

# 1 A Vision thru the Antecedents of Co-destruction of Value 2 in the Portuguese Hotel Industry 3

4 *The presented literature review has the objective of exploring the theoretical*  
5 *aspects related to the concept of value destruction, particularly within the*  
6 *context of the hotel industry in Portugal. Value co-destruction can manifest due*  
7 *to various factors and circumstances in this industry, such as economic*  
8 *downturns, political instability, and shifts in consumer preferences. To mitigate*  
9 *the erosion of value in the hotel industry, proprietors and managers must*  
10 *remain vigilant regarding market trends, invest in maintenance, deliver high-*  
11 *quality services, employ effective marketing strategies, and adapt to changes in*  
12 *consumer preferences and the evolving business landscape. The term "value*  
13 *destruction" is a relatively recent addition to academic literature, referring to*  
14 *the process by which service systems interact, ultimately resulting in a*  
15 *reduction in the well-being of at least one of the involved systems, whether on*  
16 *an individual or organizational level, taking into account the nature of the*  
17 *service system. The concept of value co-creation has gained substantial*  
18 *recognition in scholarly discussions, notably through the works of authors like*  
19 *Zikmund et al. (2013), Meyer & Schwager (2015), Rajnish et al. (2017), and*  
20 *Mxunyelwa e Henama (2019), among others. These scholars emphasize the*  
21 *growing importance of a shift in the role of customers, who are now more*  
22 *informed in their decision-making processes. The emergence of the new*  
23 *dominant logic of services (LSD) underscores a change in perspective,*  
24 *highlighting that value creation for customers is now focused not only on*  
25 *production but primarily on fostering and nurturing customer relationships.*

26  
27 **Keywords:** *Co destruction, relations, hospitality, services.*  
28

## 29 30 Introduction 31

32 Many service organizations, particularly in the hospitality sector, recognize  
33 the importance of involving their guests in the process of creating value to achieve  
34 peak performance. While the goal in these settings is often to co-create value with  
35 customers, interactions between frontline employees and guests can sometimes  
36 lead to disruptive incidents that harm the value creation process (Zikmund et al.  
37 2013, Meyer & Schwager 2015, Rajnish et al. 2017, Mxunyelwa e Henama 2019,  
38 Cunha et al. 2021).

39 Service systems, which revolve around both customers and employees,  
40 emphasize the integral role of these interactions in the value creation process of  
41 service-oriented businesses. Franke et al. (2016) highlight that effective resource  
42 management within a company is crucial for the quality of value produced and  
43 delivered. Therefore, businesses must proficiently manage employee-customer  
44 interactions to deliver innovative value propositions that outperform competitors  
45 (Cunha 2019, Cunha et al. 2021).

46 Although the service literature extensively investigates value co-creation, the  
47 antecedents, and consequences of value co-destruction have received far less  
48 attention (Cunha et al. 2021). The harmful effects of unchecked value co-

1 destruction can be as significant as the positive impact of value co-creation. As a  
 2 result, addressing value co-destruction is essential to prevent it from negatively  
 3 influencing overall service delivery and a company's value propositions.

4 The research findings suggest that a strong commitment to value co-creation  
 5 is linked to a reduced occurrence of value co-destruction. Empirical evidence also  
 6 indicates that a supportive organizational climate perceived by service employees  
 7 corresponds to a lower incidence of value co-destruction within the organization.  
 8 Furthermore, when hotels receive substantial leadership support for value co-  
 9 creation, it results in fewer instances of value co-destruction in the same  
 10 establishment.

### 11 12 13 **Portuguese Hotel Industry**

14  
15 The Portuguese hotel industry plays a pivotal role in the nation's economy  
 16 and thriving tourism sector. Renowned for its rich history, breathtaking  
 17 landscapes, and vibrant culture, Portugal attracts a diverse array of leisure and  
 18 business travelers (Franke et al., 2016).

#### 19 20 **Table 1. Key Insights about this Sector**

21 Tourism Growth: Portugal has witnessed remarkable growth in its tourism industry, drawing an  
 22 increasing number of international visitors over the years. Major cities like Lisbon and Porto, along  
 23 with coastal regions such as the Algarve, have emerged as popular tourist destinations.

24 Diverse Accommodation: The industry offers a wide spectrum of accommodations, spanning from  
 25 luxury hotels and boutique lodgings to budget-friendly hostels and guesthouses. This diversity  
 26 caters to the varied preferences and budgets of travelers.

27 Cultural and Natural Attractions: Portugal's wealth of historic sites, picturesque landscapes, wine  
 28 regions, and beaches make it an enticing destination for tourists eager to explore its cultural and  
 29 natural treasures.

30 Investment and Modernization: The sector has seen substantial investments in new hotel  
 31 developments and the rejuvenation of existing properties. This infusion of capital has led to  
 32 enhanced infrastructure, services, and overall guest experiences.

33 Online Booking Platforms: The prevalence of online travel agencies (OTAs) and booking platforms  
 34 has simplified the process of finding and reserving accommodations for tourists.

35 Challenges: The industry faces challenges associated with seasonality, with peak tourist seasons  
 36 sometimes resulting in overcrowding at favored destinations. This has sparked discussions about  
 37 sustainable tourism practices.

38 Regulations and Sustainability: Portuguese authorities have taken measures to address issues of  
 39 overtourism and promote sustainable tourism, with a focus on preserving the cultural and  
 40 environmental authenticity of the nation's attractions.

41 COVID-19 Impact: Similar to many countries, the Portuguese hotel industry bore the brunt of the  
 42 COVID-19 pandemic. Travel restrictions, lockdowns, and reduced travel demand translated into  
 43 decreased bookings and revenue. The sector is diligently working on recovery strategies as travel  
 44 gradually resumes.

45 Local Experiences: Many hotels are concentrating on offering authentic and immersive local  
 46 experiences to enrich guests' stays. These experiences encompass cultural activities, culinary  
 47 adventures, and connections with local communities.

48 Own source  
 49

1 It is essential to bear in mind that circumstances and developments within the  
 2 hotel industry can evolve rapidly, particularly in the wake of global events such as  
 3 the COVID-19 pandemic (Watjatrakul, 2018).

4  
 5  
 6 **The Importance of the Hotel Industry for Economy**

7  
 8 The hotel industry holds a position of paramount importance in the  
 9 economies of both local regions and the global tourism sector (Marianna et al.,  
 10 2015; Richards & Jones, 2016; Watjatrakul, 2018).

11  
 12 **Table 2.** *Several compelling reasons underpin its significance*

13 Economic Contribution: The hotel industry serves as a major catalyst for economic growth and  
 14 employment, spanning diverse sectors such as hospitality, tourism, catering, housekeeping,  
 15 maintenance, and management.

16 Tourism Promotion: Hotels are pivotal in drawing tourists to destinations by providing  
 17 accommodations, enabling travelers to explore new places, partake in distinct cultures, and bolster  
 18 the local economy.

19 Revenue Generation: Hotels generate substantial revenue for local economies through room rates,  
 20 dining services, event hosting, and various facilities. This revenue permeates the economy,  
 21 benefiting businesses across different sectors.

22 Infrastructure Development: The demand for hotels often drives infrastructure development,  
 23 encompassing transportation, roads, utilities, and communication systems. These enhancements are  
 24 advantageous for both tourists and residents.

25 Cultural and Social Exchange: Hotels facilitate cultural exchange and interaction among travelers  
 26 from diverse backgrounds, fostering understanding, tolerance, and appreciation for different  
 27 cultures.

28 Business and Conferences: Hotels serve as venues for business meetings, conferences, and events,  
 29 promoting business networking, knowledge exchange, and collaboration among professionals.

30 Revitalization of Areas: Hotel developments can rejuvenate previously underutilized neighborhoods  
 31 or areas, drawing increased foot traffic, stimulating local businesses, and contributing to urban  
 32 renewal.

33 Employment Opportunities: The hotel industry offers a broad spectrum of employment  
 34 opportunities, ranging from entry-level positions to specialized roles, catering to individuals with  
 35 varying skill sets and educational backgrounds.

36 Tourism Industry Support: Hotels support other sectors within the tourism industry, including  
 37 transportation, attractions, restaurants, and entertainment. These interdependencies contribute to a  
 38 vibrant tourism ecosystem.

39 Promotion of Local Culture and Heritage: Many hotels strive to integrate local culture, traditions,  
 40 and architecture into their design and services. This promotes the preservation of heritage and  
 41 showcases local craftsmanship.

42 Sustainability and Innovation: In response to environmental concerns, hotels are increasingly  
 43 adopting sustainable practices and technologies, propelling innovations in energy efficiency, waste  
 44 reduction, and eco-friendly operations.

45 Revenue for Local Government: Taxes generated by hotels contribute to local and regional  
 46 government revenues, which can be reinvested into public services, infrastructure, and community  
 47 development.

48 Own source  
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1 In summary, the hotel industry fulfills a multifaceted role in supporting  
2 economic growth, facilitating cultural exchange, and providing essential services  
3 for travelers. Its substantial impact on local economies, job creation, and the  
4 broader tourism sector renders it a pivotal component of the development  
5 strategies for many regions (Marianna et al., 2015; Richards & Jones, 2016;  
6 Watjatrakul, 2018).

### 9 **Co-destruction of Value**

11 Value co-destruction, often referred to as "co-destruction of value," represents  
12 a phenomenon in which the anticipated value a customer or stakeholder expects to  
13 derive from a product, service, or interaction is diminished or even nullified due to  
14 a range of factors or interactions. It occurs when the experience, interaction, or  
15 outcome falls short of the individual's expectations, leading to discontent,  
16 unfavorable perceptions, and potentially detrimental effects on the overall  
17 relationship between the customer and the provider (Lin and Wu, 2011).

18 Co-destruction of value can manifest in various contexts, including business  
19 transactions, customer service interactions, product usage, and more. It frequently  
20 involves a disparity between what was promised or expected and what was  
21 actually delivered or experienced. This divergence can result in a loss of trust,  
22 diminished customer loyalty, and a negative impact on the provider's reputation.

23 For instance, in the context of a hotel stay, co-destruction of value might  
24 occur when a guest's expectations regarding cleanliness, customer service, and  
25 amenities are not met. This could lead the guest to feel that the value they  
26 anticipated from their stay has been compromised due to issues such as unclean  
27 rooms, unresponsive staff, or other adverse experiences.

28 Addressing co-destruction of value is imperative for businesses aiming to  
29 uphold positive customer relationships, maintain brand reputation, and achieve  
30 overall success. It entails comprehending customer expectations, consistently  
31 delivering on commitments, providing exceptional customer experiences, and  
32 promptly addressing any issues that arise to prevent the erosion of value (Lin and  
33 Wu, 2011; Payne, 2016; Watjatrakul, 2018).

### 36 **Dominant Service Logic**

38 Dominant Service Logic (DSL) is a concept in marketing and service  
39 management that represents a shift in perspective from a goods-centered approach  
40 to a service-centered approach. It emphasizes the primacy of services in the  
41 economy and the way value is co-created through interactions between service  
42 providers and customers (Leigh & Tanner, 2014, Gagnon, Roh, 2016). This  
43 concept contrasts with the traditional goods-dominant logic (GDL), which focused  
44 on the exchange of tangible products (Rahimi & Kozak, 2017).

1 **Table 3. Key principles of the Dominant Service Logic include**

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2 Value Co-Creation: DSL recognizes that value is not inherent in products or services themselves,  
3 but rather it is co-created through interactions between customers and service providers. Customers  
4 actively participate in shaping their experiences and the value they receive.

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5 Intangibility: Services are inherently intangible compared to physical goods. DSL acknowledges the  
6 importance of intangibility and emphasizes creating and delivering intangible experiences that meet  
7 customer needs and preferences.

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8 Customer-Centric Approach: DSL places the customer at the center of value creation. Businesses  
9 need to understand customer needs, preferences, and behaviors to tailor their offerings and  
10 interactions accordingly.

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11 Relationship Building: DSL emphasizes building long-term relationships with customers. Value is  
12 created not just in individual transactions but in ongoing interactions and collaborations.

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13 Dynamic and Contextual: Value is dynamic and contextual, meaning that it can change based on the  
14 specific situation, customer, and circumstances. DSL encourages flexibility in adapting services to  
15 match the unique needs of each customer.

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16 Innovation and Co-Innovation: Since value is co-created, DSL encourages both service providers  
17 and customers to engage in innovation together. This can lead to the development of new services,  
18 features, and experiences.

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19 Networks and Collaboration: DSL acknowledges that value creation often involves various  
20 stakeholders, including suppliers, partners, and even customers. It emphasizes the importance of  
21 collaboration and networks in delivering value.

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22 Resource Integration: DSL focuses on the integration of resources from both the provider and the  
23 customer. This includes not only physical resources but also knowledge, skills, and capabilities.

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24 Own source

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26 The concept of Dominant Service Logic has gained prominence as the  
27 economy has shifted toward service-based industries and as businesses recognize  
28 the increasing role of customer experience and interaction in creating value. It  
29 encourages businesses to rethink their strategies, marketing approaches, and  
30 customer engagement methods to align with the principles of value co-creation  
31 and customer-centricity (Meyer e Schwager, 2015).

32 Thus, the researcher examined the impact of an organization's supportive  
33 climate, commitment to value creation and leadership support in value co-  
34 deconstruction, and also the moderating role of employee attribution style in the  
35 relationship in the study (Marianna et al, 2015 Richards & Jones, 2016,  
36 Watjatrakul, 2018).

### 39 **Support for Leadership and Co-destruction of Values**

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41 Support for leadership and co-destruction of values would involve  
42 understanding how effective leadership can help mitigate or address the negative  
43 consequences of value co-destruction in various contexts, such as business,  
44 organizations, and customer relationships (Schmitt, 2014; Richards & Jones, 2016;  
45 Watjatrakul, 2018)... Effective leadership plays a crucial role in identifying and  
46 addressing factors that contribute to co-destruction of value, thereby fostering  
47 positive outcomes and maintaining trust and satisfaction.

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1 **Table 4.** *how leadership can support these efforts*

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2 Communication and Transparency

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3 Leaders can promote open and transparent communication within their teams and with customers.

4 Clear communication helps manage expectations, prevent misunderstandings, and address issues

5 proactively.

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6 Empowerment and Decision-Making

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7 Empowering employees with decision-making authority can facilitate quicker issue resolution and

8 improved customer experiences. When employees have the autonomy to address problems,

9 customers are more likely to receive timely and satisfactory solutions.

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10 Training and Development

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11 Effective leadership involves providing ongoing training and development opportunities for

12 employees. Well-trained staff are better equipped to handle challenging situations, reduce errors,

13 and enhance customer satisfaction.

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14 Customer-Centric Culture

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15 Leaders can establish a customer-centric culture within the organization. This encourages

16 employees to prioritize customer needs and focus on delivering value.

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17 Problem-Solving and Innovation

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18 Strong leadership encourages a culture of problem-solving and innovation. Leaders can motivate

19 teams to identify root causes of value co-destruction and develop creative solutions.

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20 Conflict Resolution

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21 Leaders should be skilled in resolving conflicts, both within the organization and with customers.

22 Addressing conflicts promptly and effectively can prevent value co-destruction from escalating.

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23 Continuous Improvement

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24 Leaders should emphasize a culture of continuous improvement. This involves consistently seeking

25 feedback, evaluating processes, and making necessary changes to enhance value creation and

26 prevent co-destruction.

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27 Ethical Considerations

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28 Ethical leadership is essential in maintaining trust and avoiding value co-destruction caused by

29 unethical practices. Leaders should set ethical standards and ensure they are upheld throughout the

30 organization.

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31 Empathy and Understanding

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32 Leaders who demonstrate empathy and understanding toward customers and employees can

33 contribute to more positive interactions. This can reduce the likelihood of value co-destruction due

34 to negative emotions or misunderstandings.

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35 Adaptability and Resilience

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36 Effective leaders are adaptable and resilient. They are capable of responding to changing

37 circumstances and unforeseen challenges, helping to prevent or mitigate value co-destruction.

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38 Own source

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40 In summary, effective leadership plays a crucial role in addressing and

41 preventing the co-destruction of value. By fostering a customer-centric,

42 innovative, and proactive organizational culture, leaders can reduce negative

43 experiences, enhance value creation, and build stronger relationships with

44 stakeholders (Schmitt, 2014; Richards & Jones, 2016; Watjatrakul, 2018).

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46

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## 1 Favorable Organizational Climate and Co-destruction of Values

2  
3 A favorable organizational climate refers to the overall atmosphere, attitudes,  
4 and working conditions within an organization that contribute to a positive and  
5 productive work environment. It encompasses various factors that shape  
6 employees' experiences, interactions, and perceptions of their workplace (Robert e  
7 Du, 2012; Tanner et al. 2015; Richards & Jones, 2016). A positive organizational  
8 climate is essential for promoting employee well-being, job satisfaction, and  
9 overall organizational success.

### 10 **Table 5. Key Characteristics of a Favorable Organizational Climate**

11 Open Communication: Effective communication channels that encourage the free flow of  
12 information and ideas between employees and management. This includes active listening, feedback  
13 mechanisms, and transparent sharing of information.

14 Respect and Inclusion: A culture that values diversity and treats all employees with respect and  
15 fairness, regardless of their background, identity, or position within the organization.

16 Collaboration and Teamwork: A focus on collaboration and teamwork, where employees are  
17 encouraged to work together, share knowledge, and collectively achieve goals.

18 Empowerment and Autonomy: Empowering employees to take ownership of their work, make  
19 decisions, and contribute their unique skills and expertise to the organization's success.

20 Employee Development: Providing opportunities for skill development, training, and career growth  
21 to enhance employees' capabilities and job satisfaction.

22 Recognition and Rewards: Acknowledging and rewarding employees' contributions and  
23 achievements to boost motivation and job engagement.

24 Flexibility and Work-Life Balance: Offering flexible work arrangements and promoting a healthy  
25 work-life balance to support employees' well-being and reduce burnout.

26 Positive Leadership: Leadership that serves as a positive role model, sets clear expectations,  
27 provides guidance, and fosters an environment of trust and support.

28 Emphasis on Well-Being: Prioritizing employee well-being through wellness programs, mental  
29 health support, and initiatives that promote a healthy work environment.

30 Adaptability: Being open to change and adapting to new challenges and opportunities to ensure the  
31 organization remains competitive and relevant.

32 Clarity of Goals and Expectations: Clearly defining organizational goals and individual roles and  
33 responsibilities to align employees' efforts with the company's objectives.

34 Conflict Resolution: Providing effective mechanisms for resolving conflicts and addressing  
35 grievances in a fair and timely manner.

36 Safe and Inclusive Environment: Creating a physically and emotionally safe environment where  
37 employees can express their ideas, concerns, and feedback without fear of retribution.

38 Ethical Standards: Promoting ethical behavior and integrity throughout the organization, from  
39 leadership to employees at all levels.

40 Positive Relationships: Fostering positive relationships among colleagues, supervisors, and team  
41 members to create a supportive and harmonious atmosphere.

42 Own source

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44  
45 A favorable organizational climate contributes to higher employee morale,  
46 increased productivity, lower turnover rates, and improved overall organizational  
47 performance. It plays a crucial role in attracting and retaining top talent and  
48 creating a workplace culture that aligns with the organization's values and goals  
49 (Read, 2011; Robert e Du, 2012; Tanner et al. 2015; Richards & Jones, 2016).

## 1 Value Co-destruction

2  
3 The concept of value destruction is a relatively recent addition to the  
4 literature. Within the context of the hotel industry, value co-destruction describes a  
5 phenomenon in which the value perceived by a customer from a service or product  
6 is diminished or entirely eradicated due to a variety of factors, often stemming  
7 from interactions between the customer and the service provider. This can result in  
8 negative experiences, customer discontent, and ultimately lead to a decrease in  
9 customer loyalty and damage to the business's reputation (Payne, 2016; Cunha,  
10 2019).

11 In the portuguese hotel industry, as in the broader hospitality sector, value co-  
12 destruction can manifest through various avenues.

### 14 Table 6. *Value co.destruction*

15 Service Quality: When the quality of hotel services, including cleanliness, staff behavior, or  
16 responsiveness, falls below customer expectations, it can result in a negative experience and  
17 reduced perceived value.

18 Communication: Poor communication, misinformation, or a lack of transparency can lead to  
19 misunderstandings, frustration, and guest dissatisfaction.

20 Employee Behavior: Unfriendly or unhelpful staff, rude behavior, or insufficient training can  
21 contribute to customers feeling undervalued and dissatisfied.

22 Facility Conditions: If the hotel's facilities are poorly maintained, outdated, or not as advertised,  
23 customers may feel they are not receiving the value they expected.

24 Booking and Reservation Issues: Problems related to overbooking, incorrect reservations, or room  
25 allocation can lead to customer dissatisfaction and a sense of value destruction.

26 Hidden Costs: Unexpected or hidden costs during a guest's stay can lead to negative perceptions of  
27 value, as guests may feel they are paying more than initially anticipated.

28 Noise and Disturbances: Factors like noise from nearby construction, other guests, or inadequate  
29 soundproofing can negatively impact a guest's experience and perception of value.

30 Unmet Expectations: If a hotel's marketing and promotional materials create unrealistic  
31 expectations, customers may feel let down when these expectations are not met.

32 Inflexible Policies: Strict and inflexible policies regarding check-in/check-out times, cancellations,  
33 or other matters can contribute to a negative experience and reduced value.

34 Lack of Personalization: Guests often appreciate personalized experiences. If a hotel fails to  
35 recognize individual preferences or needs, it can result in a sense of value destruction.

36 To mitigate value co-destruction, hotels in the Portuguese industry (or elsewhere) should focus on  
37 the following strategies:

38 Service Excellence: Prioritize consistent and high-quality service delivery across all customer  
39 touchpoints.

40 Effective Communication: Maintain clear and transparent communication with guests, addressing  
41 their concerns promptly.

42 Training and Empowerment: Properly train staff to handle guest interactions and empower them to  
43 resolve issues effectively.

44 Facility Maintenance: Ensure that facilities are well-maintained, modern, and aligned with guests'  
45 expectations.

46 Customer-Centric Approach: Tailor services to individual preferences and needs, providing a  
47 personalized guest experience.

48 Transparency in Pricing: Clearly communicate all costs associated with the stay to avoid surprises.

49 Flexibility: When feasible, offer flexibility in policies to accommodate guest needs.

50 Own source



1 By addressing these factors, portuguese hotels and the broader hospitality  
 2 industry can reduce value co-destruction, enhance guest satisfaction, and cultivate  
 3 stronger customer relationships (Payne, 2016; Cunha, 2019).

## 6 **Commitment to Co-creation**

8 Commitment to co-creation refers to an organization's dedication and active  
 9 engagement in the process of collaboratively creating value with its customers,  
 10 partners, and stakeholders (Ganesan-Lim et al, 2015; Thanner et al. 2015; Payne,  
 11 2016; Stein & Ramaseshan, 2016). Co-creation involves involving various  
 12 stakeholders in the development, design, and improvement of products, services,  
 13 and experiences. Organizations that are committed to co-creation recognize the  
 14 importance of involving external perspectives and insights to enhance the value  
 15 they deliver.

### 17 **Table 7. How Commitment to Co-creation can be demonstrated**

18 Openness to Input: Organizations that are committed to co-creation actively seek input, ideas, and  
 19 feedback from customers, employees, partners, and other stakeholders. They encourage these  
 20 stakeholders to share their insights to drive innovation and improvement.

21 Inclusive Decision-Making: They involve stakeholders in decision-making processes, valuing their  
 22 input and insights when shaping strategies, products, and services.

23 Collaborative Platforms: Organizations committed to co-creation provide platforms or channels for  
 24 stakeholders to contribute their ideas, opinions, and suggestions. These platforms can be digital  
 25 (such as online forums or social media) or physical (such as workshops or focus groups).

26 Iterative Development: They embrace an iterative approach, continuously refining and adapting  
 27 products and services based on ongoing collaboration and feedback from stakeholders.

28 Customization and Personalization: Co-creation-committed organizations prioritize customization  
 29 and personalization to meet individual customer needs and preferences, allowing customers to play  
 30 an active role in tailoring their experiences.

31 Empowerment of Employees: These organizations empower their employees to engage in co-  
 32 creation efforts. Employees are encouraged to generate ideas, propose improvements, and engage  
 33 with customers to create value.

34 Feedback Loops: They establish feedback loops to ensure that insights from stakeholders are  
 35 integrated into the organization's processes, fostering a continuous cycle of improvement.

36 Diverse Stakeholder Engagement: Organizations committed to co-creation engage a diverse range  
 37 of stakeholders, recognizing that multiple perspectives lead to richer, more innovative solutions.

38 Transparency and Trust: They build trust with stakeholders by being transparent about intentions,  
 39 involving them in the co-creation process, and honoring their contributions.

40 Learning Orientation: A commitment to co-creation reflects a learning-oriented mindset.  
 41 Organizations are willing to learn from stakeholders, adapt to changing needs, and leverage external  
 42 expertise.

43 Value Alignment: They ensure that co-creation efforts align with the organization's values, mission,  
 44 and long-term goals, maintaining a consistent brand identity and customer experience.

45 Celebrating Contributions: Organizations committed to co-creation celebrate and acknowledge the  
 46 contributions of stakeholders, reinforcing the idea that value creation is a collaborative effort.

47 Own source

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1 By actively involving stakeholders in co-creation, organizations can create  
 2 more relevant and meaningful offerings, build stronger relationships, enhance  
 3 customer loyalty, and foster innovation. Commitment to co-creation reflects a  
 4 dedication to embracing change, valuing external perspectives, and remaining  
 5 agile in a rapidly evolving business landscape (Zikmund et al, 2013; Meyer &  
 6 Schwager, 2015; Rajnish et al, 2017, Mxunyelwa e Henama 2019)

### 8 **Moderating Role of Employee Assignment Style**

10 The moderating role of employee assignment style refers to how the manner  
 11 in which employees are assigned tasks or responsibilities can influence the  
 12 relationship between two variables. In the context of organizational dynamics,  
 13 employee assignment style can impact how certain factors interact and affect  
 14 outcomes (Lin & Wu, 2011; Payne, 2016; Cunha e Santos, 2019).

#### 15 **Example Scenario: Employee Engagement and Task Assignment Style**

16 Let's consider the example of employee engagement and how it might be  
 17 influenced by different task assignment styles.

#### 19 **Table 8. How the Moderating role of Employee Assignment Style Might Work**

20 Employee Engagement (Main Variable): Employee engagement refers to the emotional  
 21 commitment and level of involvement employees have toward their work and the organization.

22 Task Assignment Style (Moderating Variable): Task assignment style refers to how tasks, projects,  
 23 or responsibilities are assigned to employees. It can range from a highly structured approach where  
 24 tasks are assigned rigidly, to a more autonomous approach where employees have more freedom to  
 25 choose their tasks.

26 Moderating Role: The moderating role of employee assignment style comes into play when  
 27 examining how different styles of task assignment affect the relationship between employee  
 28 engagement and other factors, such as job satisfaction or performance:

29 Structured Assignment Style: In an organization with a highly structured assignment style, where  
 30 tasks are assigned by managers based on specific roles and responsibilities, the impact of employee  
 31 engagement on job satisfaction might be less pronounced. This is because employees have less  
 32 autonomy in choosing tasks, and their satisfaction might be more influenced by factors other than  
 33 engagement.

34 Autonomous Assignment Style: In contrast, in an organization with an autonomous assignment  
 35 style, where employees have more control over the tasks they work on, high levels of employee  
 36 engagement might lead to significantly increased job satisfaction. The sense of autonomy and  
 37 ownership over tasks could contribute to higher satisfaction levels.

38 Own source

40 Essentially, the employee assignment style moderates how employee  
 41 engagement affects other outcomes, depending on the level of autonomy  
 42 employees have in choosing or being assigned tasks.

1 **Table 9. Considerations for Organizations** (Park & Kim, 2013; Gagnon & Roh,  
2 2016)

3 Organizations can consider the following when understanding and leveraging the moderating role of  
4 employee assignment style:

5 Customization: Organizations should consider tailoring task assignment styles based on the desired  
6 outcomes. For instance, more autonomous assignment might be suitable for tasks that require  
7 creativity and innovation.

8 Flexibility: Offering a mix of structured and autonomous task assignment can provide a balance that  
9 meets the needs and preferences of different employees and types of tasks.

10 Employee Voice: Providing employees with some choice in their task assignments can enhance  
11 their sense of ownership and engagement (Viet & Nguyen, 2019)

12 Communication: Clear communication of task assignment styles, expectations, and goals is crucial  
13 to avoid misunderstandings and misalignment.

14 Own source

15  
16 Remember that the moderating role of employee assignment style is context-  
17 specific and can vary based on the organization's culture, the nature of tasks, and  
18 the preferences of employees. Organizations should be flexible and open to  
19 adjusting assignment styles to achieve desired outcomes and maintain a positive  
20 organizational climate (Lemon & Verhoef, 2016; Cunha, 2019)

## 23 Methodology

24  
25 This section of the study will encompass the various methodologies  
26 employed to execute the research, including research design, data collection tools,  
27 and data analysis techniques, as well as methods for data sampling.

28 Cunha (2019) defines research design as the foundational blueprint  
29 established at the outset of an investigation, serving as a guiding framework  
30 throughout the research process. Several frameworks can be considered when  
31 designing a research project, such as explorative research, which is valuable for  
32 acquainting oneself with perceptions and subjects through tools like reviewing  
33 existing literature, and descriptive research, which is used to analyze the attributes  
34 of specific groups, predict and estimate behaviors within these groups, and  
35 examine relationships between variables.

36 The selection of a research design should align with the objectives and aims  
37 of the research investigation (Gagnon & Roh, 2016; Cunha & Santos, 2019). In the  
38 context of this study, the primary focus is on investigating organizational-level  
39 antecedents of value co-destruction in the hospitality industry. To fulfill the  
40 objectives of this research, a descriptive research design will be adopted.  
41 Additionally, an explorative research design has been employed to provide  
42 background information and context for the overall investigation, given the  
43 constraints of time and available financial resources. Research can incorporate  
44 both qualitative and quantitative methodologies. Quantitative research involves  
45 gathering and analyzing data, including the examination and calculation of  
46 occurrences and the presentation of statistical assessments of numerical data  
47 (Cunha, 2019).

1 Given the research objective, which aims to evaluate the phenomenon,  
 2 relationships, and variances between variables, a quantitative research approach  
 3 was deemed most appropriate. Data collection in quantitative research can take  
 4 various forms, such as surveys, experiments, and tracking. However, the  
 5 questionnaire is a widely accepted and popular tool for data collection in  
 6 quantitative research across business, marketing, and social science studies. This  
 7 thesis study also adopted the questionnaire as the primary instrument to collect  
 8 responses from the sampled respondents.

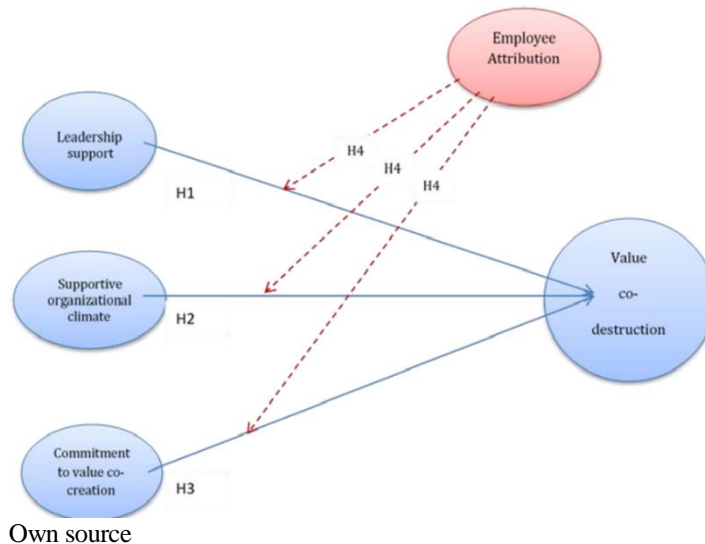
9 The study focuses on customers in the hospitality industry in Portugal, as they  
 10 constitute the research population. Employing a simple random sampling method,  
 11 all customers have an equal chance of being selected for participation in the  
 12 research.

13  
 14  
 15 **Empirical Analysis**

16  
 17 The primary objective of this analysis is to scrutinize the data acquired  
 18 through the questionnaire instruments. Subsequently, the data was compiled and  
 19 entered into the SPSS database. This section entails an examination of the  
 20 participants' demographic characteristics and a descriptive analysis of their  
 21 responses, based on the Likert scale measurement.

22 At this stage, the researcher introduces the Research Model, which  
 23 encompasses the hypotheses and the central variable: Value co-destruction.

24  
 25 **Image 1. Research Model**



26  
 27  
 28  
 29 The sample's demographics have been examined with regard to various  
 30 characteristics. The findings reveal that 55.5% (111) of the participants are male,  
 31 while 44.5% (89) are female. In terms of age distribution, 12.5% (25) fall within  
 32 the 20-26 years age group, 40.0% (80) in the 27-33 age group, and 47.5% (95) are  
 33 34 years and above. Regarding monthly income, 33.0% (66) of participants earn

1 between 500-1500 euros, 53.0% (106) earn between 1501-4000 euros, and 14.0%  
2 (28) earn 4001 euros and above.

3 To assess the reliability and consistency of the questionnaire scale, the most  
4 commonly used method is the Cronbach's alpha coefficient. According to Cunha  
5 (2014), the Cronbach's alpha coefficient measures the degree of interconnectedness  
6 among items in a questionnaire set and evaluates the internal stability of the  
7 instrument. In this study, the researcher also employed the Cronbach alpha to  
8 measure the instrument's internal consistency.

9 The result of the scale examination for the instrument used in this study  
10 exceeds the 0.8 threshold, which is considered favorable for research (Cunha,  
11 2019).

12  
13

#### 14 **Hypothesis**

15

16 To address the first hypothesis, it is crucial to recognize that strong leadership  
17 support for value co-creation within hotels is linked to a reduced occurrence of  
18 value co-destruction in the same establishment. Essentially, the influence of  
19 leadership support, commitment to value co-creation, and a supportive  
20 organizational climate on value co-destruction is as significant as the attributions  
21 made by employees. If an employee attributes organizational failures to leadership,  
22 they are more likely to view value co-destruction as a leadership issue rather than  
23 attributing it to other causes. This argument holds true for the other proposed  
24 relationships as well.

25 Hypothesis 2 has been fully confirmed by empirical results, indicating that a  
26 high perception of a supportive organizational climate among service employees  
27 leads to a lower occurrence of value co-destruction in their organization. It's worth  
28 noting that a supportive climate has been shown to positively impact employees'  
29 feelings of value and respect. This, in turn, enhances their resilience, hope,  
30 optimism, and other desirable psychological qualities, enabling individuals to  
31 rebound swiftly after setbacks, such as an unsatisfactory idea or ineffective  
32 assistance to other team members. They are more likely to demonstrate greater  
33 resilience in the face of setbacks because they are not blamed or have their  
34 permissions reduced but can remain focused on assisting others, as observed by  
35 Gagnon and Roh (2016). Consequently, when value co-destruction occurs,  
36 employees with a perception of a supportive organizational climate are more  
37 optimistic about learning from the failure, thus paving the way for value co-  
38 creation.

39 Hypothesis 3 is also supported by the results. A high perception of  
40 commitment to value co-creation results in a lower occurrence of value co-  
41 destruction. For consumers, a key element in achieving a memorable service  
42 experience is the service provider's commitment of resources to create a delightful  
43 experience. The value co-creation process often arises from the resources made  
44 available by the organization. Resource commitment fosters a strategic  
45 relationship perspective, implying a willingness to invest resources in the business  
46 strategy. Consequently, specialized knowledge and process activities are

1 developed. Such advances in knowledge and processes lead to improved value  
2 creation and co-creation processes, as both the resources and know-how required  
3 for effective co-creation initiatives are readily available, effectively dispelling  
4 value co-destruction.

5 When evaluating Hypothesis 4, it becomes apparent that service employees'  
6 attribution styles will moderate the relationship between (a) leadership support, (b)  
7 supportive organizational climate, (c) commitment to value co-creation, and value  
8 co-destruction. Employees with a high attribution rate are likely to perceive  
9 stronger effects than their counterparts with lower attribution rates. Empirical  
10 findings indicate that attribution style can be reliably measured and predicts  
11 behavior. Therefore, similar experiences or actions are interpreted with significant  
12 differences due to variations in individual attribution styles. For instance, an  
13 optimistic employee is more likely to attribute organizational successes to internal  
14 factors, while a pessimistic one is inclined to attribute failures to systemic issues.

## 17 **Conclusion**

18  
19 This research demonstrates that organizational-level antecedents of value co-  
20 destruction in the hospitality industry depend on variables such as leadership  
21 support, supportive organizational climate, commitment to value co-creation, and  
22 value co-destruction. Employees with a high attribution rate are likely to perceive  
23 stronger effects than their counterparts with lower attribution rates. Additional  
24 findings from this research suggest that a strong commitment to value co-creation  
25 leads to a reduced occurrence of value co-destruction. Empirical results also  
26 indicate that a high perception of a supportive organizational climate among  
27 service employees results in a lower occurrence of value co-destruction in their  
28 organization. Finally, strong leadership support for value co-creation in hotels is  
29 associated with fewer instances of value co-destruction, thus contributing to  
30 sustainability.

31 It is recommended that researchers further investigate organizational-level  
32 antecedents of value co-destruction in the hospitality industry. Research in this  
33 area is still in its early stages, and there are many facets of the construct that could  
34 be explored in future research initiatives, adding significant value to the field.

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