3.8.1.	Service innovation.....	27
3.8.2.	Facility management innovation	28
3.9.	Branding and marketing	29
3.9.1.	Certifications of facilities	29
3.9.2.	Clustering of facilities	31
3.10.	Compilation of theory	31
4.	Empirical material.....	35
4.1.	Current services at Platzer Fastigheter AB.....	36
4.2.	Future services at Platzer Fastigheter AB.....	37
4.3.	How can future service propositions be provided?	40
5.	Discussion	42
5.1.	Current services at Platzer Fastigheter AB.....	42
5.2.	Possible future services at Platzer Fastigheter AB	43
5.3.	How can future service propositions be provided?	45
6.	Conclusion	49
6.1.	Recommendation for future research	51
7.	References.....	52

Preface

This study is a closure of our Master of Science in civil engineering education of Design and Construction Project Management at Chalmers University of Technology in Gothenburg. The study is focused on looking at current services and future service propositions provided to office tenants in the city center area in Gothenburg. The study was conducted from January to June 2019. We would like to thank everyone who took their time to participate in this study, which enabled us to make an interesting contribute to the research in the sector. This study could not have been conducted without the answers of the participants in the survey, both tenants and interviewees.

We would like to especially thank our supervisor at Chalmers University of Technology, Christian Koch for his feedback and help during the work of this study. He has throughout the process supported and followed-up on the study. Likewise, a special gratitude to Mikael Dotevall, our supervisor at Platzter Fastigheter AB for helping us making this study possible by getting in contact with tenants and facilities in Gothenburg. Mikael have also helped us with vital insights of the commercial real estate market in Gothenburg and the services connected to it, which made it possible for us to come up with some of the twenty-six service propositions used in the study. Lastly, we would like to thank our fellow students, Petter and Kin-Shan, who have helped us with peer-reviews and motivation during the process.

Both authors have contributed equally to the content of this study throughout the process.

Isaac Ibrahim & Joakim Lund-Petersen

Gothenburg June 2019

Notation

A2A- actor to actor

AI- artificial intelligence

B2B- business to business

B2C- business to customer

CBD- central business district

FM- facility management

IoT- internet of things

Equation

Equation 1 Response rate, adapted from (Bryman and Bell, 2015, p. 199) 11

Equation 2 Response rate 11

Figures

Figure 1 Map over the included facilities in the survey (own elaboration) 5

Figure 2 Average survey response rate, adapted from (Lindemann, 2018) 12

Figure 3 Limbic and neocortical factors within service design, adapted from (Macintyre et al., 2011, p. 12) 19

Figure 4 The service profit chain with the focus on the parts within the circle, adapted from (Heskett et al., 2008, p. 120) 24

Figure 5 Relation between client, tenant, and service provider in commercial real estate, adapted from (Collins et al., 2018, p. 247) 28

Figure 6 The concepts of WELL Building Standard, adapted from (Platzer, 2017, p. 6) 30

Figure 7 Four main factors that service management is consisted of (own elaboration) 31

Figure 8 The role of intangible resources within resource integration (own elaboration) 33

Figure 9 Service propositions in the survey (own elaboration) 35

Figure 10 Current services provided to the tenants of Platzer Fastigheter AB (own elaboration) 36

Figure 11 Suggestions of future services (own elaboration) 37

Figure 12 Service relevance of the future (own elaboration) 39

Tables

Table 1 Interviewees during the study and their professions 10

Table 2 Differences between goods logic and service logic, adapted from (Vargo and Lusch, 2008, p. 148) 20

1. Introduction

This master study is an analysis and examination of different services provided to tenants in commercial real estates in the city center of Gothenburg. The study is executed based on the tenants from a commercial real estate company called Platzer Fastigheter AB. An assumption made by the authors of people wanting more individualistic services connected to their workplace was the origin of the study. The main objective of this study is to examine different services that are being provided to the tenants of Platzer Fastigheter AB, possible services that are required by the tenants in the future, and how these services can be provided from a service logic perspective. A case study including interviews and a survey with self-completion questionnaires is used as a part of the methodology in order to investigate the present and future.

1.1. Background on services

Service can be defined in several different ways depending on the business and context in which the service takes place. In their article “*On value and value co-creation: A service systems and service logic perspective*”, Vargo et al. (2008) have however defined service generally as “... *the application of competences for the benefit of another party...*” (Vargo et al., 2008, p. 4). This definition can be put in context in regard to Platzer Fastigheter AB and their tenants where Platzer Fastigheter AB provides a set of services to their tenants according to the competences that the real estate company possesses. The services provided will create advantages and benefits to the tenants just as the definition anticipates. In order to come up with services that the tenants would prefer, the tenants should be involved in the process as co-creators.

The concept of looking at services from a service logic perspective was introduced in 2004 by Vargo and Lusch (2004) and was seen as a way for marketing. It was also a new way of looking at goods and services where the exchanges are done by service-for-service (Vargo and Lusch, 2004). Later on, the service logic has gained a more dynamic view where resource integration and value co-creation between the provider and consumer have gained attention and importance (Vargo and Lusch, 2016). The paths of service logic are a decision of choice of the organization on how value should be created for the customer (Skålen, 2016).

1.2. Background on present and future commercial real estate and urbanization in the Gothenburg region

The Gothenburg region is growing (Bergfors et al., 2016) and more than 130 000 new jobs have been created since year 2000, which also resulted in an increasing in population by 190 000 persons. The population is predicted to keep increasing with at least 10 000 persons each year. The increase of population in the city center was 14% in 2017 (Einarsson and Warda, 2019). This increase has created a huge demand on the market regarding the physical infrastructure i.e. buildings and roads because of the urbanization. The commercial real estate market is experiencing all-time-low vacancies and the demand has yet not stagnated. The vacancies for the city center are currently at 3% (Einarsson and Warda, 2019). At the moment, the real estate owners and construction companies cannot produce enough new commercial space for new and current tenants, which is leading to higher rents and increased demands (Einarsson and Warda, 2019). Even though commercial space is being produced more than before (Bergfors et al., 2016), the prediction for 2035 is that more than 100 000 people will need vacant office space only in the Gothenburg region (Business Region Göteborg, 2018). The space is, as in all cities,

limited and new areas in the region are investigated together with the possibility of building higher. When all these buildings are finished, they will certainly affect the market and the real estate companies in one way or another (Einarsson and Warda, 2019).

The urbanization and globalization of the society have a big impact on the region (Wedel and Waller, 2018). The Gothenburg region business sector has since 2016 experienced a boom on the financial market and has increased the welfare for the region (Einarsson and Warda, 2019). As in many other regions and countries; IT companies, whole sale trade, and other service-related sectors are the ones that increase their shares the most. These companies have a high productivity with new processes that focus on the society becoming more individualistic where services satisfy – not only the organizations’ requirements – but also each employee’s needs (Einarsson and Warda, 2019). The trend in the Gothenburg region is showing that the goods production is decreasing while service production increasing (Bergfors et al., 2016).

1.3. Platzer Fastigheter AB

Platzer Fastigheter AB is one of the biggest real estate companies in Gothenburg, Sweden. The company is specialized in owning and developing commercial real estate where commercial offices represent the biggest part of their total ownership (Platzer, 2019). An entire of 70 properties in the city of Gothenburg for a total area of 825 000 m² and a value of 18 billion Swedish Crowns are owned by Platzer Fastigheter AB. The main business idea of the company is to create value by owning and developing commercial real estate in the city of Gothenburg. In order to maximize the value created by the owned properties, Platzer Fastigheter AB has developed a strategy that is based on clustering of facilities in local areas where there is well-developed public transport and great potential for future real estate development (Platzer, 2019).

This strategy represents a factor of great importance in regard to increased growth in the selected local areas, creating long-term relationships with tenants and suppliers, and increased improvements and value creation in the owned properties. Therefore, the strategy developed by Platzer Fastigheter AB increases the value of the owned properties, which in turn increases the possibility of financing and creating even more value in these properties. They have however no strategy at the moment in regard to the services that they provide to their tenants. Each property, each property manager, and even each tenant within that property, have their own services without coherence with the other properties (Interviewee-3, 2019).

According to Interviewee-1 (2019), Platzer Fastigheter AB is one of Gothenburg’s leading companies in regard to all forms of sustainability in the real estate business and brand themselves as an environmentally friendly choice. Social and environmental sustainability are two important examples of the company’s main focus. This is reflected by their certified properties through BREEAM and WELL Building Standard in order to achieve maximum environmental sustainability among all other real estate companies in Gothenburg. Owning properties long term and creating deep relationships with the tenants are the foundation of the social sustainability that Platzer Fastigheter AB strives for (Interviewee-1, 2019).

1.4. Aim and scope

The aim of this study is to identify possible future services that office tenants in the center of Gothenburg would possibly need. The study also aims to identify other services that meet certain needs that today might be unknown for the tenants. In the near future, a lot of offices will be built in the Gothenburg region and will be affecting the market for the real estate

companies. The authors have an assumption that services will be more focused on each individual than on an organization. The main ambition of Platzer Fastigheter AB is to investigate the possibility of offering different service propositions to their tenants in order to increase the firm's competitiveness on the commercial real estate market and attract tenants. These different service propositions can already be available on the market or just as well be introduced to the market. Therefore, this study mainly aims to investigate different possibilities to increase the tenants' workplace qualities and thereby the tenants' productivity in order to make it possible for Platzer Fastigheter AB to achieve an implementation of these service propositions. Propositions offered to the tenants can be generated in different ways. One way of generating high-quality service propositions is to understand and analyze the tenants' business models in order to predict future needs among the tenants and thereby provide suitable service propositions to them. Another way of generating high-quality value propositions is to create a completely new needs for the tenants. Creating new tenant needs can be done by introducing new factors that can have positive impacts on their well-being and profit as an organization (Skålen, 2016). Both these aspects will be considered throughout this study.

The study will address services in general, as it is not possible to look at services in the city of Gothenburg solely. The focus of the study will be from a service logic perspective. The study will also consist of theories that can be related to services, such as; innovation, branding and marketing, and resource integration which is needed to gain a better understanding in the field. The results will however not be able to be comprehensive for the entire commercial real estate sector consequently as it is based on a case study for a single company in a single location, but some generalizing conclusions will however be drawn.

1.5. Research question

Based on the aim of this study, the main objective is to investigate different possibilities to improve the workplace and facilitate the business processes of commercial real estate tenants. The assumption is based on the tenants wanting more individual services in their everyday work in addition to the basic services that are provided to all facilities. Thus, the main purpose of this study is as follows:

- *What needs and requests do the tenants of commercial real estate have in the future in regard to services?*

Three research questions are developed based on the tenants of Platzer Fastigheter AB as they are the main goal of this case study. These three questions cover analyzing current needs, generating new future needs to the tenants, and how these future needs can be fulfilled. The research questions are as follow:

- *What type of services is provided today to the tenants of Platzer Fastigheter AB?*
- *What service propositions are highly requested in the future of the tenants of Platzer Fastigheter AB?*
- *How can the future service propositions be provided to tenants of Platzer Fastigheter AB, from a Service logic perspective?*

1.6. Description of case

This study was started with an assumption that tenants in commercial real estate sector would like other services in the future than what they are provided with today with a main focus on each individual employee. The assumption also was confirmed during the literature review by Cajaiba-Santana (2014). The authors' perception is that people are no longer loyal to their employers their entire working life and the employer needs to find new ways to attract new employees and at the same time keep the existing ones. Platzer Fastigheter AB was contacted and asked for participation to get easier access to empirical material from tenants in the Gothenburg area. The top management team of the company had been thinking of similar ideas in regard to meeting individual needs by providing certain services. However, the management team had not investigated the possibility any further yet. The company was therefore interested in investigating what direction should be taken and what can be offered to the tenants.

Fifteen facilities in the city center of Gothenburg were chosen (see figure 1), as Platzer Fastigheter AB's tenants with the highest willingness-to-pay were located in the area and was said to be most representative for future choice as the outskirts will always be a little latecomer. The city center is also said to be a part of the Gothenburg region where a high amount of investments will occur in the future. However, there was a minor disadvantage as Platzer Fastigheter AB only had access to emails to one contact person – in each company that was hiring their facilities – that is responsible for rental agreements with Platzer Fastigheter AB. It would have been beneficial for the study to include more of the everyday users in all companies and facilities. In contrast, probably not all employees would know the kind of services provided or the total amount of services they were offered, which therefore made the contact person a beneficial choice for the study. The response rate could have been increased if every contact person was contacted personally by the authors, but the number of possible respondents made it too time-consuming within the given timeframe.

The authors believe that Platzer Fastigheter AB lacks in having an explicit strategy on which direction to take in the future regarding the offers that can be provided to the tenants and their position on the market. A business developer – or similar – in the organization is needed to get a clearer path of where to go and what to do, which is not included in the present organization. This was also confirmed by people in the organization itself during the interviews. At the moment the discussions in the organization are caught up at if a FM-provider should take care of services and the development of them instead of employing a business developer. That decision will also be important from a marketing and branding point of view for the company. At the moment Platzer Fastigheter AB is only branding themselves as a local and environmentally friendly choice but also wants to be seen as a company where the tenants get the best services. The results of this case study will most likely affect the decision of employing a business developer or a FM-provider and how to evolve the brand, as they now know what their tenants want in the near future. The authors, and the interviewees, believe that providing individualistic services is the future. The outcome of this study can therefore be considered interesting for the commercial real estate sector and Platzer Fastigheter AB itself.



Figure 1. Map over the included facilities in the survey (own elaboration).

2. Method

This chapter discusses how the research has been conducted, collected, and the reasons for choosing the methods used in this study. Generally, this study has used mixed methods with an abductive approach where a case study with both qualitative and quantitative parts has been utilized. First, an assumption was initiated that tenants' needs and requests in regard to services will change over time and a literature study was made within the area of service logic and service innovation to get more information and knowledge in the field. The case study was chosen together with the company Platzer Fastigheter AB in order to find a location in which there are properties that – in the near future – were planned for a change in regard to new service propositions, which later will be tested in other property locations of Platzer Fastigheter AB. The qualitative part of this study was done through literature review and interviews that were held during the case study. A survey done through self-completion questionnaires was also completed, which represents the quantitative part of the research during the case study.

2.1. Research approach

A selection between inductive, deductive, and abductive approach had to be made in order to choose the research approach of this study (Mirza et al., 2014). The inductive approach focuses on gathering empirical data which adapts a more qualitative strategy (Alvesson and Sköldböck, 2009, Bryman and Bell, 2015). When the data collection is done, the researcher focuses on finding existing theory that can explain the reason why the empirical data turned out the way it did. With a deductive approach, theory and quantitative methods are the point of departure (Alvesson and Sköldböck, 2009). One or several hypotheses are initiated based on existing theory, recognition of patterns, or previous knowledge in the field that later on is tested indirectly by collecting empirical data. Hence, the deductive approach is associated with quantitative research. This data either confirms or disconfirms the hypothesis and the predictions that were connected to it, which leads to conclusions that can be drawn based on this data (Mirza et al., 2014). Lastly, the abductive approach mixes both the inductive and deductive approach by reasoning with a deductive view and tested empirically through inductive reasoning, hence a combination of qualitative and quantitative methods, trying to find the most possible explanation to an incomplete set of observations (Walton, 2004). An abductive approach is said to make logical inferences, build theories about the given problem that is investigated, and starts off with a problem that the researcher seeks to explain (Bryman and Bell, 2015). An abductive approach is also a typical used method when making case-study-based research (Alvesson and Sköldböck, 2009).

Both the inductive and deductive approach are generally criticized for being one-sided and unrealistic (Alvesson and Sköldböck, 2009). Inductive approaches are criticized for the amount of empirical data collected being not enough for building up theories, which is seen as a weakness. The weakness of a deductive approach is associated with its reliance on theory and falsifying hypotheses without a clear way of actually selecting and testing the theory. As the abductive approach is a mix of both inductive and deductive approaches, these limitations are said to be overcome (Bryman and Bell, 2015). A mixed method approach uses and combines at least one qualitative and one quantitative method. None of these methods need to be inherently linked to a particular inquiry paradigm. Mixed methods are suited for problems where one data source may not be enough to explain the results, generalize findings, or enhance a primary method or theoretical stance. By mixing methods, the researcher has to be aware of the

abductive approach being more time-consuming and resource demanding (Creswell and Plano Clark, 2011).

In this study a mixed method approach was chosen, i.e. abductive. An idea of the tenants in the city of Gothenburg wanting both more and other services than they were provided at the moment was the starting point of the assumption. The authors had the perception that the society have become more individualistic in recent times, but could an individualistic society be recognized in the commercial real estate sector yet? If that was the case, an advantage can be taken of the individualistic society by using individual services as a branding and marketing purpose for commercial real estate companies. Theory of different aspects of service logic and service innovation was read and analyzed in order to gradually narrow down the research questions as described by Bryman and Bell (2015). More theory was read and analyzed, which helped influencing the collection of empirical material. The empirical material constituted of interviews and a survey with self-completion questionnaires as a mix of methods (Creswell and Plano Clark, 2011). When the empirical material had been collected, more theory was added and refined because of the influence of the empirical study. Likewise, the research questions could be refined to better suit both theory and empirical material. This research approach gave the authors the possibility to alternate between empirical facts and theory in the light of each other (Alvesson and Sköldbberg, 2009), which is also recognized in the work of (Mirza et al., 2014) as they argue that "... *abductive reasoning guides the generation of hypotheses, the consequences of which are explicated logically through deductive reasoning and empirically through inductive reasoning.*" (Mirza et al., 2014, p. 1981). The opportunity of elaborating with both theory and empirical material gives new insights that can be utilized (Dubois and Gadde, 2002). From this perspective, the observations and theory are used to reason from both a theoretical and practical point of view (Flick et al., 2014). Hence, the abductive approach was beneficial for answering the research question that are based on both quantitative and qualitative data gathering and analysis.

2.2. Literature review

The literature review aims to minimize bias through a scientific, transparent, and replicable process with exhaustive literature searches. Search terms and keywords when searching for literature are of high value and should be presented in order to highlight the transparency and stating an unbiased search (Bryman and Bell, 2015).

The literature review in this work was the first step to get started on this study and was preparational for the later upcoming survey and interviews. The main objective in the beginning was to get a better in-depth understanding in order to achieve higher quality of the empirical material that later would be collected. The given literature was also a foundation for explanatory statements in the analysis of the empirical material. Existing literature is representing what is known about a given topic with concepts and theories applied to it. It is of high importance to figure out who the main figures are in the field (Bryman and Bell, 2015).

The search engines used in this study was *Google Scholar* and Chalmers library online bibliographical database *EBSCO*. Relevance of literature was checked, criticized, and reviewed upon; title, the year of publishing, publisher, number of times cited, and known authors in the field. The primary keywords used during the literature review were; *service logic, value creation, service management, service innovation, service ecosystem, servicescape, commercial real estate, branding and marketing*. These keywords were also used in combination to create themes and narrow down the search results. The authors were also

granted access to internal documents from Platzter Fastigheter AB, both published and unpublished material. In a total of 184 academic references were selected and their abstract and introduction were read throughout the study. A total of 139 articles, 22 books, and 23 webpages content was seen as useful and relevant for the study and was read through, which later was used in the report. During the work of reading the literature, a snowballing technique where referrals of others who possess some similar characteristics (Biernacki and Waldorf, 1981), was used to find cross-references that also could be used, which are included in the 184 academic references selected.

2.3. Case study

Dubois and Gadde (2002) argue that case studies provide a weak basis for scientific generalization because of their nature of almost one of a kind tests. However, Yin (2014) argues that case studies are recommended if an understanding of a phenomena is of interest. It gives the researchers the possibility to retain a holistic and real-world perspective (Yin, 2014) even though the scientific generalization might not be as high (Dubois and Gadde, 2002). The case should be chosen and based foremost on the anticipation of representativeness (Bryman and Bell, 2015). Furthermore, Yin (2014) defines a case study as an: "*... empirical inquiry that investigates a contemporary phenomenon (the "case") in depth and within its real-world context, especially when the boundaries between phenomenon and context may not be clearly evident.*" (Yin, 2014, p. 16). A case study can be e.g.: a single location, single organization, a person, or a single event (Bryman and Bell, 2015). A case study gives the authors the possibility to include both quantitative and qualitative methods, which is seen as a key feature and follows the abductive approach and gives an opportunity to answer the research questions. Further, it allows for an explanation, description, illustration, and enlightenment of the given problem (Yin, 2014).

The chosen case study of the city center of Gothenburg was made in collaboration with one of the larger commercial real estate companies in the Gothenburg region called Platzter Fastigheter AB, and is seen as instrumental case study (Bryman and Bell, 2015) where focus lies on getting an understanding of a broader issue, in this case value propositions to customers. Skålen (2016) emphasizes the use of customers to get input and to be able to provide new service and value propositions. The use of a case study where the tenants are involved is therefore highly preferred. The area of the city center was chosen because of its representativeness and is perceived to be the part of the city where innovation is tested first. The case will be used for generalization within the central business district (CBD) and the rest of the city center of Gothenburg. In the future the results will also be used for comparison with the outskirts of Gothenburg and can be used for generalization in other cities in Sweden with similar size. The case study included both interviews and a survey with self-completion questionnaires that will be presented further in the coming sections.

Fifteen facilities, with rental spaces between 2800-16700 m², was used in the study. The companies in the representative area has a variation of rental space in the range of 120-5200 m² and a variation of 4-650 people that are using the space on the offices.

2.3.1. Interviews

Research interviews are normally categorized in three different groups; structured, semi-structured, and unstructured (Brinkmann and Kvale, 2015, Bryman and Bell, 2015, DiCiccio-Bloom and Crabtree, 2006). Regarding a structured interview, the interviewees are given

exactly the same context stimulus and questions. The questions are asked very specific, often in a fixed range of answers. On the other hand, the semi-structured approach focuses on series of questions in a general form that the interviewer has the possibility to vary the sequence of. There is also a possibility to ask further follow-up questions to retrieve more information. Regarding an unstructured interview, the style usually is informal and the interviewer only has a list of issues or topics (Bryman and Bell, 2015). Interviews are generally used to seek and explore perceptions and meanings from interviewees to gain a better understanding of a given issue or topic (DiCicco-Bloom and Crabtree, 2006). The outcome of the interview depends on the interviewer's ability to get the interviewee to: "... *share rich descriptions of phenomena while leaving the interpretation or analysis to the investigators.*" (DiCicco-Bloom and Crabtree, 2006, p. 314).

Every interview is unique in a certain way since every interviewee decides the direction in which the interview is heading. There is a possibility that questions and answers during an interview are misinterpreted. Both parties presume that a shared meaning of terms is employed. Interviews are known to be time-consuming and expensive compared to other quantitative methods. It is therefore important for the researchers to gather representative interviewees in relation to a problem and/or assumption that is investigated (Bryman and Bell, 2015). Throughout an interview the interviewees' confidentiality needs to be protected. It is the authors' responsibility to keep the transcription loyal to both parties' statements. Information about the study and how the interviewee can affect the study, consequences of participation, and if there is an importance of anonymity is also highly important to inform the interviewee about (Brinkmann and Kvale, 2015).

To complement the literature and the possibility of feedback and input from people working with services in their everyday work, contributing to creating a body of knowledge (DiCicco-Bloom and Crabtree, 2006) of tenants' needs and requests from a service providers perspective, semi-structured, with individual in-depth, interviews were conducted to get a more in-depth survey and understanding of future service propositions. A semi-structured interview enables both close-ended and open-ended questions, which allows the researchers to supply both qualitative and quantitative data (DiCicco-Bloom and Crabtree, 2006). It was also seen as beneficial that the persons that were interviewed were linked to; services, commercial real estate, facility management, and/or service innovation to get a detailed understanding of how the service provider works and sees the future. To ensure a broader understanding, the interviews were held face to face in 2019 with six persons from three different organizations, where Platzer Fastigheter AB was one of them, in their offices in Gothenburg, Sweden.

In the beginning of all interviews, the interviewees were perceived to be answering what they believed the authors wanted to hear, but as the interviews went on the answers were apprehended as more honest. During the interviews it was hard to get the interviewees to give specific and detailed information about new services and innovation even though that the interviewees were supposed to be leading in these questions in their company. This can be a result of the companies choosing the interviewees themselves, which might explain that the interviewees were careful not to disclose sensitive information. The choice of letting companies choose the interviewees was made to minimize the risks of interviewing employees that could not answer specifically on the given questions. Thus, this also resulted in the interviews were mainly held with senior employees that were chosen by the companies because of their experience and expertise within certain areas based on the description of the study that was sent out to the companies. All the interviewees had an experience of a minimum 8 years within the service- and/or facility management sector.

Data was gathered from the interviews and considered only to get the view from the service provider perspective. The perspective from the customer was instead taken from the survey, explained in 2.3.2. From the perspective of the research questions, the interviews firstly were used to understand the services that are provided to tenants at the moment. Secondly, the interviews were also used to get input of future service propositions where the service provider is able to create a need that the customers do not know yet that they have. Also, the interviews also helped ensuring that as many services as possible were covered in the survey with present- and upcoming trends.

The interviews were conducted for 45-60 minutes and was attended by both authors with different pre-decided roles. One held the interviews, was asking the questions, and seen as the responsible while the other took notes and complemented the interviewer with eventual follow-up questions to sort out any unclearness. All the interviews were audio-recorded in order to make the transcription easier. The records were deleted after the transcription had been made to meet the rules of GDPR. In table 1 the interviewees are presented.

Table 1. Interviewees during the study and their professions

	Professional title	Type of firm
Interviewee 1	Sustainable development- and purchasing executive	Commercial real estate company
Interviewee 2	Deputy CEO and CFO	Service provider and innovator
Interviewee 3	Project developer and advertiser	Commercial real estate company
Interviewee 4	Commercial real estate manager	Commercial real estate company
Interviewee 5	Property manager	Commercial real estate company
Interviewee 6	Digital innovator and intrapreneur	Service provider and innovator

2.3.2. Survey with self-completion questionnaires

Surveys are a good way to investigate a phenomenon, but the limitation lays within the context. The main problem usually is the limitations in numbers of items in the questionnaires and number of respondents (Yin, 2014). If the number of respondents is low, the answer cannot be seen as representative or indicative (Nulty, 2008). By involving the users as a focus group, companies can be able to better understand and develop the given issue that is analyzed (Skålen et al., 2018).

Nulty (2008) emphasizes the importance of pushing the participants to answer the survey in order to increase the response rate, especially on online and email surveys. The design of the survey can also affect how the survey is answered and should therefore be as easy to interpret as possible. There is always a possibility that questions and answers during a survey are misinterpreted (Nulty, 2008), and clear instructions should be attached. A good covering letter to the questionnaire – where the reason of the study, why the participant has been chosen, how to respond, and why it is important for the researcher that there is a participation – should be presented (Bryman and Bell, 2015). Skålen et al. (2018) argue that using questionnaires to determine what needs and value propositions customers want can be a problem since the customer is separated from the service at the time of the survey, which sometimes can give

somewhat misleading answers as people forget old experiences. The sample given is hard to keep clear from errors as there will never be a 100% response rate since people simply are able to refuse to participate, which can make an over-representation of one opinion likely. The response rate in a survey is calculated as the total number of answers divided with the total sample and multiplied with 100 (Bryman and Bell, 2015). See equation 1 (adapted from Bryman and Bell, 2015, p. 199).

$$\text{Response rate} = \frac{\text{number of answers}}{\text{total sample}} * 100 \quad (1)$$

In a self-completion questionnaire, respondents answer and complete the given questions by themselves. Self-completion questionnaires are always sent out by researchers and asked for return in a given period of time. There are similarities with structured interviews (presented in 2.3.1) but the responsibility is put on the respondents instead since there is no interviewer. It also gives the researcher the possibility to increase the number of participants as the time effort and costs are decreased. It is however important to keep the questions both easy to follow and answer as there is no one present to explain and minimize bias. It is also impossible in anonymous questionnaires for the researcher to know who had answered when analyzing the data. Hence, additional data cannot be collected (Bryman and Bell, 2015).

The survey was held in March 2019 and the questions were sent out to sixty-two companies and a total of sixty-two persons whom are tenants to Platzer Fastigheter AB on email with a link to the platform of *Google Forms*. All of the tenants were located in the city center area of Gothenburg and were responsible for rental agreements for the office that were hired. Three persons contacted the authors immediately with the response that they did not want to participate under any circumstances. The total sample was therefore recalculated to fifty-nine organizations and persons. The survey was organized in three parts and was based on the literature review and the interviews that were conducted. The first section of the survey contained information about the survey in general, anonymity, and how the questions and ranking system were intended to be used. This information needed to be accepted before any answer could be done. The ranking system used was a *Likert scale* (Bryman and Bell, 2015) where the grading scale from 1-4 was used, where 1 was *not relevant* and 4 was *highly relevant*. However, the first questions in the survey related to how many square meters and people sitting at the office and were answered in “free text”. Secondly, the questions continued into what the companies have at the moment and would like to have in the in regard to services. Twenty-six service propositions were presented and here the ranking system was of high importance. Lastly, the participants were asked to answer if there were any services that were missed out that they would like to add. The participants answered which services was the most relevant as well.

The survey was handed out to the companies during ten working days. On the sixth day a reminder was sent out and on the last day a final reminder was sent. In total there were seventeen respondents with a response rate of 28,8% according to equation 2 as shown below:

$$\text{Response rate} = \frac{17}{59} * 100 = 28,8 \% \quad (2)$$

This response rate is seen as acceptable according to the work of (Lindemann, 2018), which is shown in figure 2. Using self-completion questionnaires was seen as the most time-efficient way of collecting opinions from a greater population compared to other methods. The questions included in the questionnaires were also seen as a good way to answer the research questions

for the study. The problem with email surveys are however that companies spam filters recognize the word survey and place the emails as spam, which results in the emails never reaching the respondents (Lindemann, 2018).

AVERAGE SURVEY RESPONSE RATE BASED ON SURVEY METHOD

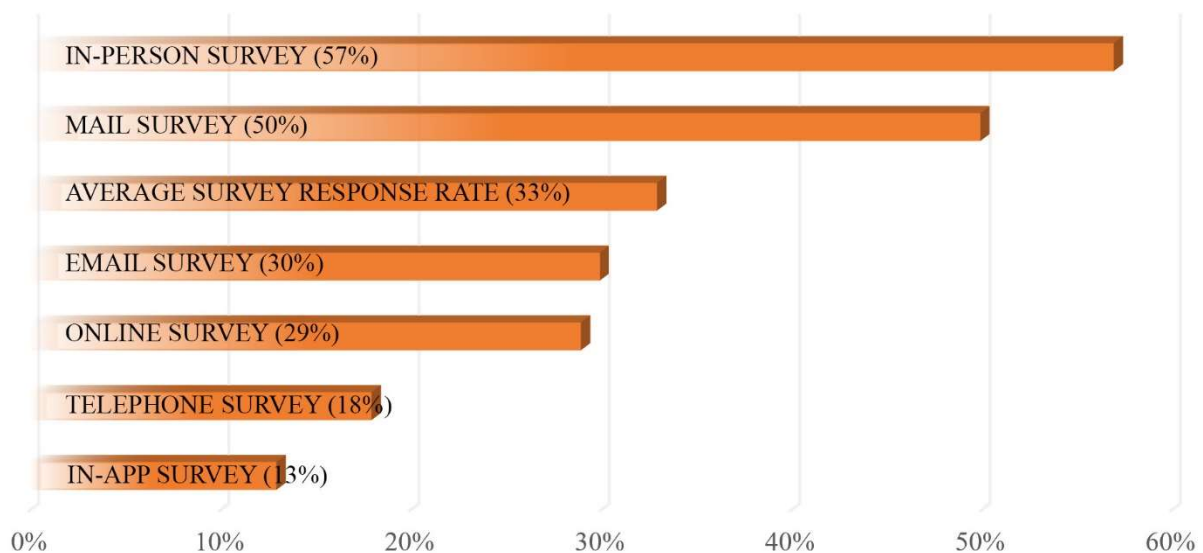


Figure 2. Average survey response rate, adapted from (Lindemann, 2018)

2.4. Analysis of empirical material

The chosen abductive approach gave the authors the possibility to find patterns and structure in both the theoretical and empirical material (Alvesson and Sköldbberg, 2009). By using such an approach, data analysis can occur concurrently and throughout the process (DiCicco-Bloom and Crabtree, 2006). The theoretical part of the study was mainly used to get direction and inspiration for the empirical part, which was seen to give the knowledge needed to answer the given research questions. The process of collection and analysis continued until no new themes or categories emerged, and is known as saturation or completion (DiCicco-Bloom and Crabtree, 2006). The material and the results presented are the result of the researchers' interpretation (Alvesson and Sköldbberg, 2009).

The material from the interviews was transcribed and coded after each interview (Brinkmann and Kvale, 2015). The data and codes were used to create some of the questions for future service propositions that were asked to the office tenants in the survey. Also, the data was used to get a broader understanding of services and what the companies that provide services are thinking of in order to provide high-quality services to their customers. The input from the interviews was important to understand how companies in the service industry are thinking in regard to future implementation, development, and continuously working on services.

The material from the survey was coded and analyzed already in the survey program, *Google Forms* which the questionnaires was sent out through. The analysis done in the program was however not seen as illustrative and compiling enough, so extra graphs and charts were created

to help find patterns and insights (Yin, 2014). Empirical material and theory were compared to recognize patterns and broaden the perspective given by the case study as described by (Yin, 2014). When the material had been analyzed, the theory could be refined and adjusted to get a deeper understanding of the case and create an interesting discussion (Alvesson and Sköldböck, 2009).

2.5. Quality of the study

During the study where mixed methods are used, a trustworthiness is created by following and using reliability and validity as a foundation of the study (Creswell and Plano Clark, 2011). Reliability and validity are always of high importance when constructing scientific material. Quantitative research will always have an issue of reliability since there is lack of good measurement that can be used to ensure whether the research is stable or not. This becomes evident in case studies as it can be hard to replicate the case as whole, but the method used can be replicated (Bryman and Bell, 2015).

From a validity perspective, it is important to use meaningful indicators or standards that shows what is being measured. Selection bias, participant attrition and maturation should be evaded (Creswell and Plano Clark, 2011). The authors chose therefore to let the organizations themselves choose which persons that should represent them. The reliability perspective focuses on the scores and answers from the participants being consistent and should not be changed over time during the study (Creswell and Plano Clark, 2011). This was not seen as a problem in this study as the timeframe was so narrow, and the authors did not give the participants the possibility to change their answers.

When determining reliability and validity in qualitative research, Bryman and Bell (2015) argue for using four aspects or criteria's:

- *Credibility- How credible are the results?*
- *Transferability- Are the results implementable to other situations?*
- *Dependability- What is the possibility of the results being implementable at other times?*
- *Confirmability- Has the investigator allowed his or her values to impair the impartialness of the study?*

(Bryman and Bell, 2015, p. 52)

Credibility refers to if the participants' views, representation, and interpretation of data is truthful done by the researcher (Cope, 2014), and can assure that a principle of good practice has been respected (Bryman and Bell, 2015). In this study, the main literature is chosen from well-known and accepted theories and authors. A triangulation, as used in this study, by using multiple sources and methods to draw the conclusion strengthen the work further (Cope, 2014). The survey and this study rely on a "good" response rate as it is hard to control the quality of responses.

Transferability refers to if the findings of the study can be applied to another setting than it was tested in and whether it can be associated with a similar event (Cope, 2014). A study is often aligning with a uniqueness to a specific situation (Bryman and Bell, 2015). The aspect of transferability is however only relevant if the scope of the study is to make a generalization (Cope, 2014). In this study, the generalization is limited as it is a case study made in a smaller part of Gothenburg. The study would however be able to be generalized to some extent to other cities in Sweden in similar sizes. Cities outside Sweden could have a cultural difference that affects the possibility of generalization.

Dependability refers to if the method and participants in this study were copied in a similar condition, the same results and findings would appear (Cope, 2014). That is however quite hard to meet in this study as the GDPR laws and the requirement of keeping everyone anonymous does not allow the authors keeping the transcription and data about each person after they have been used. Nevertheless, the study can be copied in a similar way and be executed easily, just with other tenants as the uniqueness is not significant.

Confirmability refers to if the researcher's ability to keep the work unbiased and keep the viewpoint that the data collected represents. Personal values and beliefs should be kept out (Cope, 2014). In this study, the confirmability is shown through all data from the survey is presented in the result (chapter 4) in its entirety. The abductive approach should sustain its credibility. As described in 2.1, the theoretical background has been updated throughout the entire process in relation with the empirical material collected to negate any false data influencing the achieved results.

2.6. Ethic perspective

All participants in the study – both interviewees and those who answered the survey – were informed that they were granted to be anonymous throughout the study, in accordance with the work of Bryman and Bell (2015). Before participation, each person was informed about the intended use of their answers. This confidentiality included that their personal names and the name of the company would not be published. It was of high importance that all participants joined the study voluntary. During the study, from an ethical perspective, it was prioritized to; not harm the participants, invade on others' privacy, inform about the consent, and not present anything in deception (Bryman and Bell, 2015). All the records of the held interviews were destroyed after the analysis was completed for the safety of the participants (DiCicco-Bloom and Crabtree, 2006), and laws connected to GDPR.

2.7. Limitations

There is no knowledge about if the participants included in the self-completion questionnaires actually were acquainted and located on the office that they represented in Gothenburg. The only information that was given to the authors was that the participants were in charge of the rental agreements between Platzter Fastigheter AB and their own organization. This can have affected the result, but not in an immediate way. The answers from the participants should also be considered highly personal, as many of the services presented is focusing on an individual level and indirect on an organizational level.

The response rate from the questionnaires at 28,8% is considered to be a limitation in the study. Also, the anonymity of study impedes the authors to know if all of the fifteen facilitates have participated in the survey or not. A higher response rate would have been beneficial for making more generalization of the study. Three organizations responded immediately after the questionnaires were sent out that they did not want to participate of various reasons. This number is most likely higher but there have been no others that explicit have reconnected with this feedback. The questionnaires can also be stuck in the organizations' spam filters as questionnaires are a well-used method to gain information and feedback from users.

When the participants in the survey were asked the question about what services they are provided with today, the question did not specify whether Platzter Fastigheter AB is necessarily

the provider of the service. Some of the participants only mentioned the services they get from Platzer Fastigheter AB and other mentioned all of the services that they are provided with regardless from the provider, which can also be considered as a relevant answer.

The literature used in the study is not written to mainly fit into the real estate sector and certain parts have therefore been selected where the authors believed there was room for application in the given case study.

It is of great importance to understand that the definitions of needs and satisfaction can vary depending on the prevailing context and circumstances. However, the authors believe that people that are familiar to the service sector have a mutual understanding of what needs, and satisfaction represent. Thus, needs and satisfaction are not further defined during this study.

2.8. Delimitations

The future service propositions in this work are only related to the literature used and the presented case study. The material from the literature and the case study will be used and discussed in this work. The possibility of providing these services to the tenants is not considered because it is seen as a strategical and top management decision within the organization of Platzer Fastigheter AB. This work will only provide information on what Platzer Fastigheter AB's tenants in the city center of Gothenburg want. However, this work does not include the tenants' willingness to pay for the desired services.

The results are mostly representative in the city center of Gothenburg and the facilities used due the choice of the case study. All the chosen companies are located in the city center, which does not include analyzing, comparing, or considering any tenants nor companies the city center. This choice is based on Platzer Fastigheter AB claiming that tenants outside the city center have another level of money to spend i.e. willingness to pay.

The study, and the theory in particular, focuses on the service logic perspective and does not consider other perspectives in the field.

3. Theory

This chapter presents different theoretical models and concepts in terms of service generally and service in commercial real estate specifically from previous research in the field. The chapter starts off with explaining the concept of service in a general and broad way and continues later on with describing the fundamental parts of service logic. Different impacts of the service provided to the real estate tenants on the growth and profit of the tenant business are also presented in this chapter. Likewise, aspects within branding and marketing are investigated as well as different types of innovation within the business.

3.1. Definition of service

In his book “*Service management and marketing*”, Grönroos (2015) explains different factors of great importance in terms of service generally. Grönroos (2015) defines service as assisting individual actions of the customer with various resources (e.g. skills and competences) to help the customers’ value creation through these actions (Grönroos, 2015). Qiu (2014) shares the same view of service in his book “*Service science*” where he defines service as an action that benefits those who the service is provided to.

According to Grönroos (2015), services generally have four main characteristics; intangibility, heterogeneity, perishability, and inseparability. Grönroos (2015) also states that services arise only when resources from the service provider are integrated with other resources from the client in order to create value for the customer. The service is put in to satisfy a need that the customer has (Zhang, 2017). Therefore, the main goal of service – from the service provider’s point of view – is to facilitate value creation for the customer (Skålen, 2016). Further, Grönroos (2015) states that facilitating value creation for the customer is not only beneficial for the client but also for the service provider, at least in terms of healthy long-term relationships with the client. Both sides receiving benefits means that high-quality service often leads to a win-win situation, at least theoretically (Grönroos, 2015).

In order to achieve the ideal win-win situation, the service provider needs to deliver service of high quality regardless. Thus, it is of great importance for the service provider to understand how to affect the customers’ business as positively as possible. Facilitating value creation for the customer therefore is based on the service provider having a great grasp on the customer’s different business processes, strategies, needs and how and when to affect these factors positively (Grönroos, 2015). It is however not always easy as services output is often seen as an intangible activity, rather than a tangible object (Zhang, 2017).

3.1.1. Hard and soft services

Services can be divided into hard and soft services according to Ball et al. (2008). The main goal of hard services is being able to produce services independent of the customer involvement in the production process. Thus, hard services can technically be produced effectively although the production’s place is far away from the customer (Ball et al., 2008).

On the other hand, soft services need to be produced at the same time and in the same rate as they are being consumed by the customers. It is therefore of great importance to provide soft services at the same location as the customers in order to increase customer involvement and provide high-quality services (Ball et al., 2008).

Soft services themselves can also be divided into two categories – location-intensive soft services and information-intensive soft services – depending on whether tangible products are required to deliver the services to customers (Ball et al., 2008). Location-intensive soft services require the availability of tangible products together with intangible actions in order to be delivered to customers successfully. Information-intensive soft services on the other hand only require intangible actions to be accomplished and delivered to customers (Ball et al., 2008).

3.1.2. Service management

In his article, Grönroos (1994) explains that it is challenging to understand the scope of service management. However, the author still manages to highlight four main aspects that form the base of service management as follows:

- The first aspect consists of understanding how the customer perceives the service delivered by the organization when using the service. It also includes understanding the effects of integrating the services provided with tangible resources. The main goal of this first aspect is to examine the quality of the services provided from the customer's point of view.
- When the goal of the first aspect is accomplished, the second aspect is about figuring out how to achieve the service quality demanded by the customers when delivering services to them.
- The main goal of the third aspect is to make sure that the employees in the organization are aware of how to achieve service deliveries of the demanded quality to the customers. This aspect also includes new strategies, certain development, and management in the organization in order to achieve the awareness among the employees.
- The fourth and last aspect is about implementing the new strategies to realize the demanded quality delivered to customers. Therefore, this aspect is based on successfully managing the three aspects above in order to reach this last aspect and successfully adjusting the services provided to customer in accordance to their demand.

Instead of service management, Nankervis (2005) chooses to use the term “*strategic management of services*” in his book “*Managing services*” where he explains that strategic management of services has its roots in “... *the dynamic economic, political and social environments*” (Nankervis, 2005, p. 25).

According to Nankervis (2005), strategic management of services consists of four main factors as follows below:

- *“Identification of a target market segment;*
- *Development of a service concept;*
- *Codification of an operating strategy to support the service concept; and*
- *Design of the service delivery system”*

(Nankervis, 2005, p. 25)

As it appears in the text above, Grönroos (1994) and Nankervis (2005) have the same view on service management and the main four concepts that form service management. Both authors state that service management is based on identifying the customer demands and developing the organization in order to deliver services that fulfill customer demands.

However, managing services can be perceived as more demanding than managing goods because of the nature of services where delivery of high-quality services and taking into account different demands from different stakeholders can be very critical (Nankervis, 2005).

3.1.3. Facilities management

According to the article “*Facilities management: a “jack of all trades”?*”, the main target of facilities management generally is enhancing the customers’ workplace in order to streamline the customers’ work and productivity, which is the main reason that facilities management can be applied on all types of organizations to improve their work (Tay and Ooi, 2001).

Tay and Ooi (2001) explain in the article that there are many different definitions of facilities management since it can be perceived very differently. Tay and Ooi (2001) have workplace as their starting point when defining facilities management as “*the integrated management of the workplace to enhance the performance of the organization*” (Tay and Ooi, 2001, p. 359). On the other hand, Alexander et al. (2004) define facilities management in their book as: “... *a strategically integrated approach to maintaining, improving and adapting the buildings and supporting services of an organization in order to create an environment that strongly supports the primary objectives of that organization.*” (Alexander et al., 2004, p. 3). In another book, Alexander (1996) defines facilities management as “... *the process by which an organization ensures that its buildings, systems and services support core operations and processes as well as contribute to achieving its strategic objectives in changing conditions*” (Alexander, 1996, p. 1)

Despite the differences around the definitions mentioned above of facilities management however, Tay and Ooi (2001) are able to state that facilities management can deal with both software such as people and development and hardware such as buildings and tools. The uncertainties around the definition and the main tasks of facilities management have big negative impacts on facilities management as a profession. Thus, there is a risk that the importance of facilities management can be misunderstood and overlooked by both real estate companies and their tenants (Tay and Ooi, 2001).

Facilities management interacts with four main professional areas when performing different tasks according to Tay and Ooi (2001) as follows:

1. Architects and space planners when managing property and the built environment
2. Employees within human resources and services in order to affect how people’s needs and perception of the built environment
3. Technicians in order to sustain the facility condition
4. Employees within restaurants, cafés, cleaning etc. that work in the facilities to keep a good level of services provided to customers

3.2. Service design

In order to create a successful service, there are two main factors that are important to consider; limbic and neocortical (Macintyre et al., 2011). Limbic stands for all emotions that can be triggered and stirred by the services provided, which in turn means that it is possible to affect the emotional outcomes of the services given to the customers. Thus, it is important to analyze and understand the needs of the customers in order to understand their demands and

expectations, which leads to providing services that can stir positive emotions (Macintyre et al., 2011).

On the other hand, neocortical stands for understanding the organization's own business in order to establish the type of services the organization is willing to provide to customers. Neocortical also includes implementing effective processes in the organization that can be used to deliver certain desired services to customers (Macintyre et al., 2011).

The probability of delivering a successful service is very high when both limbic and neocortical are achieved successfully as shown in figure 3 below according to (Macintyre et al., 2011):

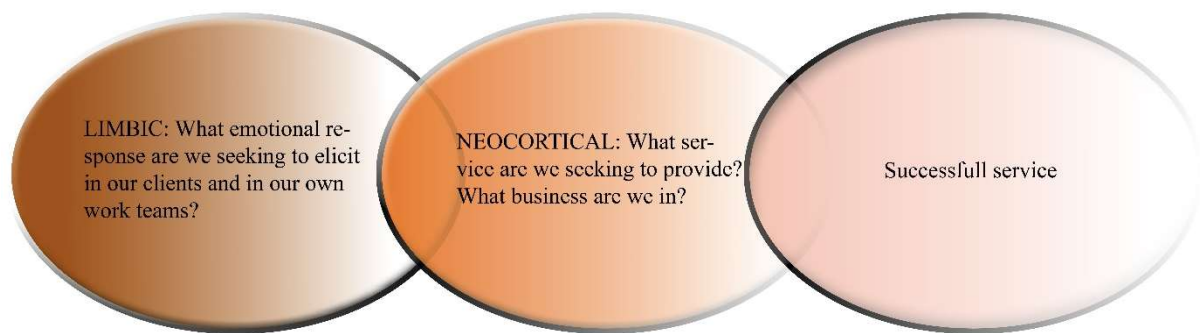


Figure 3. Limbic and neocortical factors within service design (Macintyre et al., 2011, p. 12)

In their book “*Service Design for Business: A Practical Guide to Optimizing the Customer Experience*”, Reason et al. (2016) explain that service design has its roots in three main trends; economic, social, and technical.

The economic trend is a result of industrialization where the majority of products are standardized and produced without customer involvement. Thus, providing services is important in regard to the economic service since it promotes more distinction in comparison to standardized products (Reason et al., 2016). Another advantage of services is the possibility of adjusting to different types of customers to enhance customer satisfaction and loyalty, which is the main reason to service design in the economic trend (Reason et al., 2016).

On the other hand, the social trend has moved from providing the same type of products to all different types of customers without considering any customized products to treating customers individually and customizing products and services in order to increase customer satisfaction (Reason et al., 2016). Thus, service design plays a big role as organizations now aim to provide customized services by letting customers be involved in the process where services take shape (Reason et al., 2016).

Service design in regard to the technical trend is based on the digitalization that has been taking place in the recent years. Being able to replace human labor with computers and standardized processes is one of the main factors that has changed the needs for services. Thus, services need to be redesigned to suit customers that currently have new demands because of the digitalization in society (Reason et al., 2016).

3.3. Service logic and goods logic

Service and goods logic are described by Skålén (2016) as two totally different paths that can be taken when creating value for the customer. In his book “*Service logic*”, Skålén (2016) emphasizes the importance of realizing the difference between service logic and goods logic and understanding that both approaches can be implemented whether the organization provides goods or services (Skålén, 2016).

According to Skålén’s interpretation, a service provider can either implement service logic or goods logic in the organization in order to accomplish desired aims when providing services to the customer (Skålén, 2016). Skålén (2016) states in his book that there are several differences between these two approaches where the biggest difference lies in how and where value is created when providing certain services or goods to the customer (Skålén, 2016).

Goods logic can be implemented if the organization prefers to produce goods and services without any involvement from the customers. Thus, goods logic is suitable for organizations that believe that the main value of the goods and services being produced is created within the organization before they reach the customers (Skålén, 2016). Goods logic is referred to as “value-in-exchange” both by Skålén (2016) and Vargo et al. (2008) as the product value is determined only when the product is bought by the customer and money is transferred to the organization in exchange to the product received. Skålén (2016) and Vargo et al. (2008) take the explanation of goods logic a step further when stating that the approach works only if the organization implements certain regulations and standards when producing products.

Service logic on the other hand can be implemented by organizations that believe that the customers play a major role in the value being created through goods and services. According to service logic in other words, goods and services being produced by the organization have no value unless the organization’s customers get involved and use these goods and services (Skålén, 2016). Skålén (2016) and Vargo et al. (2008) refers to service logic as “value-in-use” as a further statement of value created by organization and customers together. Therefore, the main goal of an organization that has implemented service logic is the impacts the goods and services being produced have on the customer. From the service logic perspective, the industry should satisfy the needs from their customers instead of furnish them with goods (Zhang, 2017).

Further differences between goods logic and service logic according to Vargo et al. (2008) are presented in the table below:

Table 2. Differences between goods logic and service logic, adapted from (Vargo and Lusch, 2008, p. 148)

	G-D logic	S-D logic
<i>Value driver</i>	Value-in-exchange	Value-in-use or value-in-context
<i>Creator of value</i>	Firm, often with input from firms in a supply chain	Firm, network partners, and customers
<i>Process of value creation</i>	Firms embed value in “goods” or “services”, value is ‘added’ by enhancing or increasing attributes	Firms propose value through market offerings, customers continue value-creation process through use
<i>Purpose of value</i>	Increase wealth for the firm	Increase adaptability, survivability, and system wellbeing through service (applied knowledge and skills) of others
<i>Measurement of value</i>	The amount of nominal value, price received in exchange	The adaptability and survivability of the beneficiary system
<i>Resources used</i>	Primarily operand resources	Primarily operand resources, sometimes transferred by embedding them in operand resources-goods

<i>Role of firm</i>	Produce and distribute value	Propose and co-create value, provide service
<i>Role of goods</i>	Units of output, operand resources that are embedded with value	Vehicle for operand resources, enables access to benefits of firm competences
<i>Role of customers</i>	To 'use up' or 'destroy' value created by the firm	Co-create value through the integration of firm-provided resources with other private and public resources

However, Nankervis (2005) chooses to see goods and services from another perspective in his book *“Managing services”*. He claims that there is not any red line between goods and services as many products can be perceived as both goods and services depending on the usage of the products. Thus, Nankervis (2005) suggests another angle of determining services and goods which is based on a spectrum that goes from complete goods to complete services with different levels of goods and services between.

The core of service logic, and the focus in this study, lies within the two actors: customers and organizations. The organizations are the ones to offer value propositions and will facilitate the value creation of the customers. The customers are the ones who are supposed to create value from the proposition. These two actors have to integrate different resources into each other as co-creators and the value is put to use (Skålén, 2016). These aspects will be presented and discussed further down in this chapter.

3.4. Value and value proposition

In their article *“Delivering value to customers”*, Golub et al. (2000) define value proposition as *“A clear, simple statement of the benefits, both tangible and intangible, that the company will provide, along with the approximate price it will charge each customer”* (Golub et al., 2000). This definition of value proposition is based on the company bringing value to customers according to three different phases as follows: choosing the value, providing the value, and communicating the value (Skålén et al., 2015). Since creation of value proposition is based on three different factors according to the definition, Skålén et al. (2015) suggest that it is difficult to comprehend the actual scope of value proposition.

Grönroos and Voima (2013) agree in their article with Skålén et al. (2015) in regard to the difficulty of understanding and comprehending the actual meaning of value proposition. Grönroos and Voima (2013) state that value proposition is subjective since different customers can extract different values from the same value proposition depending on the resource available among the customers.

3.5. Resource integration

According to Skålén (2016), within the service and goods logic, resource integration is one of the core foundations. The two types of resources that are in focus are tangible (operand) and intangible (operant). Tangible resources refer to physical goods and raw material that are operated on. They do not have any particular value without an intangible resource who helps creating the value. The intangible resources are knowledge and skills possessed by any individual. However, intangible resources are not limited to formal skills but also social and aesthetics skills, the individual’s network of contacts, organizational culture, routines and information. The main prerequisite for intangible resources is the linkage between other resources and getting both the tangible and intangible resources together (Skålén, 2016). Because of the uniqueness of the intangible resources, the results of resource integration vary

(Vargo and Lusch, 2008), which means that not all resource interactions actually result in resource integration (Peters, 2016). The resources can only be integrated if the value proposition is accepted (Peters, 2016). Vargo and Lusch (2008) argue that intangible resources “... *are the fundamental source of strategic benefit.*” (Vargo and Lusch, 2016, p. 8) and make a competitive advantage for the value proposition (Vargo and Lusch, 2016).

Resource integration is not only about creating value propositions. New type of innovative solutions can be carried out by finding new ways of integrating existing and new resources (Skålén, 2016). New or modified value propositions help the customers or the company creating value by integrate the resources in these new ways (Skålén et al., 2018). More about innovation will be presented in section 3.8.

The framework of resource integration consists of three processes; value creation, value co-creation, and value facilitation (Grönroos and Voima, 2013, Skålén et al., 2018) and will be presented below in the coming sections.

3.5.1. Customer value creation

Skålén et al. (2018) defines customer value creation as “... *the users’ integration of resources during the usage process, without the involvement of organizations...*” (Skålén et al., 2018, p. 702). In his book “*Service logic*”, Skålén (2016) explains the limited role of organizations as they only are able to provide value propositions that in fact are based on a possibility of creating value in the future without any actual value included in these propositions. Further, it is stated that value creation by customers cannot be accomplished only by using value propositions offered by organizations as the value propositions themselves are not enough to create value of (Skålén, 2016). Grönroos (2011) explains the customer value creation process by stating that there is a need of other resources to be combined and integrated with the value propositions provided by organizations in order of customers to create value.

Since the customer needs other resources to integrate into value propositions and is the one creating value, it is only the customer who can determine if there is any value to be created whatsoever (Skålén, 2016). From a service logic’s point of view, customer creating value by integrating resources in value propositions can be considered as value-in-use as mentioned in 3.3.

3.5.2. Value co-creation

Skålén (2016) defines value co-creation in his book as “*organizations ... help customers create value and integrate resources through direct interaction*” (Skålén, 2016, p. 48). Value co-creation makes it possible for customers to be part of the processes taking place in the organization, which Skålén (2016) refers to as value co-production.

Galvagno and Dalli (2014) state that value co-creation happens when both the service provider and the customer cooperate and interact with each other in order to create value. The intangible resources are the foundation and the activator of value in this context, which is combined between both the service provider and the customer (Grönroos and Voima, 2013). When the service provider and the customers are working together, the customers have a greater opportunity to contribute and customize the service themselves, which has been shown to be valuable and enables to connect service systems to one another. This creates a self-fulfillment process and is an effective way of creating new value for both parties (Vargo et al., 2008).

3.5.3. Organization value facilitation

In his book *“Service logic”*, Skålén (2016) explains that organizations are unable to deliver complete value to customers according to service logic. Thus, the main goal of organizations is to hand over an opportunity for customers to create value by facilitating value creation. Further, the customers take these opportunities for creating value provided by organizations – which Skålén (2016) refers to as value propositions – and decide whether there is any value to be created, which means that the organizations themselves can never decide whether value has been created or not.

According to Skålén (2016), organizations value facilitation can be done both within innovation and marketing and branding. In regard to innovation, organizations need to consider integrating new resources in interaction with customers in order to create new opportunities for creating new values. Since the customers are the ones deciding whether value is being created or not, Skålén (2016) highlights the great importance of organizations interacting with customers in order to realize customers’ needs and requests, which in turn facilitates the process of creating value propositions to customers.

In regard to marketing and branding on the other hand, organizations need to demonstrate for customers the main goal of the value propositions given by the organizations and how to create as much value as possible by using these value propositions as a customer (Skålén, 2016). More about marketing and branding in 3.9.

3.5.4. Service profit chain

Heskett et al. (2008) state in their article *“Putting the service-profit chain to work”* that service profit chain is the foundation of the connection between *“... profitability, customer loyalty, and employee satisfaction, loyalty, and productivity”* (Heskett et al., 2008, p. 120). However, in order to serve the purpose of this study – which focuses on the customer’s needs and requests – the theory will be delimited to organization profitability, customer loyalty, customer satisfaction, and service quality.

Heskett et al. (2008) explain in the article that there is a deep relationship between the loyalty degree among customers and the growth and profitability of the organization. According to the article, the likeliness of an organization having greater returns and stronger growth increases as loyalty and faithfulness among customers increase. Thus, it is of great importance to ensure customer loyalty in order to keep succeeding and growing as an organization.

Heskett et al. (2008) further explain the connection between customer loyalty and customer satisfaction. According to the service profit chain, when customers are satisfied and pleased with the service provided by the organization, the probability of the customers becoming loyal and repurchasing from the organization is higher.

In their article *“The service-Profit Chain: A Meta-Analytic Test of a Comprehensive Theoretical Framework”*, Hogueve et al. (2017) describe the impact services provided to customers have on customer satisfaction. Hogueve et al. (2017) describe services to customers as *“the external part of the service profit chain”* as it is based on the output of the organization towards their own customers. Thus, the authors state that it is critical to deliver high-quality services to customers to ensure customer satisfaction, which in turn affect the organization itself (Hogueve et al., 2017). It is to be considered high-quality service when the service provided to customers is

perceived as a high-quality service in comparison to what is expected by the customers. Therefore, it is essential for organizations to understand customers' expectation of what should be provided in order to fulfill these expectations and accomplish customer satisfaction.

Considering these four parts of the service profit chain mentioned above, it is easy to conclude that profit and growth of an organization has a deep connection with the quality of services provided to customers. Thus, it is of great importance to understand customer needs and requests in order to produce suitable services to the customers, which in turn will ensure the success and growth of the organization. The relationships between all the parts of the service profit chain is presented in figure 4 below:

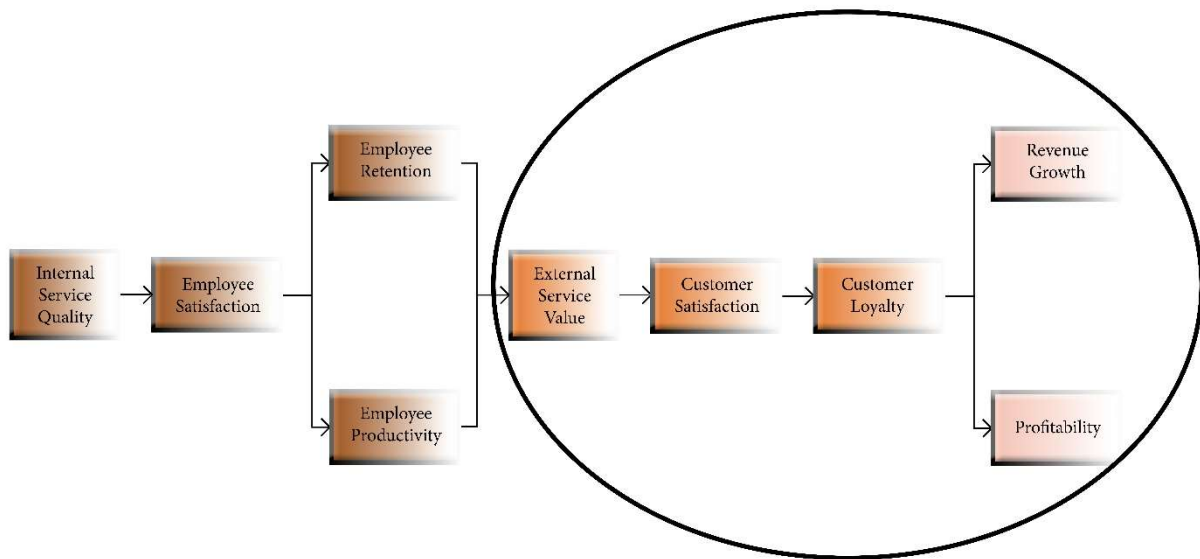


Figure 4. The service profit chain with the focus on the parts within the circle, adapted from (Heskett et al., 2008, p. 120)

3.6. Service ecosystems

Service ecosystems are defined according to Skålén (2016) as “configurations of actors that integrate resources and co-create mutual value in relation to a set of common objectives”. Lusch and Nambisan (2015) on the other hand, define service ecosystems as “relatively self-contained, self-adjusting systems of mostly loosely coupled social and economic actors connected by shared institutional logics and mutual value creation through service exchange”. Lusch and Nambisan (2015) believe that the actors in a service ecosystem are interdependent and share mutual interest in succeeding and improving together. Zhang et al. (2017) confirm – in their article “Understanding relationships among customer experience, engagement, and word-of-mouth intention on online brand communities” – the interdependency among the actors in service ecosystems. Therefore, Zhang et al. (2017) believe that there is a huge importance of keeping and maintaining good relationships with other actors in the same service ecosystem as it ensures success and improvements of the actors involved. Skålén (2016) further explains in his book “Service logic” the importance of understanding that value co-creation only can take place in service ecosystems aside from what value is co-created and who is involved in the process. However, it is as important to consider the differences between different actors involved in service ecosystems as they can vary from a single solid individual to a whole country. Thus, many different forms of actor configurations are to be found in different ecosystems depending on the value co-created (Skålén, 2016). On the other hand, the resources

integrated in different service ecosystems in order to co-create value can be very different depending on the actors involved in the value co-creation process. Skålén (2016) further states that some resources do not belong to a certain actor but only exist in the service ecosystems and serve all different actors.

3.6.1. B2C, B2B, A2A

Skålén (2016) explains in his book that the process of value co-creation can be divided into three categories depending on the parties involved in the process and their role in the service ecosystems where value-creation takes place. The categories are as follows:

- B2C: business to customer, which represents value co-creation between an organization and a customer to the organization.
- B2B: business to business, which represents value co-creation between an organization and another organization.
- A2A: actor to actor, which represents value co-creation between an actor and another actor.

B2C and B2B are the categories that can be found in customer value creation, value co-creation and organization value facilitation mentioned earlier in the study. The roles in the service ecosystem of the parties involved within B2C and B2B are fixed where organizations their own business models and responsibilities and customers have their own privileges and obligations.

A2A on the other hand is based on considering every party involved in the value co-creation process as an actor that does not have any fixed role in the service ecosystem. Therefore, A2A contradicts the principles that B2C and B2B are based on. According to Skålén (2016), every actor in A2A can have different role depending on the value being co-created with the other actor. In that sense, an actor that can be considered as a customer in a certain value co-creation process can be considered as a client in another value co-creation process (Skålén, 2016).

However, Skålén (2016) examines A2A critically as he highlights three main arguments against A2A. The first argument takes in consideration the control of rights and obligations that different parties in the value co-creation process should have depending on their roles in the process. The legal laws applied on organizations often are not the same as the ones applied on customers. Organizations often need to behave according to certain regulations in order to fulfill the demands of the authorities. Customers on the other hand often have more widely-spread protection than organizations (Skålén, 2016). The second argument is based on the power level every party in the value co-creation process obtains. Individuals often have basic level of power in terms of experience, money etc. whereas organizations obtain a higher level of power as they possess high level of experience, skills and capital (Skålén, 2016). The third argument is based on the level of capability of creating value to other parties and having the will to do so. A2A assumes that every actor can and wants to create value for other actors, which Skålén (2016) claims are not a realistic assumption. Considering all the three arguments mentioned above, Skålén (2016) concludes that A2A is not as realistic as it might seem to be in comparison with the other two categories.

3.7. Servicescape

Bitner (1992) explains in her article “*Servicescapes: The impact of physical surroundings on customers and employees*” the main concept of servicescapes and the importance of the work environment in terms of services. Servicescape is defined in the article as “*how the built environment affects both customers and employees in service organizations*” (Bitner, 1992, p. 58). Thus, the article highlights the importance of the impact that the workplace has on the organization’s employees and customers. In turn, the workplace affects the well-being of both employees and customers in the organization, which is also confirmed by Rosenbaum and Massiah (2011).

In terms of employees, Bitner (1992) states that satisfaction and commitment increase when believing that the work tasks and work positions are important in the organization (Rosenbaum and Massiah, 2011). Bitner (1992) therefore claims that organizations have a great chance of affecting their employees by adjusting the servicescape.

Bitner (1992) further explains the connection between servicescapes and behavior among both employees and customers by dividing individual behavior into two main categories; approach and avoidance, which in turn are based on three main internal responses (cognition, emotion, and physiology). According to the article by Bitner (1992), approach is a positive type of behavior that can be seen among both employees and customers. In terms of employees, servicescapes can impact the employees in such a positive way that results in approach behavior, which leads to employees staying longer, showing more commitment, and having higher loyalty. Approach behavior among customers on the other hand leads to customer developing a habit of coming back to the organization, feeling satisfied and developing higher loyalty (Bitner, 1992, Rosenbaum and Massiah, 2011).

In their article “*Servicescape and loyalty intentions: an empirical investigation*”, Harris and Ezeh (2008) have developed a model that shows the connection between several servicescape aspects and loyalty as loyalty is defined as “... *disposition of customers to either repurchase a product/service from a providing organization ...*” (Harris and Ezeh, 2008). Thus, the model is based on the idea of servicescape having a huge impact on loyalty among customers. The servicescape aspects that are presented in the model are divided into physical and social.

3.8. Innovation

Innovation is a broad term and topic that is often divided into different types and categories depending on in which context it is referred to. No matter the category or type, the definition for all of them remains similar and is presented as: “*At its heart, an idea or concept; fulfilled, it’s the idea realized, the end result, an effected change meant to make something— or introduce something— better.*” (Vaughan, 2013, p. 14) and is further developed as: “*An innovation is the implementation of a new or significantly improved product (good or service), or process, a new marketing method, or a new organizational method in business practices, workplace organization or external relations.*” (OECD, 2005, p. 46) But what can this better be? More useful, efficient, enjoyable, or just a new offering are some examples that are raised. The key is to find and adapt an individual need that is not yet satisfied. These innovations can be both in a small and localized market, but also in an entire organization and even affecting a whole society (Vaughan, 2013). Innovation becomes a social construction and a new innovation has to be given an acknowledgment on the market and is often mistaken for invention, where invention is creation and discovery of something that is not previously known (Agarwal et al.,

2015). According to Gorodnichenko and Roland (2011), innovation in the western society and countries with an individualistic culture is highly rewarded by the society. The innovation that is connected to an individualistic benefit is not only creating monetary incentives, increasing productivity, but also social status for the person using the product. The society is becoming more individualistic, which results in personal achievement and freedom becoming highly rated and are sometimes even rated higher than the monetary and productivity benefits (Cajaiba-Santana, 2014).

3.8.1. Service innovation

Service innovation is seen as less creative and disciplined compared to the technology and manufacturing sectors due to that they are not always considered tangible but instead focus on customer experiences (Bitner et al., 2008). Skålén et al. (2018) defines service innovation as: “... *the development of new or existing value propositions that have a positive impact on the customer’s value creation.*” (Skålén et al., 2018, p. 92). By other words innovation can only take place if the customer’s value creation is developed and improved, which explains the reason the companies should look over their value propositions to meet new needs and demands. The value propositions also need to lay within the span of money that the customers are willing to pay in relation to the service (Skålén et al., 2018). In addition to these arguments, Witell et al. (2016) argue that service innovation can be used to acknowledge new services that have not been introduced on the market yet in order to create new needs for customers. If the company succeeds in a systematic interaction, they will get a competitive advantage compared to its competitors and can also give an accelerated profitability and growth rate (Chen et al., 2009, Van der Aa and Elfring, 2002).

The hard part of service innovation is to find, collect, and utilize the use knowledge to fully understand possible future user needs. If this is not properly done, the company risks designing value propositions that are not desirable among customers (Skålén et al., 2018). In today's society, the companies have to be ready for rapidly changing customer preferences and having many different segments within their own customers (Chen et al., 2009). Lusch and Nambisan (2015) summarize this as that the A2A perspective in service ecosystems gives a good explanation on how to innovate and be able to co-create value. With an individualistic society, the innovations presented for the customers has to be adapted to their personal needs (Cajaiba-Santana, 2014, Gorodnichenko and Roland, 2011).

The outcome of the service innovations are often tangible resources but are based on the intangible resources (Lusch and Nambisan, 2015). The company can provide new services to their customers by either providing the service themselves or by outsourcing the task of providing the given service to a partner (Chen et al., 2009). If the company can standardize the services provided, higher efficiency in monetary terms can be achieved (Van der Aa and Elfring, 2002). Agarwal et al. (2015) take it as far as stating that service innovation is done in its highest degree if it can help the organization and customers to outperform their competitors.

The danger when analyzing different service innovation comes to the difference perspectives that companies and customers have. Companies mostly measure the service innovation from an economical point of view whereas it might need to be analyzed from the value that it gives the customers. However, there will not be many service innovation proposals driven through without an economical value in monetary terms for the company, at least indirectly (Witell et al., 2016). A balance between cost-effective, deliver greater value, and increasing profit becomes a thin line (Chen et al., 2009).

3.8.2. Facility management innovation

Historically, innovations in facilities have had a great impact on our everyday life, e.g. the elevator and air conditioning (Mahajan, 2018). According to Johnston (2018) the commercial real estate industry is lacking in service innovation compared to the residential. There is potential of generating and offering services in the commercial real estate sector for the companies. A good facility management is said to enable a possibility to enhance the customers' performance if it is properly done, by harnessing – not only the office space – but also the entire workplace with developed and complete social and physical service solutions (Alexander et al., 2004). It is however important to remember that – from a service logic perspective – the services have to be co-created by the company, facility management team, and customer (Agarwal et al., 2015, Vargo and Lusch, 2008) as illustrated in figure 5:

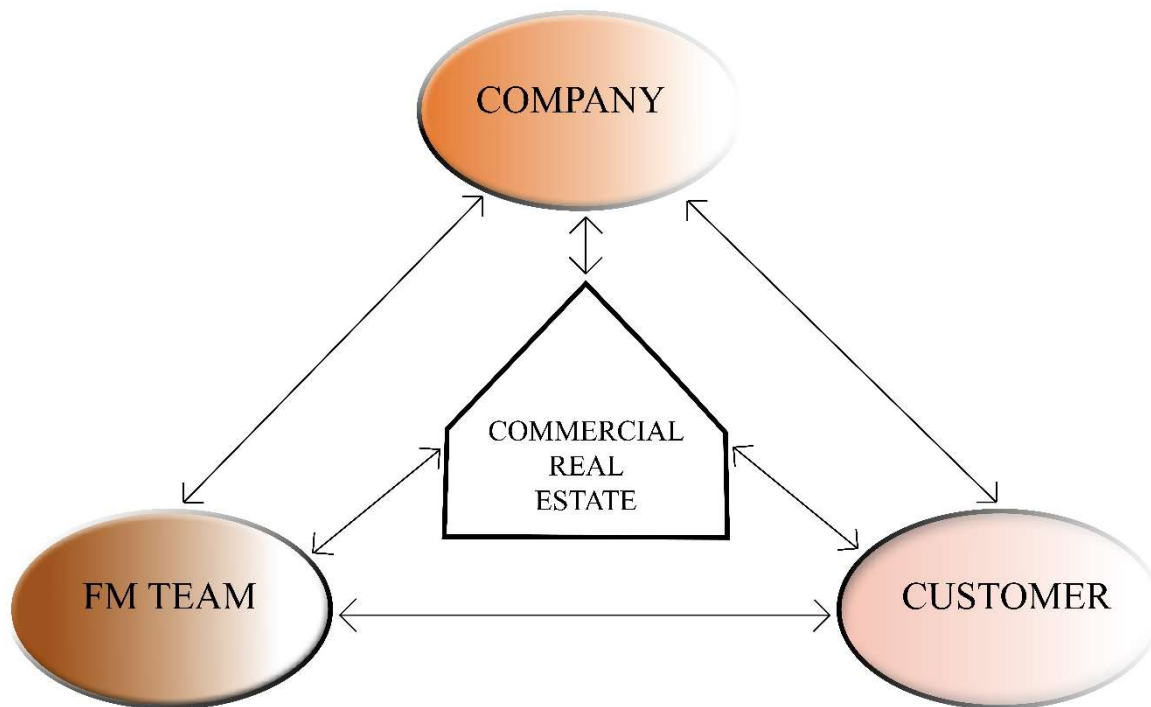


Figure 5. Relation between client, tenant, and service provider in commercial real estate, adapted from (Collins et al., 2018, p. 247)

Facility management innovation considers: “... the processes of providing function and support to sustain organizations and respond to change.” (Alexander et al., 2004, p. 10) Examples of service innovations that can be related and identified in commercial facilities; customer interaction centers, telephone support (Chen et al., 2009), acquisition of financial reports and financial help to tenants/customers (Chen et al., 2009, Skálén et al., 2015), IT infrastructure and capability (Chen et al., 2009), assisting telecom/receptionist, gym and other sport, relaxation, food to the customers, facility register for information about other customers in the building, (Skálén et al., 2015), Artificial Intelligence (AI) (mundane acts can be automated), smart building technology, (Johnston, 2018), Internet of things (IoT), data security (Chandler et al., 2019) mobility packages (pay per use e.g. bicycles and cars through sharing programs) (Kejriwal et al., 2017).

3.9. Branding and marketing

Branding becomes a way to create substantial value for the company, which helps the customers to predict what they can be promised and what can be delivered mostly in tangible assets. The brand can and should create deep and lasting attachments to the company's customer and should give the company higher sales and therefore stable profits. In regard to competition, a good work with branding and marketing has shown to outperform competitors on the same market. Companies have to work continuously with balancing creativity and consistency to appeal to customers and create a demand that is trustworthy and credible. Too much creativity, or even consistency, can actually be harmful for the value of the brand, as the other way around. The changes that are being done have to be communicated in order to reach their full potential. A brand without an awareness from the given customer has no value at all (Perrey and Spillecke, 2013). Omar and Heywood (2014) argue that companies struggle more with branding a service compared to physical goods because services rely more on actions and attitudes from the service provider towards the customer as this influence the perception of the service as services relies on experiences. The experience should achieve customer satisfaction and should be a promise from the service provider (Omar and Heywood, 2014), as discussed by (Heskett et al., 2008) presented in section 3.5.4. The experience is also connected to servicescape that the company creates for their customers (Rosenbaum and Massiah, 2011).

Building a brand and market is not something that is done over a night. Ghodeswar (2008) states that once the work with branding and marketing has started, it becomes a lifelong commitment to keep the customers' relationship to the company. Furthermore, (Ghodeswar, 2008) defines brands as: "... the basis upon which consumers can identify and bond with a product or service or a group of products or services." (Ghodeswar, 2008, p. 4) .

Branding and marketing can be done in many ways, and comes hand in hand with innovation, especially from a service logic perspective (Skålén, 2016, Vargo and Lusch, 2004). If the customers can be involved in the process of branding and marketing, the content of the value propositions will increase and one of the best marketing is said to be word-of-mouth (Zhang et al., 2017). This however requires an effort from both the company and the customers as their resources has to be integrated (Skålén, 2016).

Two types of branding and marketing that are used by the company used in the case study are described in the coming sections 3.9.1 and 3.9.2.

3.9.1. Certifications of facilities

According to Platzer (2017), the pilot project in regard to WELL certification – which is the CBRE Corporate Headquarters – showed multiple positive impacts on the employees working in the headquarters. The majority of the employees working in CBRE Corporate Headquarters showed huge satisfaction and great improvement in regard to health, well-being, business performance, and productivity. The employees also found it easier to work with each other in the building (Platzer, 2017). The positive effects were obvious even in regard to occupancy effectiveness of meeting rooms and the satisfaction delivered to the customer visiting the office (Carney, 2017). By using this standard and market it to customers, the customers will benefit from a symbolic, functional, and experimental perspective (Ghodeswar, 2008).

Carney (2017) states in his article "*The 7 Concepts of the WELL Building Standard*" that the WELL Building Standard is based on seven main concepts which are inspired from industry standards. Every concept consists of several features, which in turn consist of several parts as

shown in the figure 6 below. WELL Building Standard can be implemented in both new and existing buildings and have four different levels of certification; compliance, silver, gold, and platinum. The seven concepts are; air, water, nourishment, light, fitness, comfort, and mind. They can be summarized as a focus on wellbeing on each individual and lies in line with the individualistic society that is present today (Platzer, 2017).

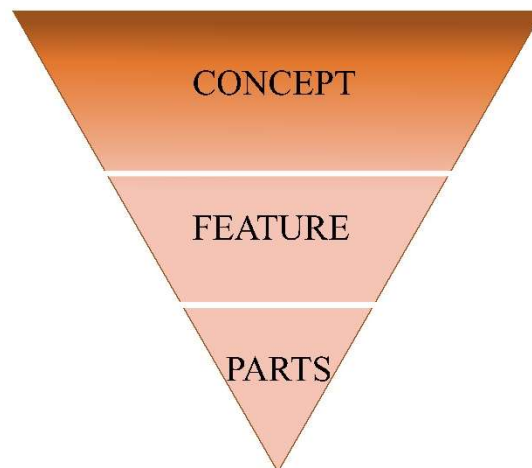


Figure 6. The concepts of WELL Building Standard, adapted from (Platzer, 2017, p. 6)

The WELL Building Standard is created to be able to interact with other environmental certificates such as BREEAM. BREEAM has been produced in the UK and is the most common environmental certification around the world. The main goal of BREEAM is to minimize the effects of developing new buildings and rebuilding existing buildings in order to achieve environmental sustainability (Lee Källman and Lundqvist, 2013). However, there is a limitation in regard to which properties can be given the certification as retail, commercial, and industrial properties are the only ones that can be provided with BREEAM (Lee Källman and Lundqvist, 2013). According to Olson (2017), there are ten different concepts of BREEAM as follows; Energy, Material, Indoor environment, Water, Management, Construction waste, Infrastructure & communication, Ecology and location, Pollution, and Process and innovation (Olson, 2017).

Collins et al. (2018) state in their article “*Green leasing in commercial real estate: The drivers and barriers for owners and tenants of sustainable office buildings*” the advantages of understanding the importance of implementing environmental sustainability when constructing buildings. The main reason according to Collins et al. (2018) is the increased demand of sustainable buildings among tenants generally and commercial tenants specifically.

The advantages of implementing BREEAM also include monetary incitements as the value of the property increases (Warren-Myers, 2012). Collins et al. (2018) explain that the market value of the buildings that are BREEAM certified shows an increase of 10% in comparison to other comparable buildings. The tenants using the buildings are willing to pay 5-10% higher rent than the average rent of comparable buildings (Collins et al., 2018). By having an environmental certificate on a facility, the real estate company can brand themselves as an environmental caring actor that takes their responsibility in the society.

3.9.2. Clustering of facilities

Clustering of facilities, in this context, is a geographical proximate group of interconnected facilities with commonalities and complementarities (Porter, 2000). The location of a real estate company facilities and their tenant's allocation of demands, to the own and nearby facilities, can be a spatial problem that the real estate owner has to deal with. The allocation is limited by the nearby facilities capability to meet a changing demand from the tenants. By buying clusters of facilities, the real estate companies are able to minimize costs as they can provide a higher degree of services to their tenants by getting more available space from neighboring facilities (Liao and Guo, 2008). There is a cost for starting a service in a facility, operating costs, and a variable cost depending on how many tenants/customers that can use it. The part is to find the right cost where all tenants/customers can be served by the services (Chudak and Williamson, 1999). An analysis of the area is therefore important to avoid over- and/or underutilization of the limited resources that the area and the real estate owner has (Liao and Guo, 2008). A strategy with buying clusters of facilities would also be a way of branding a company (Ghodeswar, 2008) and a sophisticated strategy (Porter, 2000).

3.10. Compilation of theory

Many authors agree on how services should be defined and perceived as they consider services as beneficial actions that offer customers help in order to create value for the customers. Many authors also agree on the importance of resource integration in regard to services as it represents a very critical factor of the value creation process towards customers (Grönroos, 2015, Qiu, 2014, Skålén, 2016, Zhang, 2017)

Services are divided into two main categories, hard and soft, depending on how critical it is to produce services with or without customer involvement. Services than can be produced without any impact from customers are called hard services whereas services that are dependent on customer involvement are called soft services (Ball et al., 2008). However, aside from what type of services the organization wants to offer their customers, there is a critical need for service management in order to successfully deliver services of high quality to customers. According to several authors, service management is divided into four main factors that need to be fulfilled in order to manage services successfully (Grönroos, 1994, Nankervis, 2005). These four aspects are basically a series that goes from understanding the customer's needs all the way to implementing new strategies in the organization in order to provide customers with the services needed. The following figure 7 explains these four aspects briefly.

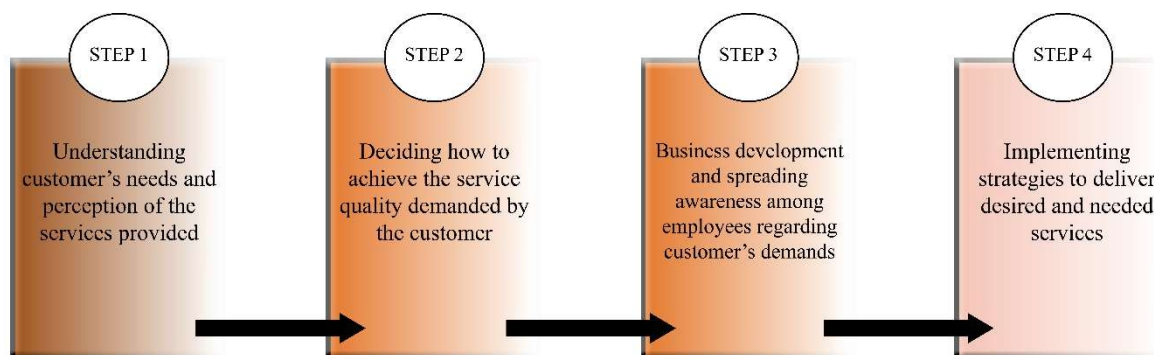


Figure 7. Four main factors that service management is consisted of (own elaboration).

In the real estate business, services can be provided in many different forms in order to improve facilities in different ways. Facilities management therefore is of great importance for the real estate business in order to understand different customer needs and offer suitable facilities services to the customers to enhance their workplace and built environment, which can be represented in both soft and hard services (Alexander, 1996, Alexander et al., 2004, Tay and Ooi, 2001).

Two common denominators that can be seen in service theory are the understanding of customer needs in order to form the services provided based on these needs, creating new needs for the customers. Therefore, having the possibility to analyze, design, and deliver services in accordance to customer requests as an organization is very critical to satisfy customers successfully. Some authors even take it one step further regarding service design as they state that emotions among customers can be controlled and affected when delivering services that are designed in a certain way (Macintyre et al., 2011). Providing high-quality services by understanding customer needs and offering suitable services can be observed in service profit chain as well. The main focus of service profit chain is that high quality can have such a big impact on customer satisfaction, which increases customer loyalty, which in turn increases organization profit (Heskett et al., 2008, Hogueve et al., 2017).

Understanding customers' needs is critical in regard to the physical workplace for the customers as well. Several authors agree on the importance of the built environment and the physical workplace regarding the well-being of the employees and the image of the company towards the clients. According to the theory, the built environment not only has huge impact on the well-being of the employees, but also on the behavior of both the employees and the clients in the office (Bitner, 1992, Rosenbaum and Massiah, 2011).

Further, designing and delivering services can be based on two different approaches, goods logic and service logic, depending on how the organization wants to create value for customers through its own provided services (Skålén, 2016). On the other hand, service logic is dependent on customer involvement, which suggests that the value in the service provided is created together with the customer by integrating resources with the customer's own resources (Skålén, 2016).

Resources are a very critical factor, and is seen as the core, regarding service creation according to service logic and can be divided into two main categories, tangible and intangible resources, depending on whether the resources are physical – which are referred to as tangible resources – or a collection of knowledge and skills – which are referred to as intangible resources (Skålén, 2016). Since service logic is based on customer involvement in order to create value in services, resource integration with customers is considered very important in order to maximize the chances of creating services of high quality and delivering them to the customers. On the other hand, intangible resources such as knowledge and skills are considered very critical for resource integration as intangible resources tie all tangible resources from organizations and their customers together, which in turn facilitates resource integration and thereby value creation in the services provided by the organizations to their customers (Peters, 2016, Skålén, 2016, Vargo et al., 2008). Intangible resources also facilitate the process of understanding customer needs and adapt the business strategies in order to fulfill customer requests and provide services of high quality. The following figure 8 illustrates the main role intangible resources have in the resource integration process. Figure 8 also shows that resource integration consists of three main processes; customer value creation, value co-creation, and organization value facilitation (Skålén, 2016).

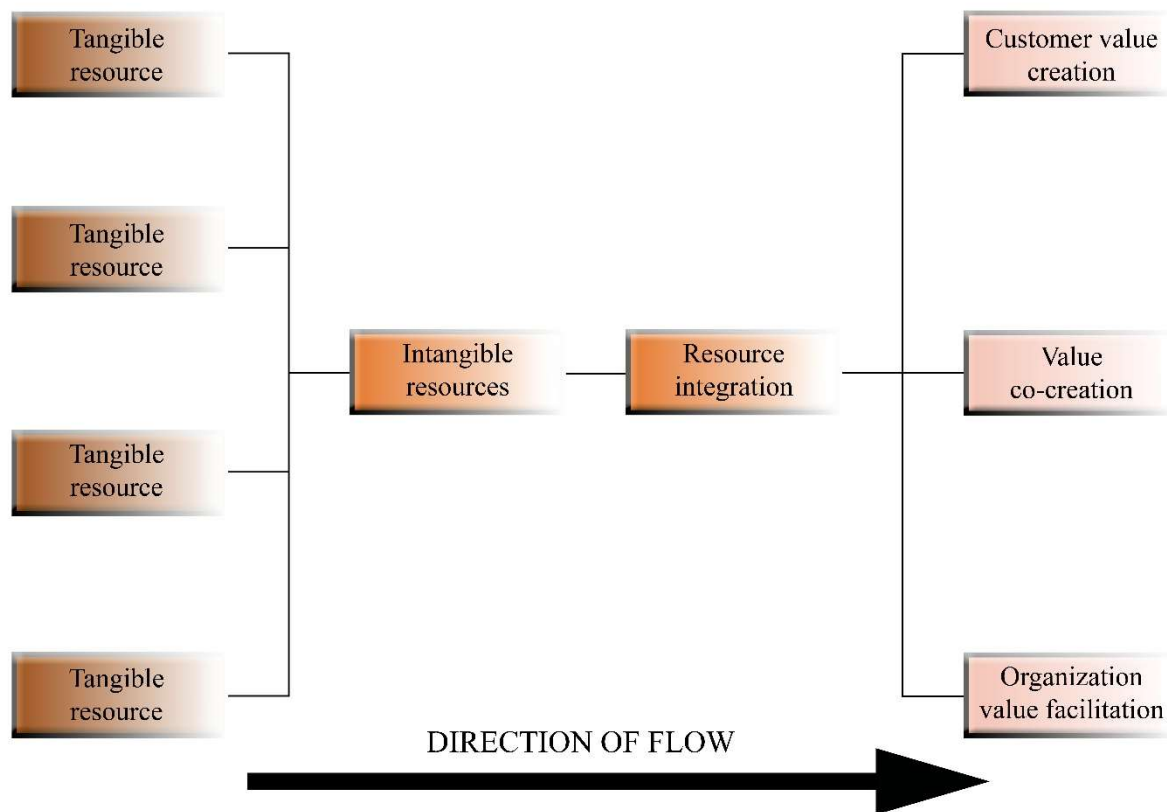


Figure 8. The role of intangible resources within resource integration (own elaboration).

Customer value creation focuses on the customer creating his or her own value by using certain value propositions provided by organizations and integrating these value propositions together with other resources (Grönroos, 2011, Skålén, 2016, Skålén et al., 2018). Another process within resource integration is value co-creation which focuses on direct interactions between customers and organizations in order to create value (Galvagno and Dalli, 2014, Grönroos and Voima, 2013, Skålén, 2016). Since service logic is based on the perception that organizations cannot create value themselves, organization value facilitation focuses on organizations facilitating value creation for customers by creating value propositions (Skålén, 2016).

Furthermore, the concept of different actors being gathered in order to integrate different resources and create value for each other is called service ecosystem. The idea of service ecosystem is that all actors depend on each other and share a common goal of success and improvement together (Lusch and Nambisan, 2015, Skålén, 2016). Thus, the concept of service ecosystems requires having good relationships with all participated actors in order to succeed. Actors in a service ecosystem can have different roles, both fixed and non-fixed, depending on the process of value co-creation.

Additionally, innovation is explained as implementing something new or significantly improved in comparison to what was available before (OECD, 2005, Vaughan, 2013). Hence, service innovation – according to the definition of innovation – can be defined as implementing new or improved value propositions that positively contribute to the value creation process among customers (Skålén et al., 2018). Once again it is highlighted in the theory the importance of understanding the customers’ needs in order to succeed. In this sense, facility management innovation is the connection between servicescapes and service innovation since it focuses on

enhancing the service provided to the customer and the customer workplace by implementing new and improved processes within facility management (Alexander et al., 2004, Chen et al., 2009).

On the other hand, branding and marketing are critical aspect and basics regarding the successfulness of a company. Continually balancing creativity and consistency and in the same time communicating different types of changes to the customers are very important in order for the company to create an own brand on the market, which in the long run can very effective in regard to the competitiveness of the company (Omar and Heywood, 2014, Perrey and Spillecke, 2013).

Creating a brand in the real estate business can be done in several ways such as ensuring to certify the owned properties and thereby attract customers that seek to hire certified properties. WELL Building Standard is one of the certificates that is based on seven different concepts which in turn consist of several different features (Carney, 2017). WELL Building Standard takes in consideration the well-being of the employees and how the built environment can affect the perception of the workplace just as in the theory of servicescapes (Allen et al., 2015). BREEAM is another certificate that can be used to contribute to the branding of the real estate company.

Another way of impacting the owned properties positively is to ensure owning facilities close to each other, which helps the real estate company to minimize costs and provide higher degree of services to the tenants (Liao and Guo, 2008).

4. Empirical material

In this chapter the empirical material collected will be presented. The empirical material consists of interviews with six persons from three different organizations. The organizations are represented in the real estate sector as real estate owners, facility management service provider, and service innovators. Secondly, the result from a survey done with tenants in offices provided by the commercial real estate company Platzer Fastigheter AB in the city of Gothenburg is presented. The sub-chapters are categorized according to the research questions for the study.

During the survey the participants that answered the questionnaire were presented twenty-six services propositions, which are presented in figure 9. These service propositions were seen as a central and reoccurring theme throughout the questionnaire. The propositions are based on services that are available and provided to tenants on the commercial real estate market today in both Sweden and internationally in various extent, according to the interviewees and the literature presented above. Both the interviews and the literature were used as a base for inspiration of what service propositions could be. The service propositions were used to give the participants examples of what future services could consist of and to see if they already were used and interesting for future use. It was also important that it was a mix of hard and soft services to get a complete picture of the current and future situation.

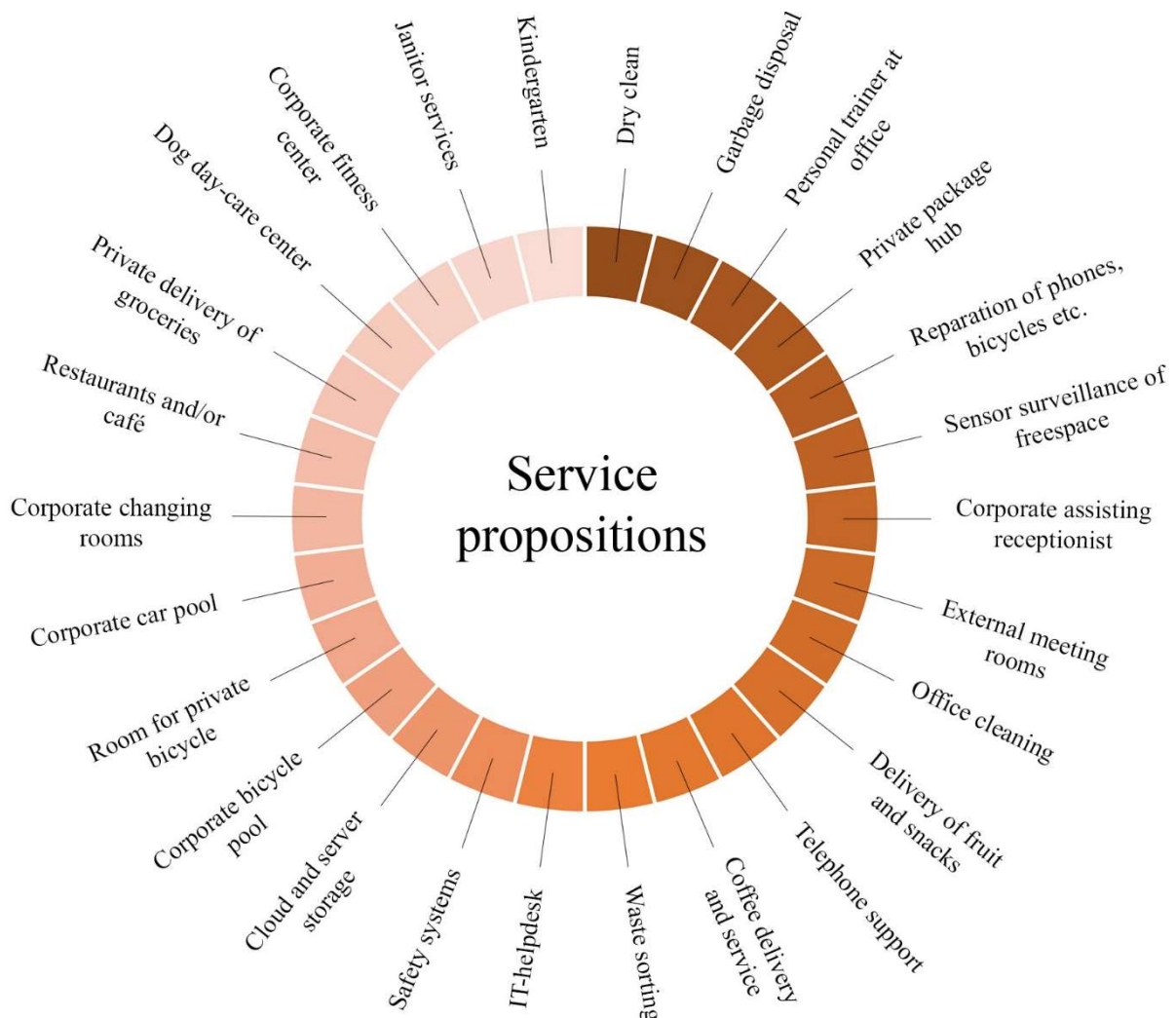


Figure 9. Service propositions in the survey (own elaboration).

4.1. Current services at Platzer Fastigheter AB

The current services provided to the tenants of Platzer Fastigheter AB are delivered either by Platzer Fastigheter AB themselves directly to the tenants or by the tenants buying the services directly from certain service companies. There seem to be a standard within the company of Platzer Fastigheter AB in regard to the basic services that they provide their tenants. The basic services are considered mainly as soft services and are connected to the facility management. Garbage disposal and waste sorting are the two main basic services that are provided by Platzer Fastigheter AB to all their tenants, which explains the reason why all participants in the survey have included these two services in their answers. This was also confirmed during the interviews that these services are generally the basic services that are provided to all tenants in bigger cities in Sweden as standard and a part of the rent. The answers from the survey also confirm that almost 50% of the tenants are provided with garage for private bicycle whereas other services such as corporate changing room and restaurants and cafés are not available to the same extent. In the bar chart below all of the answers from the survey are presented.

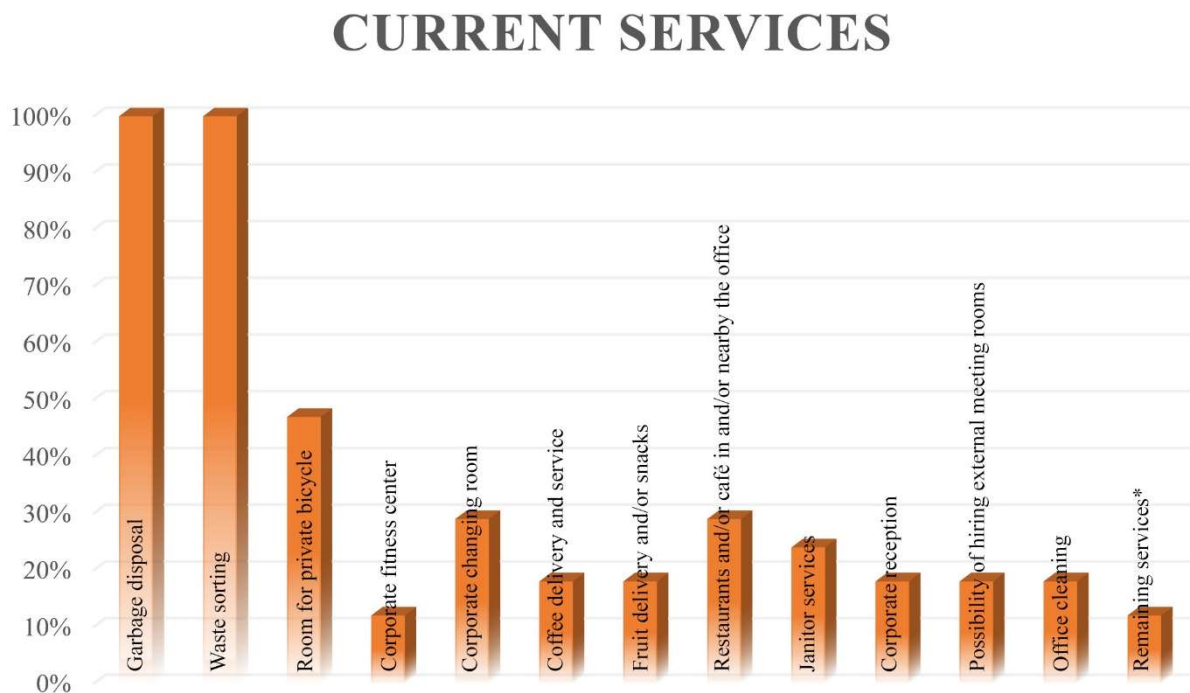


Figure 10. Current services provided to the tenants of Platzer Fastigheter AB (own elaboration).

Platzer Fastigheter AB confirms that they actually do not know what their tenants specifically are provided with regarding services aside from the basic services. At the moment, it is up to each tenant to contact a service provider if they want additional services. Some of the participants in the survey confirm that a part of the available services currently needs to be bought by external providers such as external service companies. The answers in the survey showed that there is a wide variety of what is offered in regard to soft services in different offices. Many offices have the main focus on office-related services and not each individual in the organization, which can be seen in figure 10 above.

The bar named “remaining services*” was made because of what seem to be some misleading answers. Two of the participants have answered that they are offered all of the services that were presented in figure 9. However, an investigation – that was made by the authors when the

survey was completed – showed that some services were not provided to tenants in that area. Due to the anonymity in the survey, the investigation within the exact services provided in that certain area, and to the certain tenant, could not be taken further and the answers were just put into one bar.

4.2. Future services at Platzer Fastigheter AB

The participants in the survey had an opportunity to mention and suggest different services that they think will be important for their companies in the future. The suggestions from the participants are varying and show different requests that the participants would like to be implemented in the future. However, some of the suggested services are services that are already provided to the tenants today. The reason behind suggesting these services is a wish and request by the survey participants of Platzer Fastigheter AB improving these services in the future.

As illustrated in figure 11 below, the survey shows that corporate bicycle pool is the most desired service suggested among the participants with a percentage of 35%. Further, three services – improved waste sorting, corporate carpool, and corporate fitness center – share the second place among services suggested by the participants with a percentage of 24% each. The third place – with a percentage of 12% – is shared by several services as the suggestions provided by the survey participants were very varying. There was also a single participant that suggested all the twenty-six services mentioned in figure 9 as long as the services are provided with high quality and by a single service provider. The bar “remaining services*” in figure 11 represents the answer from this single participant.

SUGGESTIONS OF FUTURE SERVICES

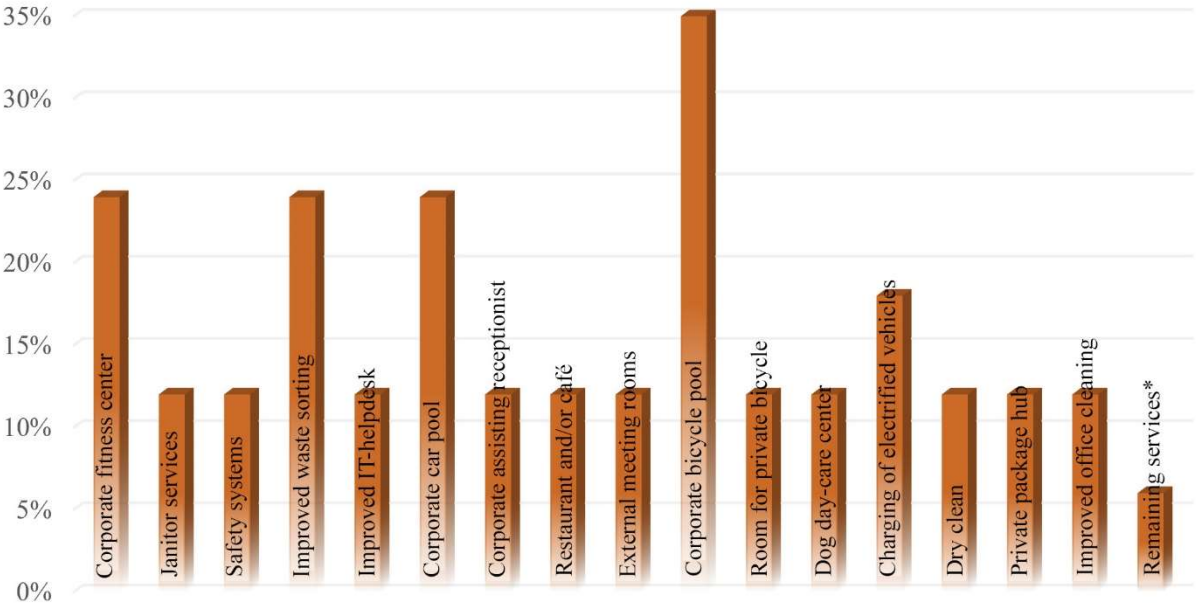


Figure 11. Suggestions of future services (own elaboration).

The participants were also asked – on a Likert scale – to answer how relevant they think these twenty-six services would be for them. The Likert scale was from 1-4 where 1 was not relevant, and 4 was highly relevant. In figure 13 below, the answers in the range of 3-4 (relevant and highly relevant) are summarized and presented. It is still the basic current services that are

highly requested whereas other services also are increasing in popularity. The three services in addition to the basic ones that have reached highest scores are room for private bicycle, restaurants and cafés, and janitor services, which can be seen as services that make the working situation on the office easier. More than 50% of the participants think that external meeting rooms, fitness center, corporate bicycle pool, coffee delivery and service, safety systems, and office cleaning are relevant service propositions for the future as well. However, two service propositions, sensor surveillance of free space and telephone support, were not seen as relevant for anyone and are therefore not included in figure 12. The service propositions that are mainly focused on the individual, and not related to everyday work, have generally scored quite low compared to other service propositions.

This is quite contrary to the interviews held. According to the interviewees, the service industry is working towards a change in the workplace experience. The services provided at work should be a total solution for the employees on an individual level. The interviewees agree that the basic services always will continue to be important as they are part of the facility management but they, and other services, will be more automated. The interviewees did not specify any services that would be provided to tenants in the future as they were perceived as a “business secret”, but concluded that AI, IoT, and smart building technology will be the base in future services. The future services will also be based on the upcoming trend of sharing resources with each other according to the interviewees.

Among the participants that did the questionnaires, only a few mentioned that there should be a focus on a total solution for their employees on an individual level. Most participants answered that the services should still be focused on FM related services as they were seen as more important at this time. It is the basic soft services that is important to support the everyday work at the office. However, if the services could be provided by one or only a few service providers, the tenants are said to be more satisfied as it requires less resources for them to manage as well as more services can be added.

SERVICE RELEVANCE IN THE FUTURE

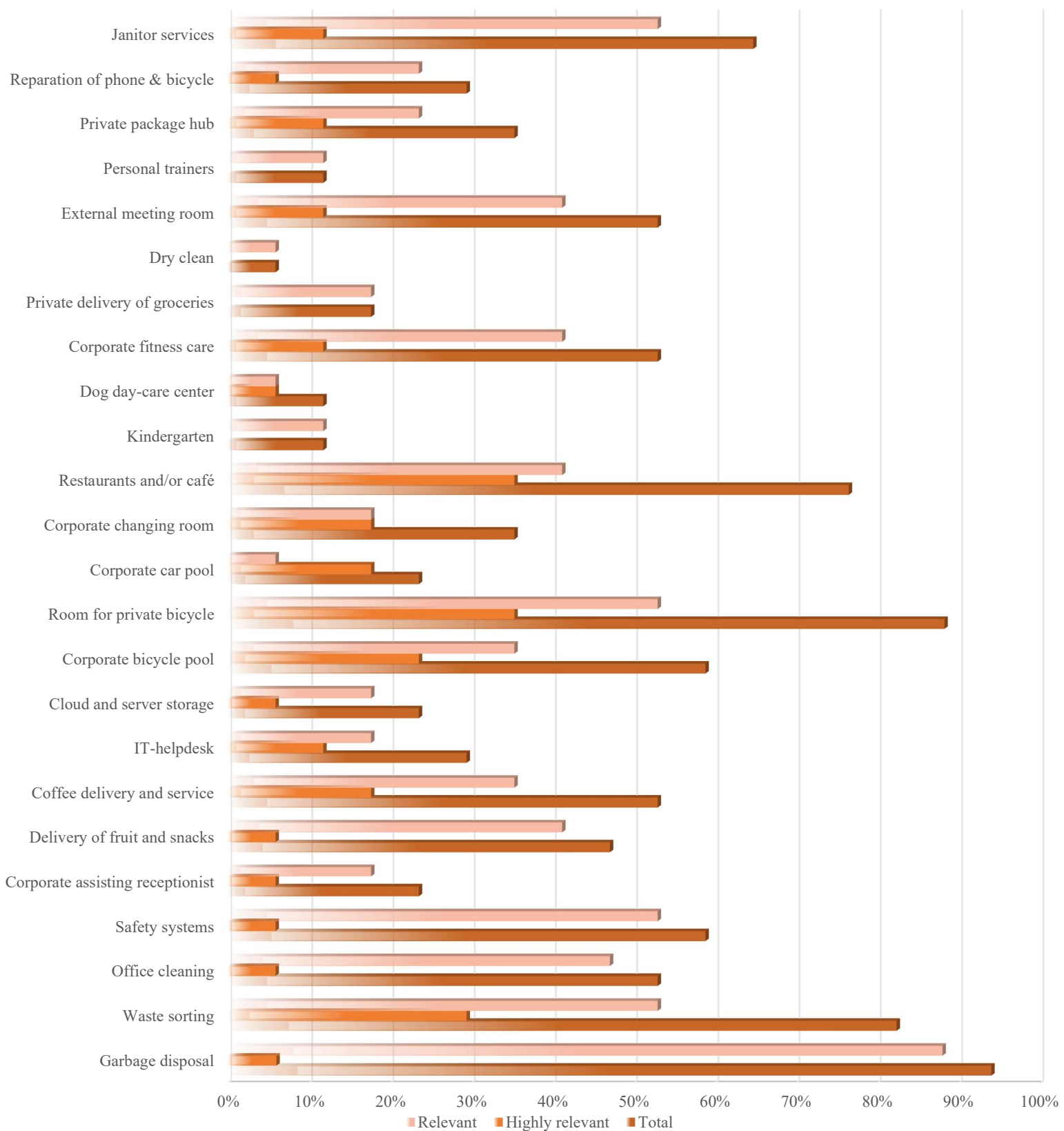


Figure 12. Service relevance in the future (own elaboration).

4.3. How can future service propositions be provided?

Several interviews revealed the importance of being transparent and sincere towards the clients as a real estate company and a service provider. Transparency increases the trust among the tenants towards the real estate company, which in turn increases the communication between the real estate company and the tenants. Many of the interviewees clearly expressed the positive effects of communicating with the tenants in order to understand the tenants' business, which facilitates understanding the tenants' needs and requests as a service provider. In that case, it becomes easier for the real estate company to provide the right type of service propositions to their tenants at the right time.

Service propositions can also be provided by introducing new terms and conditions in regard to renting the owned properties to different clients. Flexible offices – where different physical adjustments to the office – are not needed in order for the tenant to settle down is one of the suggestions that was brought up during several interviews. Another type of flexibility is making shorter rent agreements with the tenants, which in some cases can lead to an increased feeling of freedom among the tenants in case the tenants need fast changes in their rent agreements. Further, introducing rent agreements with certain incitements could also be another type of future service propositions. These incitements can be implemented in such a way that the tenants need to behave in a certain way in order to achieve certain goals such as reducing the rent paid to the real estate owner. Such rent agreements with incitements can have multiple positive effects if done correctly by the real estate owner and followed carefully by the tenants. An example of this could be an incitement to decrease the unsorted waste coming from a facility. If all waste is sorted correctly, no fee will be charge and the cost will even decrease for the whole facility, which affects the rents for all tenants.

Likewise, it is possible to improve future service propositions provided to the tenants by minimizing the number of the service providers that come in direct contact with the tenants. This will increase the feeling of security among the tenants as they have a limited number of service provider that they need to contact in necessary situations i.e. error reports. Another positive effect of minimizing the number of the service providers is the environmental aspect as it is more environmentally friendly that few service providers need to get to the property when necessary. It does not matter if the services are provided by Platzer Fastigheter AB themselves or outsourced to a partner that handles everything for them, a decision of what is most suitable is however important.

Implementing smart IT-solutions in offices in order to improve the tenant's workplace and daily work life is another way of providing service propositions that are suitable for the future. These IT-solutions can be implemented in such a way that takes into account many aspects including facilities management, employees' wellbeing, workplace efficiency, cleaning, and environmental sustainability. It was highlighted during several interviews that providing new service propositions is not the only critical aspect in regard to tenant satisfaction. It was stated several times that it is on the same level of importance for a real estate company to keep providing the current services propositions and retain the same level of quality while improving and developing new service propositions. The new services should however be grouped together as packages to make it easier for the real estate managers, likewise the tenants as they can easier see what they get. The number of packages will probably vary over time and depending on the state of the market. The packages will also be dependent on the relation between the company and tenants, which is the reason that Platzer Fastigheter AB has to determine if it will be a strict business relation or more of a collaboration between all involved

parties, as service logic suggests. Nevertheless, some kind of obligations and/or rules have to be set between the parties of actors.

According to the interviews; branding, marketing, and advertising also are very important in order to reveal many things such as the services the company provides to the customers and the values within the company's business. Likewise, the company gets a bigger opportunity to highlight certain business strategies such as building certificates and future plans of building developments. In that sense, it will become easier for the company to attract new customers and keep the current ones.

Lastly, the interviewees generally mentioned different possible paths for Platzer Fastigheter AB to take in order for them to handle tenants' needs in the future. The easiest path to choose it just continuing working with the same strategy without any changes in the organization. The other paths require more or less organizational changes as they require collaboration with the tenants and external service providers.

5. Discussion

In this chapter the empirical material from the case study is discussed with input from the theory presented. The sub-chapters are categorized according to the researchs questions for the study.

5.1. Current services at Platzer Fastigheter AB

As expected by the authors, the basic services, garbage disposal and waste sorting, are the only services that are provided to all the tenants of Platzer Fastigheter AB. On the other hand, room for private bicycle had an unexpectedly high score as ~50% of the tenants answered that they already are provided with this service. The three most occurring current services that are provided to the tenants of Platzer Fastigheter AB – which are the basic services and room for private bicycles – are dependent on the tenants' involvement in order to be successful, which is the reason that these services are considered to be soft services (Ball et al., 2008). However, the importance of tenants' involvement in these services does not take away the responsibility from the service provider to manage and control these services. Tay and Ooi (2001) consider services that enhance the customers' workplace as FM related topic, which also was confirmed during the conducted interviews. It can however be questioned if the services – that are mentioned above – really enhance the workplace situation. Of course, there is a value for the tenants to be provided with these services (Skålén et al., 2015). All workplaces take it for granted that no garbage should be laying around on the office as it is a critical factor to be able to execute the everyday work.

The other services that are provided today to the tenants (figure 10) are provided today by other service providers than Platzer Fastigheter AB. Platzer Fastigheter AB does not have an explicit strategy on how to handle other services than the basic ones. It is however important to remember that soft services need more effort from both parties to work properly. This can be an explanation in this case as Platzer Fastigheter AB does not have anyone that handle these issues and the tenants are not given any possibility to co-create or affect their service ecosystem. There is missing a person to handle business development in the company. The focus in the organization is more based on *goods logic* rather than *service logic* (Skålén, 2016, Vargo et al., 2008). Services are produced and offered without direct involvement of the tenants, which in Platzer Fastigheter AB's case is the usual situation. Some of the bars in figure 10 were considered unexpectedly low, e.g. coffee and fruit delivery services because of the authors' own experiences when going to offices since these services are considered as a standard. It was even seen as standard services by the interviewees, which makes the result even more surprising and not representative. However, the question asked in the survey can be misunderstood and be perceived as services that only are provided by Platzer, which can explain the low score.

The last bar, remaining services*, that was presented in figure 10 is somewhat misleading. As mentioned earlier, the services – that the participants claim that they have – have shown to be somewhat false. It was possible for the authors to identify the facilities that the tenants were sitting in, which lead to the conclusion that it was not possible for the tenants to have all twenty-six service propositions in use, even if the tenants chose to buy the services from service providers of their own choice. Even though that there are many different types of services on the market (Chandler et al., 2019, Chen et al., 2009, Johnston, 2018, Skålén et al., 2015), it is interesting that there is a somewhat low level of services on the investigated offices in the case study. It can be that there is a low awareness from the tenants' side, insignificant level of branding from the service provider, or even an unwillingness from the tenants to pay “extra”

for services that are beyond FM. This can only be speculated about as there was no questions regarding this during the case studies and no literature has been identified that discusses the topic.

5.2. Possible future services at Platzer Fastigheter AB

Service management is based on four main concepts that begin with understanding certain needs among the customers and how certain services affect the customers and end with implementing new strategies to deliver what is expected and desired by the customers (Grönroos, 1994). Thus, it becomes obvious that service management is highly needed in order for Platzer Fastigheter AB to understand the reason behind the tenants requiring improvements of certain services that are already provided currently. According to service management theory, the company firstly needs to understand how the customers perceive the services of waste sorting, IT-helpdesk, and office cleaning that are provided currently. Further, the company needs to figure out how to improve these three services in order to achieve customer satisfaction, which later leads to developing new strategies in order to implement these improvements. Last but not least, Platzer Fastigheter AB needs to implement the improvements successfully.

According to Ball et al. (2008), services generally can be divided into two main categories; soft services and hard services. The main factor that decides whether the service is hard or soft is whether it is critical to include customers in the service production process. Thus, considering that the basic services that Platzer Fastigheter AB provide to all their tenants are garbage disposal and waste sorting, it is straightforward to argue that the basic services of Platzer Fastigheter AB are exclusively soft services as the customers need to be involved in the process in order for the service to be successful. Further, these basic services – garbage disposal and waste sorting – are two of the most relevant services that Platzer Fastigheter AB need to keep providing even in the future according to the participants in the survey. This shows the importance of continuously delivering soft services of high quality in the future regarding tenant satisfaction. Furthermore, these two basic services can be considered as one of the main parts of the facilities management that Platzer Fastigheter AB provides the tenants since they enhance the tenants' workplace and streamline the tenants' productivity, which goes along with the explanation given by Tay and Ooi (2001) regarding how facilities management should be perceived.

Service design needs to be applied by Platzer Fastigheter AB in order to understand the tenants' perspectives and needs regarding the suggested future services in 4.2. Services such as corporate bicycle pool, corporate fitness center, corporate carpool, improved waste sorting, and charging of electrified vehicles have the highest percentages in comparison to the remaining services, which shows the importance of these services from the tenants' point of view. Thus, understanding how the tenants perceive these services and how they want them delivered is a crucial part of successfully satisfying the customers. Further, if these services are designed and delivered – according to the social and technical trends in the society – in a successful and desired way, it can be possible to trigger positive emotions and impressions among the tenants according to the limbic factor in service design theory (Macintyre et al., 2011, Reason et al., 2016).

In order for Platzer Fastigheter AB to increase growth and profitability, the company needs to ensure customer loyalty, which itself is a result of customer satisfaction according to the Service Profit Chain (Heskett et al., 2008). The survey sent to the tenants of Platzer Fastigheter AB

provides critical answers where it is possible to determine the services that the tenants think are relevant in the future. Among the most relevant services of the future according to the survey participants are the basic services (garbage disposal and waste sorting), room for private bicycles, restaurants and cafés, and janitor services. Thus, the survey provides an indication of what services Platzer Fastigheter AB should focus on in the future in order to increase customer satisfaction and thereby also growth and profitability.

Providing certain service propositions to the tenants is one way of offering value propositions in accordance with the theory of resource integration as it requires a collection of resources both from Platzer Fastigheter AB and the tenants to achieve providing satisfying services (Skålén, 2016). Offering value propositions through resource integration requires both tangible and intangible resources where the intangible resources have the main task of linking all the resources together (Skålén, 2016). Further, resource integration can occur in three different ways as mentioned in 3.5; customer value creation, value co-creation, and organization value facilitation (Grönroos and Voima, 2013, Skålén et al., 2018). Some of the services that were chosen as most relevant in the future in the survey consist mainly of tangible resources such as garbage disposal, waste sorting, room for private bicycle, corporate bicycle pool, and coffee delivery and services as these services do not need any highly specific skills or knowledge to function properly. On the other hand, other services such as restaurants and cafés, janitor services, safety systems, and office cleaning require a high level of skills and knowledge if provided with high quality to the tenants. Thus, these services consist mainly of intangible resources that represent the core of linking tangible and intangible resources together in order for the service to function properly. It has however shown that the outcome of developing new services often tends to be tangible resources but has its roots in the tangible resources (Lusch and Nambisan, 2015) which is recognized in the case study as well.

It is notable how the service “corporate carpool” is in the second place among most suggested services whereas it only had ~25% on the relevance scale in comparison to the other services. One explanation to this issue is how the participants in the survey perceived and understood the questions asked, which might reveal the reason that most of the participants suggested the service, but few thought of it as relevant. Another explanation might be that many of the participants in the survey consider the service itself as exciting and worth a try whereas it becomes less relevant in comparison to the other services available to choose among. A third explanation can be based on the current complex traffic situation in the city of Gothenburg which makes using cars as transportation is somewhat more complex than other forms of transportations.

The interviews done throughout this study pointed at a development towards an individualistic society where the individual or the employee is the main focus of the employer, which justifies the belief of needing individualistic services among commercial real estate tenants. The individualistic society is also confirmed by Cajasanta (2014) as he claims that the individualistic society is even becoming more highly rated than the monetary benefits. Most services that were the most suggested by the survey participants as needed in the future, such as corporate bicycle pool, corporate carpool, and corporate fitness center, also pointed at the same individualistic thinking regarding the employees. Regarding the service relevance in the future however, the services that had the highest percentages of future relevance; garbage disposal, waste sorting, janitor services, external meeting rooms, safety systems, and office cleaning, do not need especially high customer involvement to function properly even though they do need customer involvement to a certain degree. However, the most relevant services seem to focus on the company itself rather than the individuals working on the office. Therefore,

the authors' assumption regarding a future society that is focused on the individual does not seem to be true in the same extent as the authors believed in the first place.

5.3. How can future service propositions be provided?

If the society becomes more individualistic as assumed, the value propositions have to adapt to meet the tenants' individual needs (Cajaiba-Santana, 2014, Gorodnichenko and Roland, 2011). Van der Aa and Elfring (2002) argue that, in order to be innovative, the company also has to implement and integrate the services in the co-creation process, as in line with (Skålén, 2016). The tenants that participated in the survey pointed out the services that they think are the most relevant in the future. In order for Platzer Fastigheter AB to successfully deliver these services to the tenants in accordance to service logic, the company needs to co-create these service propositions together with the tenants, which minimizes the risk of these services propositions being unused and without any value (Van der Aa and Elfring, 2002).

Creating service propositions that are not used by the tenants as they supposed to is a critical issue within service innovation. Thus, use knowledge has to be found, collected, and utilized to fully understand the eventual future users' needs. There will be a need for the company to have one or several persons who can develop the business and keep in touch with the tenants to make follow-ups as lifelong commitment (Ghodeswar, 2008). This is a part of being an innovate company and is an ongoing process once it has started, which also comes hand in hand with the branding and marketing of the company from a service logic perspective (Vargo and Lusch, 2004).

Branding is a way of helping your potential tenants to predict what can be promised and delivered, usually in regard to tangible resources (Perrey and Spillecke, 2013). Platzer Fastigheter AB has for many years been working on creating a sustainable brand that is based on all the facilities being environmental certified through BREEAM or another similar accepted certification. With the assumption of a more individualistic society and workplace, Platzer Fastigheter AB is now also starting to focus on the quite new certification WELL Building Standard which focuses on the well-being and productivity of the tenants (Pettersson and Winnige, 2018). Also, the strategy of buying clusters of facilities (Porter, 2000), as Platzer Fastigheter AB has had for many years, is something that enables the company to provide and allocate the tenants' demands to a higher extent by using the different facilities for different purposes (Liao and Guo, 2008). That can lead to a higher degree of services where more available space from neighboring facilities can be used (Liao and Guo, 2008), which is of importance from this study perspective.

Four scenarios have been identified as possible future ways of providing services for Platzer Fastigheter AB. It is a decision of strategy for the organization as whole and what the most beneficial outcome is for both the tenants and Platzer Fastigheter AB themselves. The four scenarios summarize the strategies that the authors could see as possible in the near future based on the empirical material collected in the study. The four scenarios are as follow:

1. Platzer Fastigheter AB develops, maintains, and delivers all of the services that they provide their tenants in regard to what the tenants want and demand.
2. Platzer Fastigheter AB has an intermediary role between their tenants and a partner(s) that provides the services. It will be a collaboration between all of the participants to co-create the value that is desired (Agarwal et al., 2015).

3. A similar scenario as in 1 but done by a partner instead and becomes an outsourcing of the tasks to provide all services that the tenants want (Chen et al., 2009). The partner will be in charge of everything instead of Platzer Fastigheter AB.
4. Continue as the present situation by only providing base services and letting each tenant handle the services that they want themselves.

In order to enhance a better understanding of the presented scenarios, the service management needed, and where to head in future, the model from figure 7 is used. Platzer has accomplished step 1 in figure 7 with a better understanding of their tenants' needs and perception of the services that the tenants want in the future from this work and in their daily interaction with different representatives. An understanding of the service profit chain (Heskett et al., 2008, Hogreve et al., 2017) is of high importance to achieve step 1 in figure 7 and be able to come further in the model. The four presented scenarios above will be the part of the work and assessment in step 2 (figure 7) where the top management team in Platzer Fastigheter AB will have to make a decision based on what kind of, and extent, their service management should be done. Step 3 and 4 in figure 7 will take some time and extra effort to reach. As mentioned earlier, a business developer has to work actively in the organization and with tenants throughout a longer period of time to fully understand and co-create value for all participants (Skålén, 2016). From the perspective of the model in figure 7, Platzer Fastigheter AB will only be able to succeed in choosing the fourth scenario if they do not want to follow the path of service logic. The other three scenarios include making changes in the organization and the way that things are managed today.

The roles in the service ecosystems and value creation for the parties involved in the four scenarios above depend also on three categories, known as; B2C, B2B, and A2A (Skålén, 2016) and the choices that are made around them. B2C, is where the organization sees the tenants as customers and value is co-created between the organization and the customers. However, the organization has a fixed role in this category and therefore determines the obligations and privileges towards the customers (Skålén, 2016), which is represented in scenario one. In B2B, the organization determines the obligations and privileges as in B2C, but there are two or more organizations that work towards each other to meet predefined goals, which makes B2B more of a professional interaction (Skålén, 2016). This is the case in scenario two and three where Platzer Fastigheter AB is supposed to use other organization(s) to handle the tenants' needs and provide them with the required services. According to the interviews held during the study however, it is of great importance to understand that – regardless of whether B2B or B2C is chosen – the individuals behind the tenants' organizations are the main focus of the services provided as they are a critical part of the service ecosystem (Zhang et al., 2017). The A2A – which is not recognized in any of the four scenarios – is based on every included party not having a fixed role in the service ecosystem (Skålén, 2016) (i.e. sometimes customer, another time client) and is quite contradictory to B2C and B2B. The fourth scenario cannot really be categorized from these categories as there would be almost no co-creation between Platzer Fastigheter AB and their tenants. All participants are in silos of their own ecosystem, which makes it hard to even categorize the scenario as service logic. The fourth scenario will therefore not be elaborated further in this chapter.

For the first three scenarios, a possibility of delivering the services in packages has also been identified, as a similarity of when a car is bought, and additional features are offered as fixed packages. Based on the result of this study and the services that proved to be relevant in the future, a *mobility* package would be a good example. In this package the tenants get e.g. an indirect free access to corporate bicycle rooms, corporate carpool, and changing room with an

additional access to a room for a private bike. From Platzer Fastigheter AB's perspective, it becomes cheaper to offer predefined packages to the tenants in comparison to offering different services individually to the tenants.

Having a possibility to choose among predefined different service packages – where the outcomes are known – makes it easier for the tenants to choose the most suitable package(s), which leads to an increased probability of buying these packages. All these different advantages make it likely for Platzer Fastigheter AB to increase their profit margins and decrease their costs. Also, offering predefined service packages will make it easier for Platzer Fastigheter AB's real estate managers to visualize and explain the services to the tenants in order for them to understand what they will be provided with. The service packages offered to the tenants need to be updated and continuously changed in order for both the servicescape and the surrounding environment provided by Platzer Fastigheter AB to meet current trends and keep the tenants' satisfaction. However, the number of different packages and the possibility of selling them will probably have to be adapted to the state of the market as the tenants' willingness to pay fluctuate depending on booms and downturns.

An indirect effect of providing the tenants with service packages could be the difficulty for the tenants to stop buying new service packages as several interviewees claim that the tenants will continue to buy service packages once there are provided with them. Also, many companies would find it difficult to cancel current bought services and risk losing employees, especially if the society becomes more individualistic and pushes for the importance of the wellbeing. The way for the companies to save money if needed would instead be looking over the own organization in order to avoid affect the wellbeing of the employees.

One way to brand and market new and existing services, and even the company itself, is to group and sell them as packages to the tenants like the *mobility* example above, where the tenants can identify the benefits and value (Ghodeswar, 2008). The packages should of course achieve customer satisfaction (Omar and Heywood, 2014) and should lay in line with the servicescape and ecosystem that the service provider is trying to create (Rosenbaum and Massiah, 2011). The service provider should, from an economical perspective, standardize these packages (Van der Aa and Elfring, 2002) to make it easier for the tenants to choose and understand what they get, as many car manufacturers have done. Standardization can be achieved by procuring certain suppliers and creating a brand with a status of “you know what you get”, which is something that the authors think is of high relevance. The interviewees that were representing the commercial real estate sector also highlighted this as a key to successfully creating a new service ecosystem. However, the service ecosystem should be co-created to understand the needs of the tenants and be able to continue to evolve and preserve the services (Skålen, 2016).

Branding is also a way of helping your potential customers to predict what they can be promised and delivered in regard to mostly tangible resources (Perrey and Spillecke, 2013). Platzer Fastigheter AB has for many years been working with creating a sustainable brand that is based on all the facilities being environmental certified through BREEAM or another similar accepted certification. With the assumption of a more individualistic society and workplace, Platzer Fastigheter AB is now also starting to focus on the quite new certification WELL Building Standard which focuses on the well-being and productivity of the tenants (Pettersson and Winnige, 2018). Likewise, the strategy of buying clusters of facilities (Porter, 2000), as Platzer Fastigheter AB has had for many years, is something that enables the company to provide and allocate the tenants' demands to a higher extent by using the facilities for different purposes (Liao and Guo, 2008). That can lead to a higher degree of services where more available space

from neighboring facilities can be used (Liao and Guo, 2008), as which is important from this study perspective and can be utilized even more when providing the customers with service packages in combination with the neighboring facilities.

6. Conclusion

This study started out with an assumption that tenants in the commercial real estate sector would like to get more individualistic services connected to their workplace as the society seems to be becoming more individualistic. These services would enhance the workplace and make it more attractive and effective. The commercial real estate company Platzer Fastigheter AB was contacted to get in touch with some tenants in the city of Gothenburg. Three research questions were aimed to be answered during this study;

- *What type of services is provided today to the tenants of Platzer Fastigheter AB?*
- *What service propositions are highly requested in the future of the tenants of Platzer Fastigheter AB?*
- *How can the future service propositions be provided to tenants of Platzer Fastigheter AB, from a service logic perspective?*

A mixed method with an abductive approach was chosen and seen as beneficial to answer the research questions above. A case study was conducted on fifteen facilities in the city center of Gothenburg. A survey with self-completion questionnaires was sent out to sixty-two respondents and an additional six interviews were held with people who are conversant with service management and innovation. Twenty-six service propositions were presented to the participants of the questionnaires and the response rate for the survey was 28,8%.

For the theoretical framework of the study, the service logic perspective was used. The service logic emphasizes the importance of using the knowledge of all participants that can be related to a service and integrate all the resources to create a certain value to that service. The value that the service creates should therefore be co-created. Service logic is also based on the perception of the value is created only when the tenants use the provided services and become satisfied by these services. The focus from the organization's point of view should therefore be on customer satisfaction since it affects the own organization's profitability as confirmed in the Service Profit Chain. In order to co-create value, the core of the collaboration should be a well-functioning resource integration of both tangible resources (physical goods and raw material) and intangible resources (knowledge and skills possessed by people).

To get a better understanding of how and why the development of new and existing services are done, an examination of different innovation literature was conducted. The hard part of innovation comes hand in hand with service logic and represents the organization's ability of finding, collecting, and utilizing the use knowledge from all parties; the organization itself, the suppliers, and the customers. If not properly done, service innovation could create service propositions without any specific value.

When new service propositions are created, it becomes important for the organization to market the services and brand themselves as a company. Further, if the customers can be involved in the branding and marketing – as part of the service logic – the value of the services and service propositions will increase. The investigated company, Platzer Fastigheter AB, is at the moment branding themselves as an environmentally friendly commercial real estate company with a high focus on workplace quality through BREEAM and WELL certification. However, being environmentally friendly as a commercial real estate company does not give a deep insight regarding the value created through the value propositions provided by the company.

The result of the case study for the first research question showed that the services that the tenants are provided with today have a wide range of variety. It can however be concluded that it is the basic location-intensive soft services such as garbage disposal and waste sorting that every tenant is provided with and using. This is quite expected as all companies want their waste and garbage to be dealt with in order to have a clean workplace. However, the one thing that stood out from the results was that coffee and fruit delivery was low (~20%) even though the authors' own experience and perception is that coffee and fruit are provided as standard in almost all offices. As mentioned in 5.1 however, this low rate can be a result of the tenants misunderstanding the questions asked in the survey. On the other hand, a surprising high number of ~50% of the tenants were offered a private room for their bikes, which was not expected by the authors. Some answers from the participants could not be categorized properly as the participants answered that they were provided with all of the twenty-six service propositions, which turned out to be impossible after further investigation conducted by the authors.

Among all the future services that were requested by the tenants from the twenty-six service propositions, corporate bicycle pool was the one that got the highest score of 35%. Corporate fitness center, improved waste sorting, and a corporate carpool were the second most wanted services with almost 25%. The participants were also asked to answer how relevant they thought the twenty-six service propositions would be for them in the future. Even here the services of waste sorting and garbage disposal were seen as very important with response rates close to 100%. The corporate bicycle pool got 60%, which can then be concluded to be an important basis for the future services provided to the tenants of Platzer Fastigheter AB. Room for private bicycle, restaurants/cafés close to the office, and janitor services were also given a high response rate of relevance. However, the corporate carpool that was one of the second most wanted services with a score of ~25% (as seen in figure 11) only got a relevance score of 25% (as seen in figure 12), which however is an equal percentage mathematically. This can be explained by the current complex traffic situation in the city of Gothenburg. Further, two service propositions – sensor surveillance and telephone support – were not seen as relevant for future services provided to the tenants by the participants of the survey.

In order to decide how future service propositions should be delivered to the tenants of Platzer Fastigheter AB, four possible scenarios were identified. Depending on which scenario Platzer Fastigheter AB chooses, a variety of steps from Platzer Fastigheter AB itself, the tenants, external, and service providers and suppliers have to be made. In the end it will be a top management decision and therefore not part of this work. It can however be concluded that Platzer Fastigheter AB only has reached the first step of understanding their tenants' needs and perceptions of services at this moment (figure 7) and therefore has a lot of work left to be done in order to follow the service logic perspective. Three out of the four scenarios are based on a change within Platzer Fastigheter AB's own organization and will need a business developer (or similar) to handle the new work tasks that have to be done. The possibility of putting similar kind of services into packages – likewise car manufacturers – is also concluded as a good choice of providing services in the future. The packages should be co-created between the different involved parties and could also have a positive impact on Platzer Fastigheter AB's marketing and brand.

The authors' assumption of a more individualistic society with a main focus on individualistic services can be concluded to yet not be true in the same extent as the authors assumed in the beginning. The reason is that the major part of the services that the tenants think are relevant for the future (figure 12) are not considered individualistic to a high extent. These services

mainly focus on the greater good of the company even though they do need a certain degree of tenants' involvement to function properly.

6.1. Recommendation for future research

It could be of interest to make a similar investigation in the city center of Gothenburg where tenants from other commercial real estate companies are included as well. The interesting question would be whether the results stay the same or vary regarding both present and future services. It can then be concluded at a later stage if every commercial real estate company creates its own needs towards the tenants. Another part of the work can be based on whether there is any difference depending on the geographical locations of the commercial tenants as this study assumes that the tenants in the city center of Gothenburg have a higher willingness to pay for services. The investigation should use the same method as in this study with the same service propositions to make them comparable. Through this new investigation, the assumption of an individualistic society and workplace can be tested once again for generalization purpose.

7. References

- AGARWAL, R., SELEN, W., ROOS, G. R. & GREEN, R. 2015. *The Handbook of Service Innovation*, London, Springer.
- ALEXANDER, K. 1996. *Facilities management. [electronic resource] : theory and practice*, E & FN Spon.
- ALEXANDER, K., ATKIN, B. & BRÖCHNER, J. 2004. *Facilities management : innovation and performance*, London ; Spon Press, 2004.
- ALLEN, J., MACNAUGHTON, P., LAURENT, J., FLANIGAN, S., EITLAND, E. & SPENGLER, J. 2015. Green Buildings and Health. *Current Environmental Health Reports*, 2, 250.
- ALVESSON, M. & SKÖLDBERG, K. 2009. *Reflexive methodology : new vistas for qualitative research*, Los Angeles ; London : SAGE, 2009. 2. ed.
- BALL, D. A., LINDSAY, V. J. & ROSE, E. L. 2008. Rethinking the paradigm of service internationalisation: less resource-intensive market entry modes for information-intensive soft services. Gabler Verlag.
- BERGFORS, E., BÄCKMAN, P., LUND, H., SANDBERG, M. & SKARMAN, C. 2016. *Investeringskartläggning- Göteborgsregionen fram till 2035* [Online]. Business Region Göteborg. Available: https://www.businessregiongoteborg.se/sv/publikationer?custom_date_filter_down=&main_category=All&search=&page=0 [Accessed 2019-03-18].
- BIERNACKI, P. & WALDORF, D. 1981. Snowball Sampling: Problems and Techniques of Chain Referral Sampling. *Sociological Methods & Research*, 10, 141.
- BITNER, M. 1992. Servicescapes: The Impact of Physical Surroundings on Customers and Employees. *Journal of Marketing*, 56, 57-71.
- BITNER, M. J., OSTROM, A. L. & MORGAN, F. N. 2008. Service Blueprinting: A PRACTICAL TECHNIQUE FOR SERVICE INNOVATION. *California Management Review*, 50, 66-94.
- BRINKMANN, S. & KVALE, S. 2015. *InterViews : learning the craft of qualitative research interviewing*, Los Angeles : Sage Publications, cop. 2015. 3. ed.
- BRYMAN, A. & BELL, E. 2015. *Business research methods*, Oxford : Oxford Univ. Press, c2015. 4. ed.
- BUSINESS REGION GÖTEBORG. 2018. *Fakta och statistik 2018* [Online]. Available: https://www.businessregiongoteborg.se/sv/publikationer?custom_date_filter_down=&main_category=All&search=&page=0 [Accessed 2019-03-20].
- CAJAIBA-SANTANA, G. 2014. Social innovation: Moving the field forward. A conceptual framework. *Technological Forecasting & Social Change*, 42.
- CARNEY, R. 2017. *The 7 Concepts of the WELL Building Standard* [Online]. Available: <https://www.facilitiesnet.com/green/article/The-7-Concepts-of-the-WELL-Building-Standard---17238> [Accessed 2019-02-26].
- CHANDLER, J. D., DANATZIS, I., WERNICKE, C., AKAKA, M. A. & REYNOLDS, D. 2019. How Does Innovation Emerge in a Service Ecosystem? *Journal of Service Research*, 22, 75-89.
- CHEN, J. S., TSOU, H. T. & HUANG, A. Y. H. 2009. Service Delivery Innovation: Antecedents and Impact on Firm Performance. United States: SAGE PUBLICATIONS.
- CHUDAK, F. A. & WILLIAMSON, D. P. Improved approximation algorithms for capacitated facility location problems. International Conference on Integer Programming and Combinatorial Optimization, 1999. Springer, 99-113.

- COLLINS, D., JUNGHANS, A. & HAUGEN, T. 2018. Green leasing in commercial real estate: The drivers and barriers for owners and tenants of sustainable office buildings. *Journal of Corporate Real Estate*, 20, 244-259.
- COPE, D. G. 2014. Methods and meanings: credibility and trustworthiness of qualitative research. Oncology Nursing Society.
- CRESWELL, J. W. & PLANO CLARK, V. L. 2011. *Designing and conducting mixed methods research*, SAGE Publications.
- DICICCO-BLOOM, B. & CRABTREE, B. F. 2006. The qualitative research interview. *Medical Education*, 40, 314.
- DUBOIS, A. & GADDE, L.-E. 2002. Systematic combining: an abductive approach to case research. *Journal of Business Research*, 55, 553-560.
- EINARSSON, H. & WARDA, P. 2019. *Näringsliv & tillväxt i Göteborgsregionen 2019* [Online]. Business Region Göteborg. Available: https://www.businessregiongoteborg.se/sv/publikationer?custom_date_filter_down=&main_category=All&search=&page=0 [Accessed 2019-03-18].
- FLICK, U., SCOTT, W. & METZLER, K. 2014. *The SAGE Handbook of Qualitative Data Analysis*, London, United Kingdom, SAGE Publications, Ltd.
- GALVAGNO, M. & DALLI, D. 2014. Theory of value co-creation: A systematic literature review. *Managing Service Quality*, 24, 643-683.
- GHODESWAR, B. M. 2008. Building brand identity in competitive markets: A conceptual model. *Journal of Product & Brand Management*, 17, 4-12.
- GOLUB, H., HENRY, J., FORBIS, J., MEHTA, N., LANNING, M., MICHAELS, E. & OHMAE, K. 2000. *Delivering value to customers* [Online]. Available: <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/delivering-value-to-customers> [Accessed 2019-03-18].
- GORODNICHENKO, Y. & ROLAND, G. 2011. Individualism, innovation, and long-run growth. *Proceedings of the National Academy of Sciences of the United States of America*, 108, 21316-21319.
- GRÖNROOS, C. 1994. From Scientific Management to Service Management A Management Perspective for the Age of Service Competition. *International Journal of Service Industry Management*, 5, 5-20.
- GRÖNROOS, C. 2011. Value co-creation in service logic: A critical analysis. *Marketing Theory*, 11, 279-301.
- GRÖNROOS, C. 2015. *Service Management and Marketing*, Liber AB.
- GRÖNROOS, C. & VOIMA, P. 2013. Critical service logic: making sense of value creation and co-creation. *Journal of the Academy of Marketing Science*, 41, 133-150.
- HARRIS, L. C. & EZEH, C. 2008. Servicescape and loyalty intentions: an empirical investigation.
- HESKETT, J. L., JONES, T. O., LOVEMAN, G. W., SASSER, W. E. & SCHLESINGER, L. A. 2008. *Putting the Service-Profit Chain to Work*. United States: HARVARD BUSINESS REVIEW.
- HOGREVE, J., ISEKE, A., DERFUSS, K. & ELLER, T. 2017. The Service-Profit Chain: A Meta-Analytic Test of a Comprehensive Theoretical Framework. *Journal of Marketing*, 81, 41-61.
- INTERVIEWEE-1 2019. Interview with sustainable development and purchasing executive. *In: IBRAHIM, I. & LUND-PETERSEN, J. (eds.)*.
- INTERVIEWEE-3 2019. Interview with project developer and advertiser. *In: IBRAHIM, I. & LUND-PETERSEN, J. (eds.)*.

- JOHNSTON, C. 2018. *Accelerating Innovation in Commercial Real Estate* [Online]. Available: <https://aicexchange.ca/blog/accelerating-innovation-in-commercial-real-estate/> [Accessed 2019-02-20].
- KEJRIWAL, S., MAHAJAN, S. & SAHJWANI, N. 2017. *Innovations in commercial real estate: Preparing for the city of the future* [Online]. Available: <https://www2.deloitte.com/cn/en/pages/real-estate/articles/innovations-in-commercial-real-estate.html> [Accessed 2019-02-20].
- LEE KÄLLMAN, L. & LUNDQVIST, S. 2013. *A Descriptive Study of How a BREEAM Certification Affects a Construction Company on a Project Level*, Chalmers University of Technology.
- LIAO, K. & GUO, D. 2008. A Clustering-Based Approach to the Capacitated Facility Location Problem 1. *Transactions in GIS*, 12, 323-339.
- LINDEMANN, N. 2018. *What's the average survey response rate?* [Online]. Available: <https://surveyanyplace.com/average-survey-response-rate/> [Accessed 2019-03-18].
- LUSCH, R. F. & NAMBISAN, S. 2015. SERVICE INNOVATION: A SERVICE-DOMINANT LOGIC PERSPECTIVE. *MIS Quarterly*, 39, 155-176.
- MACINTYRE, M., PARRY, G. & ANGELIS, J. 2011. *Service Design and Delivery. [electronic resource]*, Boston, MA : Springer US, 2011.
- MAHAJAN, S. 2018. *CRE developers: Get smart on smart city initiatives* [Online]. Available: <https://www2.deloitte.com/us/en/pages/financial-services/articles/commercial-real-estate-smart-cities.html> [Accessed 2019-02-21].
- MIRZA, N. A., AKHTAR-DANESH, N., NOESGAARD, C., MARTIN, L. & STAPLES, E. 2014. A concept analysis of abductive reasoning. *Journal of Advanced Nursing*, 1980.
- NANKERVIS, A. R. 2005. *Managing services. [electronic resource]*, Cambridge : Cambridge University Press, 2005.
- NULTY, D. D. 2008. The Adequacy of Response Rates to Online and Paper Surveys: What Can Be Done? *Assessment & Evaluation in Higher Education*, 33, 301-314.
- OECD 2005. *The Oslo Manual: Guidelines for collecting and interpreting innovative data*, Brussels, European Commission. 3rd ed.
- OLSON, C. 2017. GREEN CERTIFICATION 'FOR THE REST' of the BUILDING STOCK: BREEAM is designed to give every building a place to embark on continuous improvement. Stamats Communications, Inc.
- OMAR, A. J. & HEYWOOD, C. A. 2014. *Defining a corporate real estate management's (CREM) brand*. Great Britain: Emerald Group Publishing Ltd.
- PERREY, J. & SPILLECKE, D. 2013. *Retail marketing and branding. [electronic resource] : a definitive guide to maximizing ROI*, Hoboken, N.J. : Wiley, 2013. 2nd ed.
- PETERS, L. D. 2016. Heteropathic versus homopathic resource integration and value co-creation in service ecosystems. *Journal of Business Research*, 69, 2999-3007.
- PETTERSSON, J. & WINNINGE, M. 2018. *Sveriges första hälsocertifierade kontor: Lärdomar från implementering av certifieringen WELL Building Standard (Dissertation)* [Online]. Available: <http://urn.kb.se/resolve?urn=urn:nbn:se:ltu:diva-68826> [Accessed 2019-03-21].
- PLATZER 2017. Well Building Standard. *Presentation Planning Group*. Platzer Fastigheter AB.
- PLATZER. 2019. *About Platzer* [Online]. Available: <https://www.platzer.se/om-platzer/foretaget/> [Accessed Feb, 3rd 2019].
- PORTER, M. E. 2000. Locations, clusters, and company strategy. *The Oxford handbook of economic geography*, 253, 274.
- QIU, R. G. 2014. *Service science. [electronic resource] : the foundations of service engineering and management*, Hoboken, New Jersey : Wiley, 2014.

- REASON, B., LØVLIE, L., FLU, M. B., LAI, W., GATES, M. & LEEUVAN, W. V. 2016. *Service design for business. [electronic resource] : a practical guide to optimizing the customer experience*, Hoboken, New Jersey : Wiley, 2016.
- ROSENBAUM, M. S. & MASSIAH, C. 2011. An expanded servicescape perspective. *Journal of Service Management*, 22, 471.
- SKÅLÉN, P. 2016. *Service Logic*, Studentlitteratur.
- SKÅLÉN, P., GUMMERUS, J., KOSKULL, C. & MAGNUSSON, P. 2015. Exploring value propositions and service innovation: a service-dominant logic study. *Journal of the Academy of Marketing Science*, 43, 137-158.
- SKÅLÉN, P., KARLSSON, J., ENGEN, M. & MAGNUSSON, P. 2018. Understanding Public Service Innovation as Resource Integration and Creation of Value Propositions. *Australian Journal of Public Administration*, 77, 700-714.
- TAY, L. & OOI, J. T. L. 2001. Facilities management: a "Jack of all trades"? *Facilities*, 19, 357.
- WALTON, D. N. 2004. *Abductive reasoning. [electronic resource]*, Tuscaloosa, Ala. : University of Alabama Press, 2004.
- VAN DER AA, W. & ELFRING, T. 2002. Realizing innovation in services. *Scandinavian Journal of Management*, 18, 155-171.
- VARGO, S. L. & LUSCH, R. F. 2004. Evolving to a New Dominant Logic for Marketing. *Journal of Marketing*, 68, 1-17.
- VARGO, S. L. & LUSCH, R. F. 2008. Service-dominant logic: continuing the evolution. *Journal of the Academy of Marketing Science*, 36, 1-10.
- VARGO, S. L. & LUSCH, R. F. 2016. Institutions and axioms: an extension and update of service-dominant logic. *Journal of the Academy of Marketing Science*, 44, 5-23.
- VARGO, S. L., MAGLIO, P. P. & AKAKA, M. A. 2008. On Value and Value Co-Creation: A Service Systems and Service Logic Perspective. *European Management Journal*, 26, 145-152.
- WARREN-MYERS, G. 2012. The value of sustainability in real estate: a review from a valuation perspective. *Journal of Property Investment & Finance*, 30, 115-144.
- VAUGHAN, J. 2013. *Technological innovation. [electronic resource] : perceptions and definitions*, Chicago, Illinois : American Library Association, 2013.
- WEDEL, J. & WALLER, J. 2018. *Näringslivets behov av mark för industri och logistik i Storgöteborg 2018* [Online]. Business Region Göteborg. Available: https://www.businessregiongoteborg.se/sv/publikationer?custom_date_filter_down=&main_category=All&search=&page=0 [Accessed 2018-03-18].
- WITELL, L., SNYDER, H., GUSTAFSSON, A., FOMBELLE, P. & KRISTENSSON, P. 2016. Defining service innovation: A review and synthesis. *Journal of Business Research*, 69, 2863-2872.
- YIN, R. K. 2014. *Case study research : design and methods*, London : SAGE, cop. 2014. 5. ed.
- ZHANG, M., HU, M., GUO, L. & LIU, W. 2017. Understanding relationships among customer experience, engagement, and word-of-mouth intention on online brand communities The perspective of service ecosystem.
- ZHANG, Q. 2017. What Does Service Mean? Or, What Can We Ask of Market and Governmental Actors? *Administrative Theory & Praxis (M.E. Sharpe)*, 39, 19-31.