

Co-creating value in the independent pop-up retail ecosystem

Abstract

Purpose: This paper explores through an ecosystem lens how value can be co-created in independent pop-up retail thus enhancing the community-based retail offer. It considers value co-creation between pop-up owners, supply side stakeholders and customers operating in a challenging retail environment, offering useful insights for those involved in researching and managing high streets and temporary retail space.

Design: Adopting a qualitative approach, the study draws upon interviews with 87 participants involved in pop-up initiatives in the UK. This includes 28 interviews with supply-side stakeholders such as landlords and community representatives, 23 with pop-up owners and 36 with pop-up customers.

Findings: The study finds that pop-up business models are heterogenous. Value is co-created through the multiple symbiotic relationships the pop-up has with stakeholders in the community ecosystem in which they are embedded. Further value is co-created through the customer/pop-up owner interactions and the unique, temporary retail experience.

Originality: This is the first study to explore qualitatively, value co-creation in a novel temporary retail setting which considers both the supply-side and demand-side perspective within a retail ecosystem. Previous studies have focused on customer experiences of pop-ups rather than considering how the pop-up offer can be managed and enhanced through the relationships pop-up owners have with wider community stakeholders, as well as customers. Adopting a holistic perspective to value creation is key given the challenging retail environment many communities are experiencing.

Keywords: Pop-ups, value co-creation, stakeholders, ecosystem, retail

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Introduction

Physical retailing has experienced a decline and crises like Covid-19 have quickened the impact of this. In July 2020, for example, 29-54% of shops in England did not reopen after lockdown and in 2021, 17,000 UK chain store outlets closed (Simpson, 2022; Kirk and Gutierrez, 2020). This has led retailers and organisations managing retail spaces to explore initiatives which can attract people back to shop in their communities. Indeed, strengthening the sense of ‘place’ and developing a vibrant retail offer has become an important government agenda, particularly in

the UK, as demonstrated by initiatives such as the Future High Streets Fund, which has allocated £830 million to support town centre regeneration (gov.uk, 2021).

Adopting a qualitative approach, this paper explores pop-ups as a retail format and the ecosystem within which they operate. It adopts a value co-creation lens since a co-constructed pop-up retail offering may encourage not only shoppers to retail spaces but also other stakeholders or ‘actors’ to support the pop-up endeavour thus promoting the wider place agenda. There is some debate as to what a ‘pop-up’ retail store is, however, there is some agreement as to the format (Russo Spena *et al.*, 2012). It is argued that ‘pop-up’ retail is a less traditional retail phenomenon and has been described as temporary, enabling owners to test the market in a low-risk environment whilst increasing sales (Burgess, 2012; Kim *et al.*, 2010; Rudkowski *et al.*, 2020). Pop-ups typically have ‘hedonic shopping value’ as they are a more experiential co-created shopping experience due to the uniqueness of their temporary location (Klein *et al.*, 2016, p. 5762).

This study makes a valuable contribution by firstly, adding to the scarcity of literature which explores pop-up retailing, particularly in terms of small, independent pop-ups (Russo Spena *et al.*, 2012). Secondly, the study contributes to knowledge by moving away from conceptual debates by drawing upon real-life interview evidence of value co-creation in pop-up retail (Kim *et al.*, 2020). Thirdly, and most importantly, the study extends knowledge by going beyond an exploration of the demand-side relationships, namely customers, which dominate the pop-up literature (Overdieck and Warnaby, 2020), by considering how co-creation manifests itself amongst the supply-side stakeholder relationships, as well as in terms of the interactions between the customers and pop-up owners. For this reason, the study adopts an ‘ecosystem’ lens when exploring these interactions and relationships in the pop-up context. Defined by

Gardiazabal and Bianchi (2021, p.1028), a retail ecosystem ‘conceptualizes the actors who interact and share resources in the context of the retail industry’.

Supply-side stakeholders consist of town and shopping centre managers and council representatives, such as those responsible for local regeneration funding. Other stakeholders include community leaders such as those championing the local high street/town centre and the interests of businesses in the area, often in a voluntary capacity. These could be leaders of voluntary groups promoting community events and wider retail initiatives. All of these stakeholders or ‘actors’ have an impact upon the wider management and success of the small, independent pop-up. According to industry reports these stakeholders are likely to have the most influence on the success of the pop-up and the retail offer more generally in the local community (Grimsey, 2021; Thompson, 2012). For this reason, the relationships and interactions between the pop-up and the supply and demand side stakeholders are thus explored in terms of the extent to which they support or hinder value co-creation in the pop-up retail ecosystem. The study therefore seeks to add to existing knowledge by providing a holistic view of value creation in small, independent pop-up retailing. It demonstrates how this value is created within the ecosystem through multiple symbiotic relationships that are not limited to the customer/retailer interactions. Previously, no other study has explored how co-created value manifests itself in this context, particularly from a qualitative perspective. The study’s findings therefore have important practical implications for pop-up owners and other ‘actors’ within the ecosystem such as those responsible for retail regeneration and place making.

Specifically, we aim to address the following research questions:

- What formats do independent pop-up retailers adopt and why?

- How does value co-creation manifest itself in the inter-organisational relationships small, independent pop-up owners have with their supply-side stakeholders and customers all operating within a pop-up retail ecosystem?

Background

Pop-up Retailing

For Burgess (2012), pop-ups became popular in 2003, after previously being known as ‘seasonal’ or ‘temporary stores’ and are increasingly becoming a permanent feature in the retail mix (Jones *et al.*, 2017). Yet, Russo Spena *et al.* (2012) argue that there is no universal definition of what a ‘pop-up’ is. However, there appears to be some shared understanding in terms of what pop-ups are. Pop-up space can contribute to what Kim *et al.* (2010, p.148) calls an ‘authentic and distinctive’ customer experience leading to the creation of ‘hedonic shopping value’ for customers (Klein *et al.*, 2016, p.5762). This, added to the ephemerality of pop-up retail, can create excitement for customers around a product particularly when the pop-up store environment is designed in a novel way (Ye *et al.*, 2023; Henkel and Toporowski, 2021; Zogaj *et al.*, 2019;). In sum, Warnaby *et al.* (2015) identified the three different characteristics of popup retailing as being (1) a highly experiential in-store environment designed to facilitate consumer-brand engagement (2) a focus on promoting a brand/product line to create a ‘buzz’ and (3) availability for a limited period to create the sense of urgency and stimulate purchase or other action. Typically, pop-ups have been associated with multiple chain retailers, promoting large and/or luxury brands, for instance when entering new foreign markets (Alexander *et al.*, 2018), but it is a format that is increasingly being adopted by smaller, independent retailers. Smaller, independent retailers including pop-ups, which are the focus of this study, often only have one outlet, are owner-operated and have no centralised management

systems but typically provide crucial diversity to local, shopping areas (Bailey, 2011). Whilst most pop-ups offer a retail-based experience, more recently the model has extended to other areas such as restaurants, bars, entertainment, galleries and health-related information exchanges (Londonpopups.com, 2024; Robinson *et al.*, 2023). Indeed, Warnaby and Medway (2022) have suggested that ‘pop-up’ has now become synonymous with any type of temporary event.

Pop-ups can be used to test the market, provide flexible sales opportunities and help develop stakeholder networks (Kim *et al.*, 2010; Picot-Coupey, 2014; Zogaj *et al.*, 2019;). For wellknown brands, pop-ups are not normally a source of profit generation but instead an opportunity for brand reinforcement (Klein *et al.*, 2016). Yet, the temporary nature of pop-ups, means they are ideal for those individuals making their first foray into retail. Independent popups are an option for filling ‘dark’ retail space, often through a low-risk lease commitment (Surchi, 2011; Rosenbaum *et al.*, 2021) or as part of a regeneration initiative (Portas, 2011). By creating community interest, we argue that small, independent pop-ups can support a more vibrant place-based retail solution (Portas 2011). Location acts as a prime driver for pop-ups and there is a need for policy makers and stakeholders, such as landlords to more effectively use their space (Mirel, 2010).

Value Co-creation in the Retail Ecosystem

Pop-ups draw together ‘co-collaborators’ in the form of customers and retailers who coconstruct personalised experiences to create value (Overdiek and Warnaby, 2020). Whilst there is debate concerning what value co-creation is, particularly in retail (Kim *et al.*, 2020), it is generally agreed that by involving customers in the process of co-creation, a competitive advantage for small, independent retailers can be generated (Cambra-Fierro *et al.*, 2017).

Indeed, Overdieck and Warnaby (2020) argue that the strength of pop-up retail lies in engagement and for this reason pop-ups involve multiple touchpoints (Rudkowski *et al.*, 2020). Value co-creation can therefore be defined as ‘...joint activities by parties involved in direct interactions, aiming at contributing to the value that emerges for one or both parties’ (Gronroos, 2012, p.1520). Value co-creation, particularly in the retail and service literature, is almost always understood from the end user perspective (Balaji and Roy, 2017; Cambra-Fierro *et al.*, 2017; Felleson and Salomonson, 2016). As an illustration, Russo Spena *et al.*’s (2012, p.34) study of value co-creation in temporary shops, argues that this type of retailing ‘...satisfies both the firm’s need to synthesize and share its brand values in an original way as well as the consumer’s need for experience and socialization’. More specifically, they found that in a temporary retail context, the practice of value co-creation related to four main factors, namely: (1) a new experience for the firm; (2) a new experience for the customer; (3) potential value co-created for the firm; and (4) potential value co-created for the customer. However, these limited studies, see for example, Overdieck and Warnaby (2020) and Sogn-Grundvag *et al.*, (2009), which explore temporary retail through a co-creation lens, focus upon the interactions between the customer and seller. They do not, therefore, examine the network of other actors within the retail ecosystem and how value is created (Gardiazabal and Bianchi 2021; Valiaparampil and Gupta, 2018). A retail ecosystem refers to how ‘...various actors such as service providers, service employees, other customers and entities related to the retail service, interact and associate themselves for the service exchange at the value co-creation process’ (Gardiazabal and Bianchi 2021, p.1029). Industry research suggests that the success and creation of small, independent pop-ups involves several stakeholders or ‘actors’ who work closely together, such as those involved with the site location, the community, local government, landlords and policy makers, as well as customers and pop-up owners (Grimsey, 2021; Portas, 2011). For the purposes of this study these are categorised as the main demand-side stakeholders,

that is customers, and the main supply-side stakeholders who provide resources to pop-up retailers (Zelenskaya and Elkanova, 2021). The antecedents for successful pop-ups appears then to be predicated on the interactions between a broader range of actors or co-collaborators, who share common goals which go beyond conventional collaboration (Kim *et al.*, 2020). However, as Warnaby and Shi (2018) note, there is a lack of academic literature which explores the issues associated with managing pop-ups, including a need to understand pop-ups in the wider urban context. Adopting a retail ecosystem lens addresses this issue as it recognises the importance of the culturally embedded retail networks within which pop-ups operate, such as the local town setting which consists of a diverse set of actors at different levels (Ekstrom and Jonsson, 2022). It also acknowledges that multiple actors, rather than just the buyer and seller, cultivate meaning and outcomes together. This in turn co-creates mutual value within the retail ecosystem (Vargo and Lusch, 2016; Cassidy et al, 2020).

Our study therefore aims to address the limited view of value co-creation in retail by moving away from a focus solely on the customer/seller relationship. Indeed, Gardiazabal and Bianchi (2021) have argued that more research needs to be conducted which goes further than the ‘micro’ level by also exploring the ‘meso’ level of retail ecosystems. We therefore aim to extend knowledge by adopting an ecosystem lens to understand how both supply-side and demand-side stakeholders interact with the pop-ups to create value. We argue, therefore, that our approach to pop-up retail correlates with the co-creation view presented by Ulaga (2001) who suggests that value co-creation occurs through inter-organisational business relationships as well as through customer interactions. In other words, ‘value-creating networks are firms that come together to create customer value’ within a retail ecosystem (Kothandaraman and Wilson,

2001, p.382). Essentially the value gained in the relationship is a ‘...trade-off between benefits and sacrifices’ (Ngugi *et al.*, 2010, p.263), so that value is created in each node through a process of interaction and cooperation (Fjeldstad and Haanæs, 2001). Operand (for example, physical resources) and operant (for example, skills and knowledge) resources are thus shared and exchanged within the ecosystem (Cassidy *et al.*, 2020). The relationships these businesses have, may provide access to, for instance, information, resources, technologies and markets that the organisations would not ordinarily have access to (Ngugi *et al.*, 2010). This enables the organisations to build capabilities and thus, create value in their relationships, which is ultimately passed on to the end consumer. This is particularly pertinent for small businesses like pop-ups, who often suffer from limited resources which when faced with challenging trading environments are likely to feel the impact of this even more (Grimmer, 2022). Applying this logic to a pop-up context, it could be argued that the inter-organisational relationships that exist within the ecosystem between the supply-side stakeholders within the community network in which the small, independent pop-up is located (for example, landlords, councils, leaders of local community groups), could be a source of value co-creation. This, value cocreation in due course, may improve the pop-up offering for the end customer and as we argue, is particularly relevant for community retail regeneration. Thus, there is a need to understand if this happens in practice by drawing upon qualitative empirical evidence gathered from key supply-side stakeholders and customers.

Methodology

The study adopted an interpretive, qualitative approach as this enabled the researchers to explore in depth participants’ experiences of value co-creation in pop-up retail. Such an approach meant that the relationships pop-up owners had with customers and supply-side stakeholders such as landlords and local councils, could be described and explored in rich detail

(Denzin and Lincoln, 2018). This enabled themes to be identified in an area which has received little attention by allowing the subject of the study to be investigated in a real-life context (Creswell and Poth, 2018).

The focus of the study was England, and five pop up retail ‘ecosystems’ were identified through purposive sampling, informed by an examination and triangulation of press stories, academic literature and the researchers’ own knowledge of the context and retail contacts. The five ecosystems were located in Walthamstow (London), Birmingham, Derby, Nottingham and on the West Coast Main Railway line (London- Glasgow). These ecosystems can be defined as locations which had successful small, independent pop-up initiatives which consisted of more than one pop-up outlet and had received support and resources from a network of actors or stakeholders such as leaders of community groups, local authorities and/or shopping centre managers (Ekstrom and Jonsson, 2022). All of these ecosystems were located in areas that had experienced challenging retail environments. Four of the locations were in primary urban shopping sites. The fifth location was a less typical retail site but reflected the fact that popups are not always located in prominent high street locations (Thompson, 2012). Here, data was collected from a selection of English train stations (one site for methodological purposes) where platform pop-ups had been successfully introduced by a train operator as part of a community CSR retail initiative. It is acknowledged that purposive sampling may have limited generalisability, however, the aim of the study is to offer rich qualitative insights into the phenomenon.

In each of the five ecosystems, semi-structured interviews were conducted with key supplyside stakeholders who provided resources to the pop-up and were regarded to have the most influence on the success of the pop-up in the local area according to industry reports (Cassidy *et al.*, 2020; Grimsey, 2021). These were shopping centre managers (n=5), local

authorities/planners (n=7), community leaders and champions (n=7) and landlords (n=9), as well as the pop-up owners. All the pop-ups were classed as micro businesses, having less than 10 staff (European Commission, 2017) and each sold different products, including clothing (n=4), jewellery (n=6), food (n=10) and homeware/craft (n=3). In two of the locations, customers were also interviewed whilst shopping in the pop-up store. These two locations were where the researchers had strong relationships with the pop-up owners and consequently, the pop-up owners were comfortable with their customers being approached whilst shopping. This was an important consideration as it has been reported that SMEs are often reluctant to engage with academia (Short *et al.*, 2010). In total, 28 interviews were conducted with supply-side stakeholders, 23 with pop-up owners and 36 with customers (demand-side stakeholders) (Derby n=16, Nottingham n=20). At this point data saturation was reached with no new themes emerging from the interview materials (Lowe *et al.*, 2018).

Each supply-side stakeholder and pop-up owner interview lasted between 45 and 60 minutes. Customer interviews were shorter (approximately 15-20 mins) as the researchers were mindful that these interviewees were also shopping. All interviews were digitally recorded and transcribed. The interview questions were developed and triangulated with all the research team members (Anney, 2014) and were derived from the literature themes and the research questions. Interview questions were thus developed to explore the perceptions of pop-up retailing, the challenges and benefits of the pop-up retail experience and the extent to which pop-ups could contribute to regeneration. For the non-customer interviews, individuals were also asked about their relationships with other stakeholders involved in pop-up retail.

With the aid of QSR NVivo, Template Analysis was employed so that emergent themes from the data could be captured whilst still taking account of the context (Ozeum, Willis and Howell, 2022; Crabtree and Miller, 1999). Such an analytical approach also enabled the comparison of

perceptions held by different individuals (King and Brooks, 2017). Using a hierarchical coding tree, the researchers developed a coding ‘template’ which highlighted broad themes and then more narrow, specific themes important to the study (see Appendix 1). Whilst the literature informed this template, the codes emerged inductively from the transcripts. Initially, each researcher independently undertook first-order coding, that is identifying simple descriptive categories. Then, through a dialectical process and several cycles of further coding comparing the interviews, intercoder agreement was ascertained which led to a shared perception of the phenomenon and the final analytical template (Weston *et al.*, 2001). This template formed the basis of the findings, supported by illustrative quotes, presented in the next section.

Findings

The small, independent pop-up retail business model

To explore how value might be created and further our understanding of what a pop-up is (Russo Spena *et al.*, 2012), it was important to understand the different business models adopted by owners. Pop-ups operated as stand-alone entities occupying a more typical vacant retail space, whilst others were present in atypical spaces, such as train station platforms, which were a diversification of use for the landlord. There were also examples of ‘collective’ pop-ups where several pop-ups were co-located in one retail unit. Here, the pop-ups each rented a selling space and were not required to be present, allowing one overall pop-up owner to manage the space.

Some owners were using pop-up space to ‘test’ the market in a safer environment, prior to committing to permanent retail space. As one food pop-up owner explained:

'There's so many small businesses that want to test-run their products and it's [pop-up retail] a really good way to do that and it's affordable.' (Pop-Up Owner, Interviewee 2) Similarly, a homeware pop-up remarked that pop-ups were:

'...quite a cheap way to test the market, to see what sells, see what customers like, what's a good price point...' (Pop-Up Owner, Interviewee 11)

Generally, the pop-up space complemented an existing retail offering, such as a café, in the case of food pop-ups. Pop-ups for these owners were therefore not their first retail venture nor were they used as a stepping-stone to permanent retail space. Rather, they were regarded as an important additional revenue and information source generated from the community, as this clothing pop-up owner stated:

'...it's been a good exercise in meeting my customers, marketing and gaining research for my standalone website... it's good for the social aspects and for making contacts with the community.' (Pop-Up Owner, Interviewee 14)

Value co-creation in the pop-up retail ecosystem: supply-side stakeholders

Several supply-side stakeholders had different levels of salience in terms of their influence on pop-up space and ultimately how value was created for customers. Some facilitated the creation of value through providing resources and support to the pop-ups, whilst others limited the opportunities for creating value.

Shopping Centres

Shopping centre managers were responsible for providing a suitable overall retail offer and reducing the number of retail vacancies. This created a tension between filling an empty unit but also ensuring that the pop-up did not have a negative impact on the shopping centre/district's overall image. The shopping/district centre managers worked closely with the

pop-up owners to improve their retail offering, particularly in terms of customer service and quality of products. One participant who managed the retail space in a large shopping centre, reported on the risks of not working with the pop-up:

“There’s a tendency to allow any old retailer to come in. I think standards need to be applied....in a shopping centre and a high street... there’s potential for it to become quite vulgar and just very discount oriented.” (Shopping Centre Manager, Interviewee 25)

An improved but alternative offering which ‘fitted’ with the shopping centre/district image meant that the pop-ups could create value through attracting customers from other shopping areas and at the same time fill vacant units. For the pop-up owners, a presence in an established shopping area meant they were exposed to more foot fall, had access to wider marketing initiatives led by the shopping centres and were the recipients of free customer-related business advice. As one manager of a large well-known shopping centre explained:

“Pop-ups tend to be very knowledgeable about certain areas but not every area. A lot of our team’s time is spent offering advice and coaching...because sometimes they haven’t opened a shop before, and they certainly haven’t worked within a shopping centre.” (Shopping Centre Manager, Interviewee 27)

Leaders of Community Groups

Community leaders regarded pop-ups as a way of contributing to their wider regeneration strategy through supporting local businesses, particularly if the pop-ups were part of a cooperative hub occupying a disused space. In most cases, the pop-up owners were from the locality and so had a personal interest in supporting their own area. For the pop-ups, interacting with community leaders meant that they could access support either from the community

initiative or from other co-located pop-ups. This support came in the form of business advice, external funding and reducing risk (such as sharing bills, negotiating rents). As one jewellery pop-up owner who was co-located in a community space remarked:

‘Networking in this environment is great, especially when you’re a sole trader...it’s good to get other people’s feedback and see what other people are doing’ (Pop-Up Owner, Interviewee 22)

Local Government Authorities

For the local authorities, pop-ups supported wider initiatives concerning local regeneration particularly if the pop-ups became permanent retailers. Local authorities provided support through reduced rents and grants and other business benefits, such as training and shop security. In most instances, the pop-ups paid business rates (albeit subsidised) and so were a source of council revenue. However, budget cuts had meant that the local authorities were not always able to provide this support longer term. For the authorities, the challenge was sustaining popup initiatives, as one local authority participant, responsible for economic development, stated:

‘The project was funded by the council but then with all the cuts...The environment’s very difficult when you’ve got start-up businesses...’ (Local Authority Representative, Interviewee 33)

Landlords/Property Intermediaries

Landlords and property intermediaries were one of the most influential groups as they set the rental terms and determined the availability of short-term rental space. Unfavourable terms meant that it was unlikely that a small, independent pop-up would occupy the vacant space. For the landlords, pop-ups were a source of rental income occupying units on a short-term basis

in a difficult trading environment. In some cases, the landlord could be leasing non-traditional retail space such as pubs and community spaces. For the pop-up owners, landlords created value through shop fittings and the provision of retail space, which had a short-term lease (sometimes on a weekly basis) therefore negating the risk associated with long rental periods. The key challenge for value co-creation in this relationship, however, concerned the landlords' business model which relied on long-term rental agreements. It was only the more progressivethinking landlords specialising in short-term leases and/or atypical retail spaces who were open to the idea of alternative rental arrangements. As one intermediary reported:

"It's a difficult equation...existing tenants are going to turn round and say, 'Why can't we have cheaper rents?' and that triggers a whole domino effect through the rental sector." (Landlord, Interviewee 46)

Similarly, another landlord commented on the challenges of offering short term leases:

"...that's obviously got to take dedicated staff to constantly change contracts and update signage." (Landlord, Interviewee 48)

Value co-creation in the retail pop-up ecosystem: customers

Pop-ups could offer something unique to the customer that differed from traditional high street stores. Uniqueness related to the products themselves and the service interaction. This was where value was created. Customers, for example, stated that *'you are not getting the products somewhere else'* (Customer Interviewee 12, Derby) and *'people don't necessarily just want the same things that they can find in every other high street shop'* (Customer Interviewee 3, Derby).

The uniqueness of the offer was highly valued by customers in that it encouraged people to specifically visit the area, as these customers explained:

'I like independent shops... 15 miles I've travelled to come in today.' (Customer Interviewee 20, Nottingham)

'I think it brings people back out and into their high streets and it gives them a reason to come back again...you're supporting all your local businesses'. (Customer Interviewee 18, Nottingham)

Having a community connection was also important, as this participant explained:

'It's all local artists, isn't it? It's all locally made. It's all a little bit different and just interesting, isn't it?' (Customer Interviewee 2, Derby)

In terms of the service interaction, customers recalled how they valued the ability to speak to the owners about their business, so that they could learn more about their offering:

'...it's definitely better because you can see the person who's made it and there's a lot of interaction there. So, you're not buying it from some faceless corporation' (Customer Interviewee 21, Nottingham)

Similarly, a pop-up owner explained that having the ability to explain how her jewellery was made, was valued by the customer:

'...It gives me the opportunity to explain to them [raw materials] where they're from, how I use them...to be able to explain that to a customer makes a big difference, people like to see who they're buying from' (Pop-up Owner, Interviewee 19)

Pop-up owners also benefitted from these direct interactions. One customer had established a personal connection with the pop-up owner leading to the customer providing direct feedback to the seller on the product:

'I've been after a book that one lady produces...so I spoke to her about how much my mother had enjoyed that book ... giving the seller encouragement really with their designs.' (Customer Interviewee 25, Nottingham)

Another owner had noticed that personal connections between the buyers and sellers was a key feature of the service interaction:

'I see the same customers time and time again who love coming just to speak to the owners and to soak up the creative atmosphere' (Pop-Up Owner, Interviewee 8)

These conversations and recounted 'stories' between the buyers and sellers provided opportunities for co-creation. In some instances, the opportunities for co-creation went further than this. Some pop-ups offered the chance for customers to help produce an item themselves, such as jewellery, under the guidance of the owner, through workshops held at the pop-up space. This created a valuable 'learning experience' for the customers and pop-up owners, leading to a unique, co-created product as this quote illustrates:

'One of the pop-up owners does classes....she talks to people upstairs in the workshop space....she gives advice to people first-hand on how to use that paint product to get this result' (Pop-Up Owner, Interviewee 13)

Discussion and Conclusion

Findings from this study are presented in a new model (Figure 1). This demonstrates how value is co-created through the inter-relationships a small, independent pop-up owner has with key

supply-side stakeholders (shaded) and their demand-side stakeholders, namely customers (*italics*) which can then lead to an improved offering within the pop-up retail ecosystem. Our findings indicate that value is created not just for the pop-up owner but for those who interact directly with the pop-up, suggesting the potential for *multiple symbiotic* value co-creating relationships within this retail ecosystem. Value co-creation is thus a process whereby actors improve their well-being via the interactions they have within this pop-up ecosystem (Gardiazabal and Bianchi, 2021). Furthermore, these interactions enable the actors to mutually create meaning and outcomes together (Cassidy *et al.*, 2020). Importantly, the model also contributes to current understanding by highlighting *how* this value manifests itself, rather than merely stating that value is created. In line with Ngugi *et al.*'s (2010) suggestion that value cocreation between organisations is relational and can be in terms of technological, human, managerial and cultural innovations, this paper argues that the co-creation of value in the popup context also manifested itself in several ways, leading to several implications for practice.

This was primarily in terms of enhancing human relational capabilities through a process of sharing expertise and knowledge between the pop-up owners, stakeholders and customers and was in relation to, for example, helping to improve the pop-up owner's business skills and the pop-up owner obtaining direct feedback from customers. Value was also co-created through cultural and spatial innovations where, for example, supply-side stakeholders such as landlords used space in more innovative ways, shopping centres provided a more unique retail offer and small, independent pop-ups were regarded by community leaders and local authorities as a novel way of bringing vibrancy and regeneration to an area. In other words, both *operand* and *operant* resources in value co-creation terms were shared within the ecosystem (Madhavaram and Hunt, 2008). The model also makes reference to the fact that different pop-up business models exist, such as co-operatives vs. stand-alone entities occupying atypical vs. typical retail space.

INSERT FIGURE 1 HERE

This study therefore contributes to the scarcity of literature which explores pop-up retailing (Rudkowski *et al.*, 2020). It finds that a variety of pop-up business models are evident which provides a more nuanced understanding of pop-up retail not reported in the literature (Russo Spena *et al.*, 2012). We address the gap in understanding related to value co-creation in this context by moving away from a sole focus on the customer/retailer relationship to exploring *holistically* how value co-creation manifests itself through the inter-organisational relationships pop-up owners have with their supply-side stakeholders and customers. We do this through a retail ecosystem lens. This reflects the argument put forward by Cassidy *et al.*

(2020, p. 377) that highlights the ‘importance of collaboration between multiple “actors” as the basis for successful value co-creation’ in shopping areas. Prior to this study, no other studies have identified the key stakeholders who have an impact on pop-ups and *how* value is cocreated, particularly in terms of the relationships a pop-up owner may have beyond those with the customer, in the wider retail ecosystem. We also find that pop-up value co-creation has a ‘dark side’ in that it is not always harmonious and the power of some stakeholders, particularly landlords, may lead to asymmetrical value outcomes for the pop-up (Chowdhury *et al.*, 2016). This represents a further contribution as it challenges the assumption held in the literature that value co-creation benefits all retail parties, in equal ways. The interactions between pop-ups and their stakeholders compared to traditional co-creating relationships reported are indeed more complex (Kim *et al.*, 2020). This perhaps reflects the fact that pop-ups share similarities with SMEs more generally in that they have scarce resources and limited expertise (Grimmer, 2022) and for many of the participants, this was the first time they had adopted a pop-up

business model. In this sense, the retail ecosystem lens adopted in this study shares similarities to the entrepreneurship ecosystem model which explores how different actors support entrepreneurs in the creation and growth of their businesses (Isenberg, 2010).

Reflecting existing studies, for the customers, value was co-created through a unique, immersive, temporary retail experience which often drew upon direct learning experiences where customers actively co-produced products and the in-depth personal interactions they had with the pop-up owners (Henkel *et al.*, 2022; Klein *et al.*, 2016). For the pop-up owners, value was generated through for example, gaining direct immediate customer feedback on their products, thus enhancing their capabilities (Ngugi *et al.*, 2010). This is an aspect of value cocreation not reported in the literature. By drawing upon the value co-created in the relationships the pop-up owner had with the supply-side stakeholders (such as improved business skills), they were in a stronger position to co-create further value with their end consumer through a unique, hedonic retail experience. This new finding which enhances our understanding of how value is co-created in this retail context helps to address the call put forward by Warnaby and Shi (2018) for more studies which explore the management of pop-up retail.

Post-Covid retailing has created an opportunity for pop-up owners to play a lead role in strengthening community led retail. Indeed, Warnaby and Medway (2022) have argued that pop-ups can not only increase economic value but also social value in an area, particularly post Covid. Pop-ups can therefore aid retail recovery and form an important part of the wider placebased offer through immersive, unique retail experiences. Small, independent pop-ups should therefore be promoted as a way of attracting shoppers back to retail spaces to aid regeneration. However, to achieve this, pop-ups as an individual entity will have only limited

impact. Instead, pop-ups which are embedded in a wider network or retail ecosystem involving value creating and mutually benefitting symbiotic relationships with other stakeholders and pop-up retailers, such as pop-up collectives, are more likely to be resilient to the turbulent retail environment and have a positive impact on regeneration. This suggests that community leaders and those responsible for retail planning should take a more active role in, for example, ensuring pop-ups are co-located rather than operating in isolation to maximise opportunities for collaboration and community cohesion. Similarly, we would encourage landlords to be more innovative in their use of space through short-term flexible rents and alternative uses of space for retailing which would also help to combat the abundance of empty retail units on many UK high streets. Yet, as the main supply-side driver of pop-up success, landlords can hinder the co-creation of value with pop-ups if they are not willing to challenge the status quo. We also recommend that pop-up retail formats should be introduced to shopping centres in order to create interest and diversify the overall offer to customers, potentially leading to more footfall.

For the pop-ups in this study, value was often created through enhancing the owner's capabilities. Here, business advice was shared by the supply-side stakeholders with the pop-up relating to, for example, financial support and improving customer service. There is a need then to upskill small, independent pop-up owners' retail management skills, thorough knowledge sharing (Ngugi *et al.*, 2010).

Limitations and Future Research

The opinions of other stakeholders, such as large retailers, were not included in the research. Future research could examine whether these retailers feel pop-ups create value by enhancing

the overall retail experience or in fact have an unfair advantage in that they typically have lower rents. The pop-ups in this study were micro businesses and limited to England. Research which explores the experiences of other types of pop-ups would be beneficial. This could include international environments, pop-ups who have folded and those operating in other shopping environments where the decline of retail has been less noticeable, such as towns who benefit from being a tourist destination.

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Appendix 1

Figure 1 - Coding Template

- 1.0 Pop-up business model**
 - 1.1 Typical/atypical retail spaces
 - 1.2 Collective/stand-alone spaces
 - 1.3 Testing the market
 - 1.4 Complementing an existing offer
- 2.0 Co-creating value: Supply Side**
 - 2.1 Landlords/Property intermediaries
 - 2.1.1 Rental income
 - 2.1.2 Fixtures & Fittings
 - 2.1.3 Short vs long-term leases
 - 2.1.4 Flexible space
 - 2.2 Community representatives
 - 2.2.1 Community regeneration
 - 2.2.2 Financial support
 - 2.2.3 Non-financial business advice
 - 2.3 Shopping Centres
 - 2.3.1 Retail fit
 - 2.3.2 Improving the offer
 - 2.3.3 Increased footfall
 - 2.3.4 Non-financial business advice
 - 2.4 Local authorities
 - 2.4.1 Financial support
 - 2.4.2 Training
 - 2.4.3 Local, sustainable economic development
- 3.0 Co-creating value: Customers**
 - 3.1 Uniqueness
 - 3.1.1 Products
 - 3.1.1.1 Learning experiences
 - 3.1.2 Service
 - 3.1.2.1 Storytelling
 - 3.1.2.2 Personal connection
 - 3.1.2.3 Direct customer feedback
 - 3.2 Connection to the community