Customer experience management. Case Study

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Abstract

The customer experience originates from a set of interactions between a customer and a product, a company, or part of its organization, which provoke a reaction. This is strictly personal and implies the customer's involvement at different levels (rational, emotional, sensorial, physical, and spiritual).

Customer experience construct is holistic in nature and involves the customer's cognitive, affective, emotional, social and physical responses to the retailer, because this definition is the latest and much relates to retail. Customer experience include three dimensions, that is, Sensory Experience, Emotional Experience, and Social Experience.

Six factors have an influence on the experience of customers in large retailing stores: Multi-store shopping - shopping in different stores instead of buying all items in one particular store; Bigness and confusion - big companies, extensive product choice, and overwhelming product assortment are seen as confusing by some customers; Personal interaction and personalized service - large stores are seen as impersonal, cold, lacking of personal interaction by some customers; Customer recognition by staff; Prevalence of mistakes and price discrepancies; Unused checkout lanes have a negative impact on the experience.

Keywords: customer experience, interpersonal factors, non-interpersonal factors, customer experience management, consumer buying decision, shopping experiences

1. Concept Evolution

1.1. Customer experience

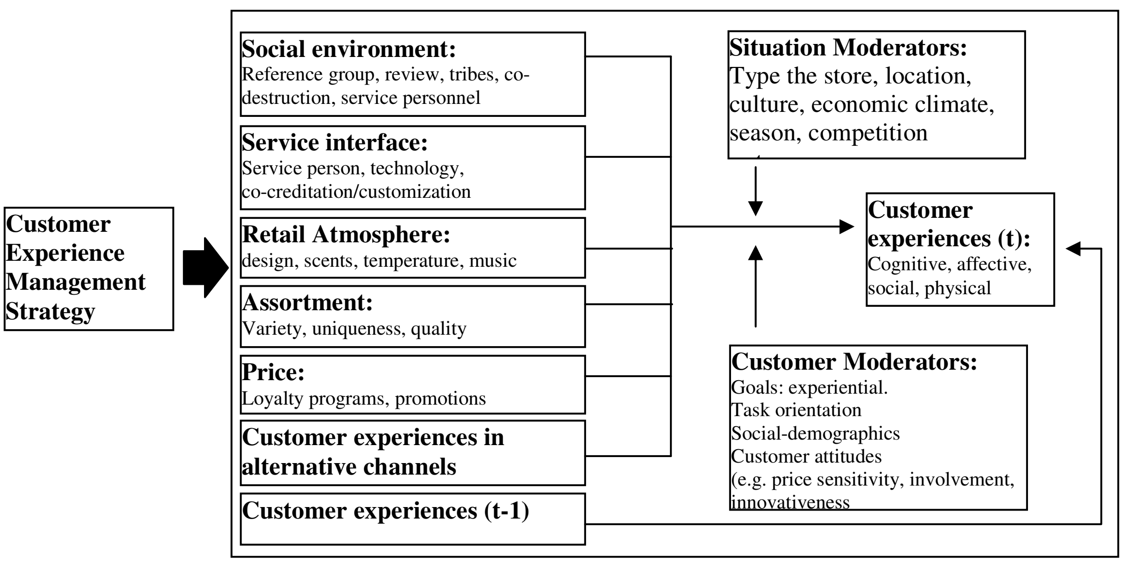
The concept of Customer experience was firstly conceived in the mid-1980s when Holbrook and Hirschman (*1982*) introduced a new experiential approach to consumer behavior domain. Despite these initial works, the concept of Customer Experience came to be one of the main streams of research in the late 1990s with Pine and Gilmore's book on the Experience Economy (*1999*) and Schmitt's book on Experiential Marketing: How to Get Customers to Sense, Feel, Think, Act, Relate to Your Company and Brands (*1999*). Hence, a number of studies since 1999 have tried to define Customer Experience. Just as the study by Gentile et al. (*2007*) stated, "The customer experience originates from a set of interactions between a customer and a product, a company, or part of its organization, which provoke a reaction. This is strictly personal and implies the customer's involvement at different levels (rational, emotional, sensorial, physical, and spiritual)". Moreover, Meyer and Schwager (*2007*) point out that customer experience is the internal and subjective response customers have to any direct or indirect contact with a company. After all, we would adopt the definition provided by Verhoef et al. (*2009*), which is that customer experience construct is holistic in nature and involves the customer's cognitive, affective, emotional, social and physical responses to the retailer, because this definition is the latest and much relates to retail. *(Verhoef, 2009)*

On the other hand, Schmitt (*1999*) proposes five experience: sense, feel, think, act, and relate. The sense experience includes aesthetics and sensory qualities. The feel experience includes moods and emotions. The think experience includes convergent/ analytical and divergent/ imaginative thinking. The act experience refers to motor actions and behavioral experience. The relate experience refers to social experience, such as relating to a reference group.

According to the definition given by Verhoef et al. (*2009*) and the five experience proposed by Schmitt (*1999*), customer experience include three dimensions, that is, Sensory Experience, Emotional Experience, and Social Experience. Sensory Experience refers to the aesthetics and sensory perceptions about the shopping environment, atmosphere, products and service. Emotional Experience includes the moods and emotions generating during the shopping trip. Social Experience emphasizes the relationships with others and society.

Furthermore, many studies show that consumers shop generally for hedonic goals and utilitarian goals, which would bring consumers positive emotions. Ibrahim and Wee (*2002b*) have proven hedonic-orientated goals and utilitarian-orientated goals are important factors influencing customer experience. Hedonic-oriented goals refers to the pursuit of fun and enjoyment rather than pure task completion, while utilitarian-oriented goals have been described as task-related or some type of conscious pursuit of an intended consequence.

Figure 1. Conceptual model of customer experience creation



Source: P.C. Verhoef et al., Journal of Retailing 85 (1, 2009)

1.2. From CRM to CEM

The literature in marketing, retailing and service management historically has not considered customer experience as a separate construct.(*Thomson, 2006*) Instead researchers have focused on measuring customer satisfaction and service quality (e.g., Parasuraman, Zeithaml, and Berry

1988; Verhoef, Langerak, and Donkers 2007). However, it is not that customer experience has never been considered. Most notably, Holbrook and Hirschmann (*1982*) theorized that consumption has experiential aspects *(Thompson, 2006)*.

And, Berry, Carbone, and Haeckel (*2002*) suggest that in order for organizations to compete by providing customers with satisfactory experience they must orchestrate all the "clues" that people detect in the buying process.

The customer experience encompasses the *total* experience, including the search, purchase, consumption, and after-sale phases of the experience, and may involve multiple retail channels.

Figure 2. Strategic Customer Management

CRM *"Left Brain"*	CEM *"Right Brain"*
Customer's Value to Enterprise	**Enterprise's Value to Customer**
Systems and Transactions	**People and Interactions**
Functional Value	**Emotional Value**

Source: Thompson, Bob, Customer Experience Management, Part 2 of 2, crmguru.com, 2006

The idea at the center of CRM can be stated in the following way:

Every time a company and a customer interact, the company learns something about the customer. By capturing, sharing, analyzing and acting upon this information, companies can better manage individual customer profitability. Customer Experience Management's (CEM) premise is almost the mirror image. It says that every time a company and a customer interact, the customer learns something about the company. Depending upon what is learned from each experience, customers may alter their behavior in ways that affect their individual profitability. Thus, by managing these experiences, companies can orchestrate more profitable relationships with their customers.

In a sense, this is a classic nature vs. nurture argument. CRM uses profiling, micro-segmentation and predictive analyses to identify each customer's figurative genetic structure. CRM thus uncovers the preferences and propensities of customers so that they can be nudged towards optimal profitability. Customer Experience Management (CEM), on the other hand, looks at the environment. It gathers and analyzes information about the dynamics of interactions between companies and customers. This information is feed back to the company in a self-calibrating system that (in theory) makes optimal use of every opportunity to influence customer behavior.

CRM is very good at receiving, but not very good at giving. It asks customers to provide access and information without telling them what they will get in return.

By focusing on the experiences of customers and how those experiences affect behavior, CEM examines both the

quality of the company's execution and the efficiency of the result.
Customer experience management and customer relationship management differ in their subject matter, timing, monitoring, audience, and purpose.

Figure 3. CRM vs. CEM
Customer experience management and customer relationship management difer in their subject matter, timing, monitoring, audience and purpose

	What	**When**	**How Monitored**	**Who Uses the Information**	**Relevance to Future Performance**
Customer Experience Management (CEM)	Captures and distributes what a customer thinks about a company	At points of customer interaction: “touch points”	Surveys, targeted studies, observational studies, “voice of customer” research	Business or functional leaders, in order to create fulfillable expectations and better experiences with products and services	Leading: Locates places to add offerings in the gaps between expectations and experience
Customer Relationship Management (CRM)	Captures and distributes what a company knows about a customer	After there is a record of a customer interaction	Point-of-sales data, market research, Web site click-through, automated tracking of sales	Customer-facing groups such as sales, marketing, field service, and customer service, in order to drive more efficient and effective execution	Lagging: Drives cross selling by bundling products in demand with ones that aren’t

Source: Meyer & Schwager, 2007

In the book *The Experience Economy*, authors Joseph Pine and James Gilmore (1998), point out that experience is not about entertaining customers, but engaging them.(Pine II & Gilmore, 1998)

The main components are: *(Pine II & Gilmore, 1999)*

• **Corporate culture translated by employees.** People create experiences. Great experiences are made when employees interact with customers, whether it's in a store, a call-center, or a trade show. A happy employee might make a happy customer, but an unhappy employee certainly will not. Therefore, companies need to understand how an appropriate corporate culture and the right experiences for its employees result in the relationships they want with customers.

● **Service.** Service is a critical component of experience, and providing good service requires many characteristics, including empathy, sensitivity, and caring. It also requires proper tools – the right information delivered (probably by technology) at the right time; the right products; and the authority to do the right thing.

● **Technology.** In-store technologies such as Wi-Fi (wireless internet connection) or Speedpass (offering speed and convenience for both payment and identification), online access to a company as part of a multi-channel strategy, and related emerging technologies are enhancing products and services and also facilitating greater experiences.

• **Architecture, Design, Space.** Architecture is a critical component of the customer experience in retail. When the design of a space is consistent with the type of experience the company wants to deliver, the store can help to build brand awareness and customer commitment.

• **Marketing, Brand, Promotions.** The retail store experience is one part of the brand, and so is the packaging, advertising, and promotions. Merchandising, color, lighting, and signage also play a role. In Nordstrom, a real piano is still played by a real person many hours a day, and the music floats through the store creating a distinct feeling. Tired after hours of shopping? Then sit on the comfortable couch and enjoy a few songs before carrying on!

• **The Critical Intangible: Trust.** Most of the factors that matter most are intangible, and the very first thing on this list is trust. Do your customers trust you? You'd better know why, or why not! If your customers had a choice, would they choose your company or the competition? What tools are you giving your employees to build trust with customers? The sad truth is that most companies aren't giving their employees any tools for building trust, and as a result a systemic breakdown in the ties that make a market strong.

1.3. Staging Experiences that Sell

An experience occurs when a company intentionally uses services as the stage, and goods as props, to engage individual customers in a way that creates a memorable event. Commodities are fungible, goods tangible, services intangible, and experiences *memorable.* (Figure 5). While prior economic offerings – commodities, goods, and services – are external to the buyer, experiences are inherently personal, existing only in the mind of an individual who has been engaged on an emotional, physical, intellectual, or even spiritual level. Thus, no two people can have the same experience, because each experience derives from the interaction between the staged event (like a theatrical play) and the individual's state of mind.

Figure 5. Economic distinctions

Economic Offering	**Commodities**	**Goods**	**Services**	**Experiences**
Economy	Agrarian	Industrial	Service	Experiences
Economic Function	Extract	Make	Deliver	Stage
Nature of Offering	Fungible	Tangible	Intangible	Memorable
Key Attribute	Natural	Standardized	Customized	Personal
Method of Supply	Stored in a bulk	Inventoried after production	Delivered on demand	Revealed over duration
Seller	Trader	Manufacturer	Provider	Stager
Buyer	Market	User	Client	Guest
Factors of Demand	Characteristics	Features	Benefits	Sensations

Source: Pine & Gilmore, 1998

2. Major Factors Influencing Consumer Buying Decision Process

Kamaladevi B.(*2009*) introduce nine major factors: *(Kamaladevi, 2009)*

The Brand Experience

The customer comes to a retailing environment with perceptions about two types of brands: the retail brand (e.g., Starbucks, Wal-Mart) and the manufacturer or service brand that is sold in the retail stores (Figure 6).

The Price Experience

A lot rides on how a retailer sets its prices. The three other P's create value for the seller; the fourth P of price captures value. In addition, this is the only P that earns revenue for the retailer. When retailers price a product or service too high, consumers view it as a poor value and will not buy. A price set too low may signal low quality, poor performance, or other negative attributes about the product or service. Although setting the "right" price is clearly an important retailing task, it is often treated as an afterthought, partly because it remains the least understood and therefore most difficult to manage task.

The Promotion Experience

Consumer promotions also take several forms, including price promotions, loss leaders, and in-store displays. Meta analyses show that the immediate increase in sales of a promoted item is substantial. However, brand switching as a result of consumer promotions is closer to 30–45 percent, far less than previous estimates of approximately 80 percent. A consumer promotion, such as a loss leader, on one item should increase sales of other items and overall profits, yet empirical research in this area is mixed. Consumer "cherry picking" for special prices has a relatively minor impact on retailer profits; they also conclude that not all promotions have a positive revenue impact for retailers though. Rather, the profit impact is decidedly mixed.

The Supply Chain Management Experience

Most of the researchers centers on what happens at the front-end of the retail store, supply chain management occurs at the back end. For decades, retail supply chain and logistics issues seemed somehow less important than other activities such as promotion, pricing, or customer service. But this erroneous perception no longer exists. Supply chain issues, from both the more managerial partnering side and the more technical operations side, have proven important sources of competitive advantage for many retailers, particularly low-cost providers such as Wal-Mart and Zara.

The Location Experience

Retailing academics and practitioners seem always to emphasize "location, location, location" as the key to success. An important research advance could consider the role of travel time on consumers' choices of retail formats and the related retailing implications because consumers value their time, researchers should investigate what it might take, in terms of price savings and deals, to attract consumers to a factory outlet store (normally located some distance away) rather than a similar store in a conveniently located mall. The location decision likely has major ramifications for price, promotion, and merchandising decisions.

The Advertising Experience

Exponential growth in Internet hosts and personal computer adoption has led to dramatic increases in online activity. During the growth process, marketers recognized that the Internet was a medium for reaching millions of potential customers. Since then, marketers have adapted value based advertising strategies to the Internet.

Figure 6. Major Factors Influencing Consumer Buying Decision Process

Macro Factors	Need Recognition	Information Search	Evaluation	Purchase	Post Purchase
Brand	x	x	x	x	
Price	x	x	x	x	
Promotion			x		
Supply Chain Management		x	x	x	
Location		x	x	x	x
Advertising	x	x	x		
Packaging and labeling			x	x	
Service Mix		x	x	x	x
Atmosphere				x	

Source: Kamaladevi, 2009

The Packaging & Labeling Experience

Packaging plays a major role when products are purchased. After all, it is the first thing seen before making purchase choices and it is widely regarded that over 50 per cent of purchasing decisions are made at the shelf, or point of purchase.

Therefore, packaging which creates differentiation and identity in the relatively homogenous consumer packaged goods industry is therefore highly important.

The Service Mix Experience

Customer service is the ability of an organization to constantly and consistently give the customer what they want and need.

The Atmosphere Experience

Consumer spending behavior can be significantly influenced by the store atmosphere and the customer mood. Customers require a store layout that maximizes the number of products seen within the context of a customers' need for the product. Customers who experience a form of personal control, whether in orienting themselves to the store section they need to go to or in finding the products they want, generally feel good about the store. Good feelings lead to more purchases, especially if products are presented within a display that shows the potential usefulness of the product for them.

3. Retail design, experience economy and customer experiences

The 'experience' concept came to the fore in the management discipline with the publication in 1999 of Pine &Gilmore's book on the

Experience Economy. Pine & Gilmore present experiences as a new economic offering, which emerges as the next phase after an economy of commodities, goods and services.

According to their viewpoint, managers from now on need to focus on creating and directing memorable customer experiences. Therefore, they describe six different features of an experience.

Dr. Fred Lemke from Cranfield University in the research "What makes a great customer experience ?" presents their classification: *(Lemke, 2013)*

The "Customer Experience" concept has aroused interest amongst researchers around the world, but its definition and measurement is currently a source of controversy.

In a service environment, Grove and Fisk (*1997*) discovered that the presence of other customers has an impact on one's own experience.

For instance, if other customers are friendly and children are around, customers typically enjoy a better experience in a service encounter. Jones (*1999*) focused on shopping, defining an experience as 'entertaining', based on factors that are 'fun' and 'pleasurable'. He discovered the following '*customer factors*':

- *Social factors*, e.g., shopping with family and friends;
- *Task factor*, e.g., searching for a Christmas tree in autumn;
- *Time factor*, e.g., having enough time to shop;
- *Product involvement*, e.g., whether a customer for computers is
- interested in technical features;
- *Financial resources*, e.g., having enough money to spend.

In addition to the factors above, Jones defined '*retailer factors'*. These are as follows:

- *Retail prices*;
- *Selection*, e.g., store offers a unique selection of items;
- *Store environment*, e.g., animals and exotic plants in a store;
- *Salespeople*, e.g., friendly, silly.

Overall, Jones concluded that all nine factors have an impact on (entertaining) shopping experiences. The researcher adopted a questionnaire approach, where respondents completed open questions.

This form of questioning allows respondents to express their views on customer experience, but assumes that respondents are consciously aware of what makes an experience 'fun' and 'pleasurable'. It also assumes that respondents have the time and the motivation to articulate their feelings in detail, so that answers can be analyzed by the researcher.

Being aware of the limitations of applying a structured questionnaire to a complex issue such as customer experience, Marganosky and Cude (*2000*) settled for a focus group approach in the US retail context.

They discovered six factors that have an influence on the experience of customers in large retailing stores:

- *Multi-store shopping* - shopping in different stores instead of buying all items in one particular store;
- *Bigness and confusion* - big companies, extensive product choice, and overwhelming product assortment are seen as confusing by some customers;
- *Personal interaction and personalized service* - large stores are seen as impersonal, cold, lacking of personal interaction by some customers;
- *Customer recognition* by staff;
- *Prevalence of mistakes and price discrepancies*;
- *Unused checkout lanes* have a negative impact on the experience.

The last point, 'unused checkout lanes' is interesting and was the subject of several studies (e.g., Groth and Gilliland, 2001 and anonymous, 2004).

These studies have shown that the waiting time and waiting procedure have an impact on customer experience in a service environment.

Arnold et al. (*2005*) conducted another US retail study and by applying a standard interview technique, they discovered the following factors:

Interpersonal Factors – Salesperson:

- *Interpersonal effort* (helpful vs. unhelpful);
- *Interpersonal engagement* (friendly vs. unfriendly);
- *Problem resolution* (willing to go outside of rules vs. would not go outside of rules);

- *Interpersonal distance* (not too pushy vs. very pushy);
- *Time commitment* (took time vs. took no time);
- *Lack of skills and knowledge*;
- *Dishonesty*.

Non-interpersonal factors – Product:

- *Unanticipated acquisition* (found exactly the right product);
- *Lack of expected acquisition* (could not find the product);
- *Unanticipated value* (price / bargain);
- *Lack of expected value* (price too high);
- *Lack of technical quality* (product did not perform to expectations);
- *Bad atmosphere*.

Customers have options about how to deal with a company and Boyer and Hult (2006)7 devoted their research to investigate online purchases.
The authors predefined the following factors:

- *Product quality;*
- *Service quality;*
- *Product freshness;*
- *Time savings;*
- *Behavioural intentions*.

Boyer and Hult opted for a Web survey and an email research method and argued that all factors have an effect on customer experience, albeit to various degrees. This study represents the latest approach in exploring the topic.

Before leaving this example behind, it is worth pointing out that the authors recognised a) product quality and service quality cannot be ignored when defining customer experience, and b) customers can have an experience in an online environment. In other words, the multi-channel environment might give shape to the experience of customers.

The literature that centres on a multi-channel environment argues that four issues are crucial in achieving a great customer experience:

- *Personalisation* - the company knows the name of the customer and the historical background of the relationship irrespective of channel;
- *Customisation* - the company is able to offer a tailor-made solution to the customer's problem;
- *Consistency* - the experience is consistent over time, regardless of the channel used; and
- *Channel choice* - the customer has either the option to select the appropriate channel or is steered towards a particular channel when dealing with a company.

The constructs above are suggested by the literature – and this is based entirely on theoretical grounds. However, the impact of the factors on customer experience has never been subject to an empirical investigation.
There are a few points that are worth drawing from this debate:

- *Limited scope:* Most research has been in a US retail environment. However illuminating the factors are for the US retailing industry, one should not accept them uncritically when focussing on different industry sectors outside of the US.
- *Preconceived ideas:* Scholars typically consider pre-defined factors in a quantitative approach and are thus unable to discover factors that exist subconsciously or that haven't been discussed by previous scholars.
- *Key ingredients not uncovered:* Researchers have contrary perceptions of customer experience, depending on the limited focus they adopt (e.g., experience is entertaining in services).
- *Definitions:* Factors are loosely defined and not much detail is provided to create a great customer experience in a particular sector.
- *Multi-channel*: The importance of a multi-channel environment has been recognised, but no research has taken this aspect into account.

4. From Experience Management to Experience Innovation

So how do we put this into practice? The wealthy have always been customers of great experiences - five star hotels, exclusive spas, first class travel, luxury shops, and as the economy continues to expand more and more people from the middle market are demanding - and getting - access to the same kinds of experiences. Consequently, more and more businesses depend on the ability to provide compelling customer experiences for upper and mid-market buyers.

This is a competitive issue, as compelling experiences are now a significant source of competitive advantage. This raises an important question, namely how can innovative experiences be created that are meaningful to the customers and actually do provide a competitive advantage?

Economists have typically lumped experiences in with services, but experiences are a distinct economic offering, as different from services as services are from goods.

Today we can identify and describe this fourth economic offering because consumers unquestionably desire experiences, and more and more businesses are responding by explicitly designing and promoting them.

As services, like goods before them, increasingly become commoditized – think of long-distance telephone services sold solely on price – experiences have emerged as the next step in what we call the *progression of economic value.* From now on, leading-edge companies – whether they sell to consumers or businesses – will find that the next competitive battleground lies in staging experiences.*(Thusy & Marris, 2004)*

An experience is not an amorphous construct; it is as real an offering as any service, good, or commodity. In today's service economy, many companies simply wrap experiences around their traditional offerings to sell them better. To realize the full benefit of staging experiences, however, businesses must deliberately design engaging experiences that command a fee.

This transition from selling services to selling experiences will be no easier for established companies to undertake and weather than the last great economic shift, from the industrial to the service economy. Unless companies want to be in a commoditized business, however, they will be compelled to upgrade their offerings to the next stage of economic value.

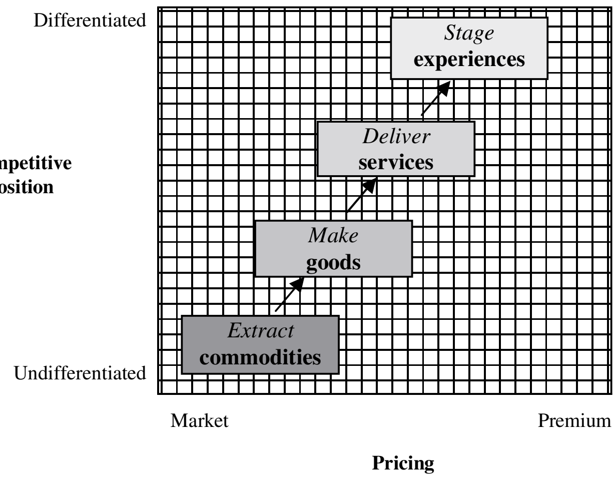
The question, then, isn't whether, but when – and how– to enter the emerging experience economy. An early look at the characteristics of experiences and the design principles of pioneering experience stagers suggests how companies can begin to answer this question.

5. Touch points Are the Building Blocks of the Customer Experience *(Westenberg, CISCO, 2010)*

Retailers sell products and services to their customers. Perceptions of these offerings, however, depend on the overall customer experience: the product, its usability, additional services or features, quality, brand, price, and value—plus the quality and nature of every encounter or interaction between the customer and the brand.

Traditionally, retailers and manufacturers have communicated their product and brand attributes through channels they control, including the store, the call center, kiosks, events, and their branded e-commerce website.

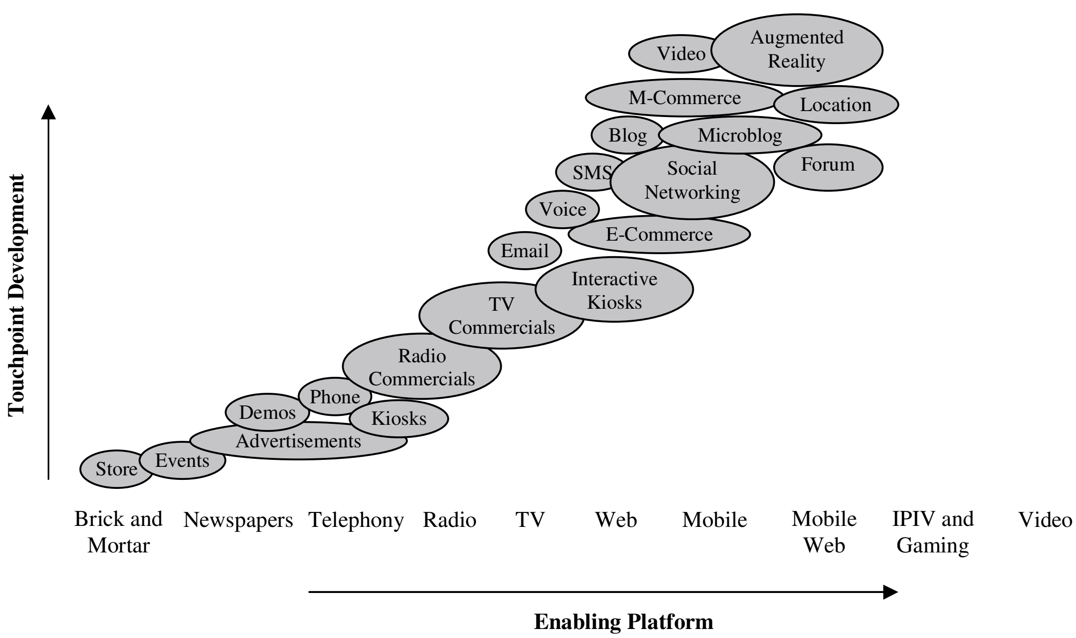
Figure 7. The Progression of Economic Value



Source: B. Josepf Pine & James H. Gilmore, Welcome to the Experience Economy, HBR, July-August, 1998

In recent years, however, a shift toward new touch points has emerged, completely independent of the retailer: social networking sites, blogs, online communities, mobile applications, video, Twitter, location-based services, and many more (Figure 7).

Figure 8. The evolution of retail touch points



Source:CISCO, IBSG, 2009

The acceleration of the number and types of touch points has been catalyzed by anywhere-anytime access to the mobile web, through devices such as the iPhone, BlackBerry, and other smart phones. These mobile devices run on platforms that allow easy development, sharing, and use of consumer-generated applications and content. Many of these applications draw upon data provided by retailers on their own websites, including price, availability, SKU descriptions, and store locations. This data can easily be combined with information from other sources, such as social networks and GPS devices, to enable entirely new capabilities.

Various new touch points with exciting and engaging features will continue to evolve, enable by many new and emerging technologies.

6. Seven steps to better customer experience management *(Castellanos, KPMG, 2011)*

***Step 1:* Understand the needs, wants, and preferences**

Key points to consider

- The needs and preferences of the target audience change over time;
- The growth categories change in the industry;
- Differentiate the products and services considering something other than price;
- The product/service is aligned with market trends;
- The renewal, up-sell, and cross-sell campaigns are successful.

***Step 2:* Establish economic frameworks to understand and prioritize impact of marketing, sales, and service decisions**

Key points to consider

- Decide which markets to enter, grow, harvest, and exit;
- Understand performance within the distributed sale model;
- Determine which products and services represent growth categories;
- Determine how much pricing volatility is there in the current product and service portfolio;
- Establish the cost to serve customers using current online and offline support tactics.

***Step 3:* Track customer behavior, distill patterns, and adapt to accommodate shifts**

Key points to consider

- Current propensity models are able to identify emerging trends that represent growth opportunities;
- Other things beyond seasonality and regional factors are driving changes in purchase patterns;
- In-store behavior affect online purchase decisions. There is a connection between an abandoned online shopping basket and subsequent purchases, either in-store or online;
- Determine the best ways to target the most profitable customers. Reach the most profitable customer segments.
- determine the most and least profitable campaigns. Determine if the budget should be spent online or to buy print ads or airtime. Establish how quickly campaign effectiveness erodes over time.

***Step 4:* Develop lead nurturing and customer management plans for target audiences**

Key points to consider

- Determine how are past customer and prospect lists managed and leveraged by sales acquisition programs and how effective are the win-back campaigns;
- Determine how many times a year does the company communicate with the customer and how many times a year does the company market to a prospect;
- Determine what the optimal contact strategy is for renewing and up/cross-selling customers;
- Determine what the customers, most preferred communications channels; are

- Determine how are the most critical touch points in your sales and service life cycle.

***Step 5:* Develop customer-centric information architecture**

Key points to consider

- Determine how quickly can new information about a customer disseminate through the enterprise?
- Determine if the information architecture was designed for products and systems, or customers;
- Determine how the information architecture accounts for relationship hierarchy;
- Determine how is categorize customer data (by life cycle events, interactions, or products);
- Determine if the marketing and customer databases are integrated (if so, find what is the unique identifier).

***Step 6:* Deploy workflow-based tools to marketing, sales, and service stakeholder groups**

Key points to consider

- Determine how well coordinated are handoffs between marketing, sales, and service functions;
- Determine how well the company manages customer escalations and how long it typically takes to resolve, how many are not resolved;
- Determine how lead nurturing is and customer management plans monitored;
- What tools are in place to facilitate workflow across business functions?
- Determine how much visibility and control do customers have on service issues through online portals.

***Step 7:*Create a customer experience map to optimize touch points**

Key points to consider

- Determine who owns customer experience within the company. If ownership is shared, determine who drives customer experience tradeoff decisions;
- As business processes are defined, determine what customer experience factors are incorporated into the planning and if they are included in go-to-market gate requirements;
- Determine what percentage of workflows ends up on jeopardy paths;
- Determine how to measure the effectiveness of customer experience delivery;
- Determine if the company drives growth using customer experience as a differentiator.

Conclusions

For a study case regarding Customer Experience Management on a few service providing organizations that are transferring experience to the customer, we propose to follow the next stept:

1. Designing a questionnaire taking in consideration three approaches:

- The approach of Fred Crawford and Ryan Mathews in the book "the Myth of Excellence" (*2001*). They are proposing as primary and secondary attributes of companies and brands the following: price, device, product, experience, access. We are considering them as axes, as first level criteria in creating a consumer-relevant company, also used by us in the paper "Consumer and Shopper Satisfaction. Measurement of Collaborative Supply Value Chain" *(Supply Chain Management for Efficient Consumer Response Conference, 2011)*
- The approach of Kamaladevi in the paper "Experience Management in Retailing" where the author considers as major factors influencing consumer buying decision process the following: brand, price, promotion, supply chain management (the relationship with the suppliers of suppliers), location , advertising, packaging and labeling, services, atmosphere;
- The study from School of Management, Cranfield University, "What Makes a Great Customer Experience" by Fred Lemke, Hugh Wilson and Moira Clark, considering the following customer factors: Social factors, e.g., shopping

with family and friends; Task factor, e.g., searching for a Christmas tree in autumn; Time factor, e.g., having enough time to shop; Product involvement, e.g., whether a customer for computers is interested in technical features; Financial resources, e.g., having enough money to spend. In addition to the factors above, are also defined retailer factors. These are as follows: Retail prices; Selection, e.g., store offers a unique selection of items; Store environment, e.g., animals and exotic plants in a store; Salespeople, e.g., friendly, silly.

2. After analyzing the criteria and combining the three approaches mentioned above, we generated a questionnaire with four hierarchic levels for 98 attributes determining the relationship of the organization providing the experience with the client capitalizing his own experience. The attached questionnaire (Appendix) has been applied to students and master students from business specialties (Marketing, Management, Management of Tourism and Service Organizations). They answered by giving a level of importance (hierarchy) to the attributes mentioned above (1 as the lowest value and 100 as the highest). This stage is completed by reducing the number of attributes (eliminating the ones with the lowest scores).

3. the final step consists of creating a questionnaire regarding the level of maturity (Scorecard) for 2 organizations from the same domain of activity (restaurants, supermarkets, HBC departments, IT departments, phone companies). These organizations will be analyzed with a benchmarking and in relationship with the organization that provided the best experience during the client's life.

The last two stages mentioned above and the results of the study will be presented in future papers.

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Appendix

Questionnaire
regarding the hierarchy of criteria that substantiates the experience with the organization and generates customer experience

Customer experience comes from a set of interactions between a customer and a brand (product / service) a company or part of the company, which causes a reaction. This is strictly personal and requires client involvement at different levels (rational, emotional, physical, sensory and spiritual).

Customer experience is an internal and subjective response to any direct or indirect contact with a company.

The construction of customer experience has a holistic nature and involves cognitive, affective responses, emotional reactions, social and physical aspects of client to the organization.

For each criteria below grant a hierarchical level from 1 to 100 (1 - the lowest level, 100 - the highest level), depending on the importance of the criteria given by a service providing organization (including retail) that can enhance the consumer experience.

	Level of importance
1. ACCESS	
1.1. Location	
1.1.1. Access to information (easily reaching the needed information)	78.33
1.1.2. Accessibility (ease of access to the right person/area)	75.69
1.2. Context	
1.2.1. Environment emotional (emotional circumstances such as a sick child, a missed plane)	62.56
1.2.2. Geographical distance	66.88
1.2.3. The importance of timely delivery	80.58
1.2.4. The importance of transaction (important for me, for example, buying a house, high expectations)	74.94
1.3. Atmosphere	
1.3.1. The environment	73.23
1.3.2. Network of Specialists (the supplier has a wider network and the client has access to it)	68.88
2. BRAND (PRODUCT/SERVICE)	
2.1. Product/Service	**82.09**

2.2. Safety/ Security	
2.2. 1. Safety of goods	82.23
2.3. Packaging and labeling	**70.65**
2.4. Reliability/Trust	
2.4.1. Accurate invoicing	79.86
2.4.2. Acting as was agreed	73.77
2.4.3. The client is able to check the quality before ordering	70.97
2.4.4. Dissemination of information (within the supplying organization)	59.73
2.4.5. Promise fulfillment	69.91
2.4.6. Quality (products and services)	81.94
2.4.7. Reliability (keeping promises, unlike breaking promises)	76.23
2.4.8. Organization of sales (organized process, without mistakes)	70.31
2.4.9. Supervision (the supplier must be supervised; big maintenance vs. unsupervised)	66.67
3. PRICE/ VALUE	
3.1. Value for time	
3.1.1. Delivery performance (fast / in time)	77.42
3.1.2. The effective use of time	72.83
3.1.3. Answering questions / requests	72.48
3.1.4. Responsiveness (good and quick to respond)	73.36
3.1.5. Time for serving / waiting time	70.31
3.2. Value for money	
3.2.1. Discounts (special offers)	65.58
3.2.2. Free phone number (if you need to contact the company, the calls are free)	56.61
3.2.3. To receive what you paid for	76.20
3.2.4. Loyalty program (incentive offers)	66.11
3.2.5. The level of the price (compared to the average market price)	69.33
3.2.6. Prices (fixed vs. negotiable)	64.77
4. VARIATY (ASSORTMENT)/CHOICE	
4.1. The Offer Mix / Category	
4.1.1. Choice (let customers to choose what they want while other companies make the selection and the customer must accept)	72.98
4.1.2. Educated choice (the company offers various options and information before you purchase so that the client can decide)	73.55
4.1.3. Stratified Services (the company offers different levels of service and customer can decide)	67.73
4.1.4. Nature of the product (complex vs. simple)	65.80
4.1.5. Choice (free choice of what you want, let you choose what you want)	71.59
4.1.6. Dimension of category (product variety, variety vs.. limited	69.42

range)	
4.1.7. Model of purchase (re-purchase, the same product / service again vs. purchase diverse products / services)	63.73
4.1.8. Variety (too many options vs. right amount of options.) Directed assortment	63.02
4.1.9. Well stocked	72.55
5. COMPONENTS OF EXPERIENCE	
5.1 Spiritual and emotional elements	
5.1.1. Providing of knowledge	
5.1.1.1. Competence	70.69
5.1.1.2. Expertise	63.78
5.1.1.3. Knowledge	70.61
5.1.2. Attitude	
5.1.2.1. Attitude (useful and effective vs. did not want to know)	68.23
5.1.2.2. Accusation / blame (company accuses the client for their fault)	53.33
5.1.2.3. Caring for customers	73.47
5.1.2.4. Waiting (to get more than expected)	62.80
5.1.2.5. Friendship (empathy)	60.05
5.1.2.6. Helpful (attentive to the needs)	66.77
5.1.2.7. Honesty (to tell the truth, accurate information)	74.30
5.1.2.8. Professionalism (focusing on the tasks concerned vs. distracted, busy with personal matters)	74.80
5.1.2.9. Insistence	51.97
5.1.3. Concern for procedure / process	
5.1.3.1. After care	54.17
5.1.3.2. Documentation (the suppliers does the documentation for meetings, etc	53.73
5.1.3.3. Implicit understanding of customer needs	62.23
5.1.3.4. Mutual understanding (company ensure that both have mutual understanding)	61.98
5.1.3.5. Pro-active to meet clients' objectives	58.67
5.1.3.6. Solving Problems	68.80
5.1.3.7. Recovery services / complaints management communication	66.95
5.1.3.8. Advertising (the client is aware of the company / product by exposure in the media)	73.75
5.1.3.9. Contact (dedicated single point of contact)	63.14
5.1.3.10. Customer focus (personalized conversation vs. a generic answer from a scenario)	67.02
5.1.3.11. Explanation (company provides reasons for what it does)	64.58

5.1.3.12. Feedback	69.92
5.1.3.13. Navigation (client finds its way into the store, website, etc)	70.91
5.1.3.14. Opening	68.34
5.1.3.15. Placing orders (difficult, bureaucratic vs. easy, simple)	66.80
5.1.3.16. Points of contact	60.78
5.1.3.17. Definition of the process known by the client (client understands the sales process)	68.02
5.1.4. Emotionality	
5.1.4.1. Experience provider (leisure items)	61.11
5.1.4.2. "Feeling good" factor	71.94
5.1.4.3. Provides space for important issues of life	60.34
5.1.5. Personalization	
5.1.5.1. Business needs (provider focusing on customer needs vs. provider focusing on what they do)	67.61
5.1.5.2. Attention for customers (customer recognition)	73.26
5.1.5.3. Personalization (adapted to the individual)	64.41
5.1.5.4. The degree of personal contact	64.38
5.1.5.5. Flexibility (changing the offer in response to specific customer needs or changing requirements)	70.47
5.2 Social environment and trend	
5.2.1. Relationship with other customers (Peer-to-peer)	63.11
5.2.2. The social impact	
5.2.2.1. Fashion (well known by friends)	63.13
5.2.2.2. The affluence perceived (show others that they can afford)	56.11
5.2.2.3. Premium brand	61.53
5.2.2.4. Trend / Actual (to the date of, unlike old-fashioned)	66.34
5.3. Commercial act and effects / generated relationship	
5.3.1. Partnership relationship	
5.3.1.1. Moving from trans	59.03
5.3.1.2. Commitment	65.49
5.3.1.3. CRM approach	61.78
5.3.1.4. Easy to establish relationships	64.05
5.3.1.5. Frequency	61.69
5.3.1.6. Links with the supplying organizations	59.38
5.3.1.7. Number of people (involved in the relationship)	55.80
5.3.1.8. Partner	59.39
5.3.1.9. Confidence	74.45
5.3.2. Long-term results	
5.3.2.1. The impact of impressions (impression of time, for example, the client recalls for a long period of time)	74.95
5.3.2.2. The result of the relationship	71.11

5.3.3. Status / relationship with suppliers (SCM)	
5.3.3.1. Own products (supplier is a manufacturer and distributor vs. Distributor only)	66.83
5.3.3.2. Direct relationship with the supplier's supplier	56.00
5.3.3.3. Intermediary	58.02
5.3.4. Promotions	77.38
5.3.5. Publicity (the client is aware of the company / product from exposure to mass media)	80.59