**Executive Summary**

Studies in the customer participation (CP) literature have typically focused on CP level. However, to obtain a holistic view of CP, it is critical to examine CP from two perspectives: quantity (i.e., level) *and* quality. A dual perspective provides a more complete picture of not only how much participation there is but also how good the participation is. Taking this a step further, the current research findings suggest that both CP and CP variation need to be proactively managed to mitigate frontline employees’ customer-related burnout and to minimize negative effect on customer service. While prior studies have focused primarily on CP level (low vs. high), our research takes a deep dive into CP variation, defined as perceived *dispersion* in the level of CP across customers in terms of sharing information about their needs and opinions, expressing their personal preferences, providing suggestions for improving service outcomes, and participating in the service process to improve the service outcome. We propose three strategies that managers can take to effectively manage the negative effect of CP variation on customer service performance: managing the customer portfolio, providing resources to neutralize CP variation, and avoiding demands that can exacerbate the effect of CP variation.

*Customer portfolio management.* An effective way to address the CP variation issue is to pair employees with customers who show similar levels of CP. That is, instead of an employee serving a group of customers who display a wide spread in CP (i.e., high CP variation), an employee would serve a group of customers who show more homogenous levels of CP (i.e., low CP variation). This strategic approach would be another way for firms to segment customers, in addition to the demographic variables (age, education, and income) that are widely used by companies.

*Provide resources to neutralize CP variation.* Our findings conclude that it is important to equip employees with the necessary resources from various sources—ranging from the organization (service climate), to employees (experience), to customers (CP quality)—that can be used to neutralize the harmful effect of CP variation. The results suggest that the effect of CP variation on burnout can be mitigated when the firm understands the configuration of resources that can offset the adverse impact of CP variation. We find that high service climate, employee experience, and CP quality help dampen the effect of CP variation on burnout. Furthermore, even if there is variation among customers in the degree to which customers participate, as long as the quality of participation is high, the undesirable effect of CP variation can be effectively managed. Thus, motivating customers to provide high-quality information that is reliable, accurate, and relevant is key.

*Avoid demands that can exacerbate the effect of CP variation*. While more resources such as those we have discussed herein should be given to employees, additional demands should be removed when employees encounter CP variation. Our results suggest that the stressful situation evoked by CP variation will be aggravated when CP variation is coupled with other demands, such as manager emphasis on CP and service prioritization. Because CP variation places a demand on employees to begin with, adding more demands will only increase customer-related burnout.