

LAPPEENRANTA UNIVERSITY OF TECHNOLOGY

School of Business

Master in International Marketing Management

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CUSTOMER EXPERIENCE MANAGEMENT

**– HOW TO IMPROVE THE CUSTOMER EXPERIENCE MANAGEMENT AND
ITS MEASUREMENT**

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ABSTRACT

Author:	Määttä, Pauliina
Title:	Customer experience management – How to improve the customer experience management and its measurement
Faculty:	LUT, School of Business
Major:	International Marketing Management (MIMM)
Year:	2015
Master's Thesis:	Lappeenranta University of Technology 113 pages, 11 pictures and 5 tables, 2 appendices
Examiners:	Prof. Liisa-Maija Sainio, Prof. Sanna-Katriina Asikainen
Keywords:	Customer experience management, customer experience measurement, customer experience, customer encounters

The main goal of this master's thesis was to find out, how to improve customer experience management and measurement. This study is a qualitative case study, in which the data collection method has been interviews. In addition, some of the company's customer experience measurement methods have been analyzed. The theoretical background is applied in practice by interviewing 5 representatives from the case company. In the case company, the management has launched a customer experience focused program, and given guidelines for customer experience improvement. In the case company, customer experience is measured with different methods, one example is asking the recommendation readiness from a customer. In order to improve the customer experience management, the case company should define, what the company means with customer experience and what kind of customer experience the company is aiming to create. After the encounter, the customer should be left with feelings of satisfaction, positivity and trust. The company should focus on easiness in its processes, on top of which the processes should work fluently. The customer experience management should be improved through systematic planning, and by combining and standardizing different measures. In addition, some channel-based measures should be used. The measurement conducted should be more customer focused, and the case company should form an understanding, which touch points are the most relevant to measure.

TIIVISTELMÄ

Tekijän nimi:	Määttä, Pauliina
Opinnäytteen nimi:	Asiakaskokemuksen johtaminen - Miten parantaa asiakaskokemuksen johtamista tai mittaamista
Tiedekunta:	LUT, Kauppatieteet
Pääaine:	Kansainvälisen markkinoinnin johtaminen (MIMM)
Vuosi:	2015
Pro gradu -tutkielma:	Lappeenranta University of Technology. 113 sivua, 11 kuvaa, 5 taulukkoa, 2 liitettä.
Tarkastajat:	Prof. Liisa-Maija Sainio, Prof. Sanna-Katriina Asikainen
Hakusanat:	Asiakaskokemuksen johtaminen, asiakaskokemuksen mittaaminen, asiakaskokemus, asiakaskohtaukset

Tämän pro gradu –tutkielman tavoite on ymmärtää, miten asiakaskokemuksen johtamista ja mittaamista on mahdollista parantaa. Tämä tutkimus on kvalitatiivinen tapaustutkimus, jossa tiedonkeruumenetelmänä on käytetty haastatteluja. Lisäksi nykyisiä asiakaskokemuksen mittaamiseen käytettyjä kaavakkeita on analysoitu. Teoreettista taustaa peilataan käytäntöön haastatteleamalla case yrityksestä viisi edustajaa. Yrityksen johto on aloittanut asiakaskokemukseen keskittyvän ohjelman, ja antanut suuntaviivat asiakaskokemukseen kehittämiseksi. Asiakaskokemusta mitataan yrityksessä useissa eri kosketuspisteissä hieman erilaisin tavoin, kysymällä esimerkiksi asiakkaan suositteluhalukkuutta. Asiakaskokemuksen johtamisen kehittämiseksi yrityksen tulisi määritellä, mitä asiakaskokemus tarkalleen yrityksessä tarkoittaa ja minkälaista asiakaskokemusta tavoitellaan. Case-yrityksen tulisi tavoitella luottamuksen, hyvän mielen ja tyytyväisyyden tunteiden muodostumista asiakkaan mielessä kunkin kohtaamisen jälkeen. Yrityksen eri toiminnoissa tulisi varmistaa prosessien sujuvuus ja helppous. Asiakaskokemuksen mittaamista tulisi kehittää systemaattisen suunnittelun kautta, sekä yhdistämällä ja standardisoimalla nykyisiä mittareita, minkä lisäksi olisi hyvä säilyttää muutamia kanavakohtaisia mittareita. Mittaamisen perspektiivi tulisi muuttaa asiakaskokemukseksi. Yrityksen tulisi muodostaa käsitys tärkeimmät kohtaamisista, joita se haluaa ensisijaisesti mitata.

ACKNOWLEDGEMENTS

This research project has taught me a lot. When I decided to start the master thesis project while having a full-time job, I did not entirely realize how big work was ahead of me. However, I am very happy that I decided to write thesis while the academic writing was still fresh in the memory.

The biggest acknowledgements belong to my motivating and supportive supervisor, professor Liisa-Maija Sainio. Without her encouraging comments, feedback and ideas I wouldn't have been able to finish this thesis. As in some periods I had lost my belief in actually finishing this thesis, professor Sainio helped me to see the next steps and encouraged me to continue the process.

I could not have finished this project without my supporting superior, who came up with my thesis topic of customer experience, gave inspiring ideas and comments, and also enlightened me with her wise comments regarding the topic in practice. The other imperative person for submitting this subject was my dear friend Kati. She spent hours and hours for reading my thesis from the beginning to the end, and gave her valuable comments and development suggestions for the text. Most importantly, she kept motivating and supporting me.

The master thesis project was not easy, it required cutting of social life and spending almost every weekend in the library during the spring. I am very happy to realize how supportive social network I am honored to have. My friends fixed up their schedule on the basis of my tight timetable so we could have a coffee or dinner, and most importantly, cheered up and encouraged me when I felt down or exhausted. Last but not least I have to express my great gratitude to my mother. She has been giving her loving support and encouragement during my 17 years of studying. There are no words to describe how lucky I feel for having mother like she is.

Pauliina Määttä

16.6.2015, Helsinki

1. INTRODUCTION

No matter what is the field of business, the competition in global markets is increasing and getting rougher, while customer expectations are increasing (for example Gentile et al. 2007, 395; Grewal et al. 2009, 1). Customers have more options where they can choose from, leading to the situation where customers' daily choices become more complex and multifaceted (Meyer & Schwager 2007, 2). Moreover, the choices are communicated via numerable channels in different encounters, bringing new challenges to customers as well as companies that are trying to communicate (Meyer & Schwager 2007, 2; Voss et al. 2008, 247). In order to stay, or become, profitable in the competitive markets, companies needs to stand out from the competitors. This is more difficult than ever, as today it is not enough to offer an innovative product or service, or to have low price for a product or service (Grewal et al. 2009, 1; Berry et al. 2002, 85). Relying only on a strong brand is not enough either (Löytänä & Korteso 2011, 155).

As economic climate has been somewhat difficult to companies in almost every industry, many retailers have noted, that the possible growth and profitability are consequences of small positive things, such as effortless interaction between the company and the customer, and consistent message across different communication channels (Grewal et al. 2009, 1). Moreover, the ability to serve customers well during different times and contexts should be the common desire of every company, which is also vital for company's long-term success (Fisher & Vainio 2014, 144). This claim can easily be understood when considering our daily lives: when one gets good, or even superior customer experience, she or he is more likely to do business with the company again. If the customer experience is good time after time, it is quite likely that the company has made this customer a long-term partner, meaning better income as well.

Because of these above mentioned, the main focus of companies has changed from products to services and recently to customer experiences meaning that the interest has changed from pure selling to serving customers (for example Klaus & Maklan 2011, 1; Palmer 2010, 197; Löytänä & Korteso 2011, 155). Klaus and

Maklan (2011,1) claim that experience is replacing quality as a source company's competitive advantage (2013, 227). Pine and Gilmore agree on this view, starting their groundbreaking book "The Experience Economy" (2011) by a statement: "Products and services are no longer enough." Comprehensively: customer experience is the most efficient way to become a market leader and a pioneer in the market (Löytänä & Korteso 2011, 161). marketing managers have realized this and they have started to put emphasis on creating value to their customers via customer experiences, instead of traditionally concentrating only on developing different aspects of a product or service (Mascarenhas et al. 2006, 397; Lemke et al. 2011, 846; Voss et al. 2009, 247; Barnes & Wright 2012, 46). World-famous coffee chain Starbucks is an example for of creating successful customer experiences. It has put a lot of effort and concentration on the creation of excellent customer experience across different channels throughout its history, instead just focusing selling products with quality or price (Verhoef et al. 2009, 31). The focus on creating excellent customer experiences can be seen one of the reasons behind its success (Verhoef et al. 2009, 31).

Because companies' interests have been changing, it seems to have an effect on customer's and their experiences as well. In these days customers are looking for something more than just a snack from a grocery store or clothes from a clothing boutique; on the top of fulfilling the basic need, customer are looking for experiences (for example) Berry et al. 2002, 85; Grewal et al. 2009,1; Voss et al. 2008, 247 Verhoef et al. 2008, 31; Gentile et al. 2007, 395). This is important thing that should be internalized by companies: according to many scholars, a way to create competitive advantage and to achieve success is to concentrate on customer and on how to understand customer (Gentile et al. 2007, 395; Grewal et al. 2009, 3). The complex nature of customer experience should be understood too (Barnes & Wright 2012, 45). Especially the irrational and emotional side of customers' decision-making is relevant to be understood (Gentile et al. 2007, 396). Alfaro et al. (2012, 39) are also discussing the physical and emotional variables as the main drivers of customer experience. Successful customer experience supports to the creation of an emotional tie between company and a customer, which is likely to support customer loyalty (Gentile et al. 2007, 404).

Understanding customers is also a key to the creation of long-term relationships (Gentile et al. 2007, 395). Moreover, the employees, who are interacting with customers, should be able to sterling relationships with customers (Fisher & Vainio 2014, 167). All of these issues mean from the company's point of view, that there is a chance for higher income.

Another reason, that makes customer experience a fascinating source of investigation, is that customer experience is a part of mutual value creation (Voss et al. 2009, 2481). This means, that successful customer experience is likely to be a win-win situation: when customer has good, or even superior, customer experience, customer becomes delighted. These kinds of customers are more likely to become supporters of this certain brand that satisfies them. According to anecdotal evidence, solely satisfied customers are more likely to change brand (Voss et al. 2009, 247). It can be deducted, that satisfied customers are more likely to become loyal. From a company's point of view, this is likely to lead higher income. Companies should focus on customers and their experiences: it is a key for a financial, long-term success.

Because of these reasons, the interest is changing from creating better products to creating better experiences. Customer does always have some kind of an experience after touch point – there are a great number of opportunities existing (Klaus 2013, 26). This issue has been pointed out in the research field: there is a growing number of researches analysing to the experiences. The prevailing economy is transforming to a new experience economy (Pine & Gilmore 2011; Vargo & Lusch 2004). Shaw and Ivens (2002, 209) do encapsulate the importance of customer experience for every business success: “The customer experience is really survival. The customer experience is what differentiates us from our competition and allows us to move ahead of our competition.”

Due to the diversity of customer experience concept and phenomenon, there have been many issues that are not known: how these experiences can be created in practise, how company can manage these experiences, and how a company can know how well it is doing from the customer's point of view. There is the customer's point of view existing with a great number of questions as well. It is

somewhat clear that there is no one right neither clear answer existing to these arising questions. One way to understand the issue better is to form understanding what the customer experience means in a certain company and which factors have an impact on that. When company understands these issues, it can understand how the customer experience management should be done, and how the experiences should be measured.

1.1. Literature Review

Customer experience can be seen an emerging concept, which still is lacking the dominant definition and theory. In the chapters 2.4 and 2.5 the commonly used different definitions and theories are presented in two tables. From the tables it can be seen that the concept is relatively new. Even though the concept has not been that popular until the last decade, the literature of customer experience is growing fast (Gentile et al. 2007, 395). Although customer experience seems to interest people from different business fields and the importance of the factor has been acknowledged, the academic literature of the topic is somewhat limited to journals targeted to management level (Verhoef et al. 2009, 31). Alongside the journals targeted to marketing management, there is growing number of managerial and business books of customer experience (for example Pine & Gilmore 2011, Vesterinen 2014, Löytänä & Korhonen 2014, Löytänä & Kortesuo 2011). All in all, the research of customer experience seems to be in its infancy compared to resembling concepts such as service quality and loyalty (Johnston & Kong 2011, 6). The research of customer experience is important to the marketing field as well: according to Ismael et al. (2011, 205), customer experience is evolving to be an imperative research target in the field of marketing.

Previous studies regarding customer experience have been somewhat theoretical (Gentile et al. 2007, 395; Klaus 2010, 26). Most of the journals are lacking conceptual models, and the researches are mainly exploratory, and a combination of previous similar kind of descriptive researches. According to Verhoef et al. (2009, 32) there is an underlined need for a theory-based conceptual framework that could be applied in studies of customer experience construct and management. In the article written by Gentile et al. (2007, 397), there were similar

kinds of issues pointed out. The scholars shed light on the problematic issues related to this phenomenon: there is a lack of common terminology and mindset related to models of customer experience, as well as interpretation and conceptualization of customer experience concept (Gentile et al. 2007, 397; Ismail et al. 2011, 205; Shaw & Ivens 2002, 150). This claim can be easily be agreed with, as it seems that every scholar that has researched customer experience, has made own definitions, constructions and models of customer experience. All in all no dominant theory neither pioneers of customer experience does not exist yet: here are differing perspectives and ideas what is customer experience and how it is formed, to set some examples.

Customer experience is context-based individual experience, which can be seen as a certain obstacle for management: there is not a clear, “one truth” kind of answer for defining the customer experience. There are no clear step-by-step guidelines for successful management, measuring, or improvement. A customer-centric culture and the best practices cannot be directly being copied from business to another (Löytänä & Korhonen 2014, 174). Every company has to discover the most suitable methods to its business by itself. Customer’s individual experiences are somewhat difficult to research. Emotions, surroundings and others alike may strongly have impact on the experience; for example if customer is tired and hungry, one is more likely to be impatient when waiting customer server to answer his or her call when compared to a situation where there is nothing urgent bothering (Puccinelli et al. 2009, 16; Fisher & Vainio 2014, 167). In the situations where negative feelings exist, the importance of good customer experience has to be underlined. Tools for understanding and improving customer experience are needed (for example Gentile et al. 2007, 395). Measuring customer experience is a way to understand the issue better, as managers may have very different understanding of the status of the provided customer experiences as customers have. A great example of the difference that may lie between companies and customers was pointed out by Johnson and Kong (2011, 6) where they presented a result received from a study of Bain & Co. 362 companies were participating to the study, and 80 % of the senior executives interviewed claimed that their company provide excellent customer experience. 8

% of their customers agreed, mirroring the distinction between the assumptions and reality (Johnson & Kong 2011, 6).

The individual perspective may be a reason why there is the lack of conceptual models, and why many studies are concentrating on a single relationship. For example, Lemke et al. (2011, 850) and Walter et al. (2010, 237) are investigating events of singular customer relationships and to the quality of those relationships, instead of aiming to formulate a holistic understanding. It seems, that the individuality has attracted scholars a lot, as it seem to be a key for understanding the challenging concept with more depth.

Behavioral sciences also underline the individual perspective of customer experience (Voss et al. 2009, 249). If understanding the drivers behind human choices, and the relationships between the drivers customer experiences can be understood (Spiess et al. 2014, 6). By other words if understanding what effectors do have an impact on customer experience, the phenomenon of customer experience can be understood better. The scholars bring up a view of Metters et al. (2003), "Behavioral theorists view experience from the perceiver's point of view as involving elements of pleasure or pain or some neutral feelings where no explicit emotions are surfaced." (Voss et al. 2009, 249)

Fisher and Vainio (2014, 165) agree with this view: customer experience is followed by either positive or negative emotion energy. Whether the emotion is negative or positive it is dependent on an individual (Palmer 2010, 199). These notifications sum up well the challenge of understanding the complex issue. In general, the role of emotions has been pointed by numerous articles concerning customer experience (for example Berry et al. 2002, 86; Verhoef et al. 2009, 32).

In addition to the examination of the relationships existing between an individual and company, many researches have concentrated on a certain, strictly limited field of business when examining customer experience (for example Kim & Kim 2007, Nasution & Movando 2008; Rose et al. 2010; Garg et al. 2014; Sun & Lau 2007), or alternatively specific elements of customer-company journey. For

example, Verhoef et al. (2009) go through separate literature considering brand- and service experience, and the experience of in-store environment. Grewal et al. (2009) were discussing customer experience under the following headings: promotion, price, merchandise, supply chain and location. In other words, general studies regarding customer experience with conceptual models are missing. Though, there is also exception for the rule: to set an example Verhoef et al. (2009, 31-41) have managed to create a conceptual model regarding general customer experience. Even though the study is quite commonly retrieved in other studies of customer experience, it does not seem to have achieved the status of dominant, generally agreed main theory of customer experience yet.

Customer experience is strongly linked to the concept of customer satisfaction (for example Meyer & Schwager 2007, 2). Even though the concepts are typically used as synonyms in daily language and even in literature, the concepts are not the same: customer satisfaction can be seen as a formulation of many customer experiences (Meyer & Schwager 2007, 2; Palmer 2010, 199). Customer satisfaction is a consequence of customer's previous and present encounters and experiences with the product or brand (Frow & Payne 2007, 92). Grewal et al. (2009, 1) think that positive customer experience is followed by customer satisfaction, which is possible to result in more frequent shopping. In longer run higher wallet shares and profits are a probable consequence of customer experience (Grewal et al. 2009, 1). Some scholars are strongly linking customer experience with other related concepts, such as customer experience quality (Lemke et al. 2009, 846-869). That brings its own challenge to dig literature of customer experience: it is somewhat difficult to make a clear line, which studies are concerning "pure" customer experience and which are more related to other customer experience –linked concepts.

In general, the scholars agree that customer experience is formulated in single encounters with a firm: after every encounter there is an experience followed. In order to understand the formulation of customer experience better, there are many theories regarding the ascendants of customer experience are presented in the table 2. According to the definitions of Verhoef et al. (2009, 32), the experience is

formulation of cognitive, affective, emotional, social and physical responses experienced by a customer. These factors are formulated by the factors that are under the control of management, as well as issues that are out of the control (Verhoef et al. 2009, 32). Löytänä and Korteso (2011, 43-49) are also concentrating similar type of factors affecting to customer experience. They view the issue from psychological perspective, in which they see that there are four different factors having an impact on customer experience. Matters that support customer's self-image, things that surprise and create experiences, stays in mind of a customer, and most importantly: makes them want more. Gentile et al. (2007, 397-398) underline the multidimensionality of customer experience, and they base their analysis in modularity of mind, a concept from the field of psychology. The scholars see, that customer experience is formulated by sensorial-, emotional-, cognitive-, pragmatic-, lifestyle- and relational component (Gentile et al. 2007, 398). The different perspective of the ascendants of customer experience is presented in the chapter 2.6.

1.2. Research Questions

Like many other companies in these days, the case company of this study is very customer oriented, and it aims to create excellent customer experiences. The current challenge is that how and where the measuring should be done in order to understand the customers as well as possible and to improve customer's activities. In this study, the aim is to understand, how customer experience management, and it's highly significant factor, customer experience measurement, can be done better. These questions are going to be researched via sub questions, in order to understand the complex issue as broad-based as possible. The main research question is following:

"How to improve the customer experience management and its measurement?"

With the sub-questions, the main research question will be answered:

"How is customer experience measured?"

“How could the measurement be improved?”

“How is customer experience managed?”

“How could the customer experience management be improved?”

Customer experiences occur in different touch points, which happen between a company and a customer (for example Löytänä & Korkiakoski 2014, 136-137). There are numerous touch points existing during the customer lifecycle (Meyer & Schwager 2007). Ordering a service or a product, making a call to a customer service or surfing on a company’s webpage are some examples of possible touch points, that can happen between a customer and a company. Nowadays an increasing number of companies are measuring customer experience in these touch points, as the need for understanding customer experience has increased notably (for example Gentile et al. 2007, 395). When understanding customers, companies can achieve competitive advantage (for example Gentile et al. 2007, 395). It applies in the case of this study’s case company. Measuring of customer experience is done in various touch points. The measuring methods do slightly differ, and there is no clear method to collect the data from different touch points. Because of this, it is difficult to form a clear and consistent picture of customer experience of a case company’s customers. One department typically concentrate on, and has knowledge only, on the customer experience related to it’s own department. This knowledge may be passed on to the managerial level, but because of all these challenges it may not happen in real time. From the perspective of a whole company this does mean, that the management may do not know, how well the company is actually doing from the perspective of a company. It may be, that company is doing exceptionally well in certain touch points, but failing in some other touch points.

1.3. Research design

This study is a qualitative case study. In the interview part, theme interviews for the chosen representatives of the case company are done. The idea is to form an understanding, how customer experience is understood inside the company, what

are the touch points between the case company and its customers, how customer experience is managed and measured, and why the measuring methods are chosen. In order to understand the current measuring with more depth, some of the currently used measuring methods are presented. The presented questionnaires are used in daily interactions between the company and customers. In order to form realistic understanding, the data of every chosen touch point is gathered during the same time period.

The research questions are going to be answered through interviews and by going through the current measurement methods in empirical part of the study. The interviews are conducted inside the company in May 2015, with questions considering customer experience, customer experience management and measurement. On the basis of the interviews, some currently used measuring methods in the company are presented and analyzed. On the basis of the research, recommendations and conclusions are made for the case company.

In the theory part, the background, related theories, and different concepts and theories regarding the customer experience management are presented. That is followed by presenting the research methodology, and the results of the interviews conducted. This study is focusing on to help the case company to understand, how customer experience management is seen inside the company, and how the current measuring actually is done. After the empirical part, recommendations regarding the measurement methods in the future will be given. c

1.4. Key concepts and delimitations

Customer experience

There are numerous definitions for the concept of customer experience. The most commonly used definitions are presented in the next chapter, where is also the table 1 collecting the commonly used definitions presented. All in all there is not a pervasive customer experience definition existing that would cover all the different perspectives. For customer experience, the interaction between two parties is vital, and the experience is a consequence of this interaction experienced by a

customer (Fischer 2014, 183). Customer experience can be described to be an occurrence including emotion and experience. When customer experience has been successful, it is likely to be followed by customer satisfaction. In longer timeframe this can lead to brand loyalty, customer retention, market growth and overall higher profits (Garg et al. 2010, 79). Customer experience is uniquely personal and changeable with the moment, product or service (Mascarenhas et al. 2006, 399). Even a same person may experience a different quality and level of experience at a different time (Mascarenhas et al. 2006, 399). Customer experience is a real-time concept: it can not be saved and put into storage for later (Fisher & Vainio 2014, 166).

Like in many other studies regarding customer experience, in this study the definition presented by Gentile et al. (2007, 397) is used for defining customer experience:

“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 experience is strictly personal and implies the customer’s involvement at different levels (rational, emotional, sensorial physical and spiritual). Its evaluation depends on the comparison between a customer’s expectations and the stimuli coming from the interaction with the company and its offering in correspondence of the different moments of contact or touch-points. ”

However, the first sentence retrieving to a set of interactions requires some specifications in order to give the same understanding to the reader of this thesis as the writer has: typically, there are numerous different kinds of touch points happening between a company and a customer. The history of touch points affect on customer’s experience on some level, depending to the importance of the previous experience. To set an example of impact of previous negative experience an employee may have forgot to give a receipt for a customer, which can be seen a somewhat tiny mistake. Instead, if customer has booked a table from a very popular restaurant a month before and comes to the restaurant to hear that there has been made a mistake, and there is no free table available, the experience can

be extremely negative. The future experiences may be affected on these previous experiences, depending on the level of experience as well as it's importance to a customer. Though, in this study the customer experience is seen as consequence of the newest interaction, and it may be just slightly affected on previous experiences.

Customer experience is linked to many resembling concepts, such as Customer Loyalty, Customer Experience Quality, Service Quality and Customer Commitment. In this study this is well understood, but those concepts and studies are left out because this study is limited.

Customer experience management (CEM)

“Represents a business strategy designed to manage the customer experience” (Grewal et al. 2009, 1). On to contrary, Schmitt (2003, 17) is regarding CEM more as a process, where the customer's entire experience with a product or a company is managed strategically. According Löytänä and Korteso (2011, 116) CEM is a key for achieving the leadership in the markets and to become a pioneer. In this study CEM is defined as management's strategy to manage customer experience, which is also a process that has to be adopted on the basis of events in the business field. In order to achieve a long-term success in today's competitive market, CEM is required.

Touch points

Many scholars see the encounters between a company and a customer as touch points, all of which forms some kind of an experience (Lemke et al. 2011, 846; Gentile et al. 2007, 395). These touch points should be managed in a similar way, in order to create coherent, as well as successful customer experience. This understanding is applied on this study as well. According to Löytänä & Korhikoski (2014, 16) management, strategy, customer encounters, company culture and even marketing metrics need to be carried out in a way that supports the creation of desired customer experience. In addition, in the article of Gentile et al. (2007, 395, 397) the importance of right environment and “setting” are highly important in order to achieve as good customer experience as possible. There is a strong

relationship existing between the quality of the interaction occurring in a touch point and experiencing the meaning (Fisher & Vainio 2014, 167).

Even though touch point is commonly used term in the literature of customer experience, Berry et al. (2002, 85) are referring to the same issue with a term 'customer clues'. They also encourage to companies to identify the clues it is sending to its customers, and manage those with a similar method. They define the cues in a quite comprehensive way, as they see that "Anything that can be perceived or sensed [by a customer] — or recognized by its absence — is an experience clue" (Berry et al. 2002, 86). Klaus and Maklan are also discussing about the clues, instead of touch points (2013a, 1). According to their view "customer experience is generated through a longer process of company-customer interaction across multiple channels and it is generated through both functional and emotional clues." (Klaus & Maklan 2013, 227) This perspective is not used in this study.

1.5 Limitations

This study is done in a B2C context, which means that B2B perspective is not considered. As pointed out, customer experience is very context and individual related concept, which causes that the results of this study are most probably applicable only to the case company and it's customers. Applications to another fields of business can be done with a careful consideration.

There are numerous touch points existing, between the company and it customers. The measuring is done only in limited touch points in the case company. From these currently used measured touch points, only some are chosen because of the limited nature of this study. This mean that some measuring methods are left out.

The studies regarding the sources of customer experience value are left out. For example, Löytänä and Korteso (2011, 55) divide the sources into two groups: utilitarian and hedonic value. Hedonic value sources are things as brand image

and feeling of security: things that customer experiences in his or her mind (Löytänä & Korteso 2011, 55). Utilitarian sources are based on actual things, which can be measured. (Löytänä & Korteso 2011, 55)

Employees have somewhat strong role in studies regarding customer experiences. Though, the role of employees as a research target in the formulation of customer experience is left out, because of the limited nature of this study. In addition, experimental marketing is commonly mentioned when discussed customer experience. Though, in this study experimental marketing as a phenomenon is left out, because this study is limited by its nature. Moreover, a role of brand in customer experience is not discussed in this study, even though brand is typically linked to customer experience (for example Mascarenhas et al. 2006). This is because the study is concentrated on the certain unit of a company, where brand is not managed.

In some studies, the term of customer experience is retrieved with resembling concepts. In order to apply results and findings of those studies to this paper, the used concepts are chosen to be discussed as a customer experience in this study. A concept of consumer satisfaction is discussed as customer experience, as it retrieving to the same issue (for example Baron et al. 2010). The same applies what it comes to a concept of consumption experience, presented by Gilmore and Pine in 1999 and 2011. The concept of Total Customer Experience (TCE) is also discussed as customer experience (Mascarenhas et al. 2006).

2. CUSTOMER EXPERIENCE MANAGEMENT

In this chapter Customer Experience Management is discussed. The concept will be approached step by step. First the background of the concept is presented, followed by a short discussion about Relationship Marketing. Then the phenomenon of Service Dominant Logic and Value Creation, are went through. After the vast understanding is formed, Customer Experience is discussed from different perspective, in order to create a comprehensive understanding of this multifaceted concept. Third the different definitions and previous studies of customer experience are presented. Finally the management perspective is presented, including the presentation of different measurement methods of customer experience. The construction of the theory chapter is presented in a picture 1.

2.1. The Background of Customer Experience concept

The prevailing model of exchange in marketing literature is adopted from the literature of economics, where the concentration has been on the exchange of concrete, tangible goods. During 1950s the idea of customer-centered business came up, but the competitive advantage was based on tangible product qualities. In 1970s, services became a source of competitive advantage and in 1980s they became a generic source of competitive advantage. Companies started to focus more on their customers and on their needs. Relationship marketing and quality management became popular schools and research topics. In 21th century the role of intangible elements increased even more notably, as well as the importance of relationships and value co-creation were also taken into account to the perception of exchange. (Vargo & Lusch 2004, 1-3; Palmer 2010, 197)

Similar to the exchange perspective, the classical economic theory regards customer as a rational decision maker (for example Gentile et al. 2007, 396). The role of emotions and other irrational factors was not taken under consideration. In addition, previously retailing and service management have not examined customer experience as a separate construct in marketing literature (Verhoef et al. 2009, 32). The focus has been on measuring of service quality and customer

satisfaction, and the concept of customer experience has not been thoroughly analyzed (for example Parasuraman 1988, 12-40; Verhoef et al. 2007, 129-148).

The concept of customer experience started to come up in the year 1982, when Holbrook and Hirschman wrote the article "The experiential aspects of consumption: Consumer fantasies, feelings and fun". After this, as the studies considering customers decision-making processes increased, the irrational and emotional side of customers' decision making started to arouse interest and became a popular source of investigation (Gentile et al. 2007, 396; Petermans et al. 2009, 2259; Slovic 1972; 1987). Irrational and emotional factors are related to experiences of customers, which in turn affect their purchase decision (Gentile et al. 2007, 396).

The incremental change has happened, as the focus of marketing practitioners and researchers has changed from creation of product brands to "building customer relationships through service marketing", to creation of compelling customer experiences (Klaus & Maklan 2011, 771). Customer experience is more typically examined and discussed as a concept related to services, rather than products (for example Vargo & Lusch 2004, Ismail et al. 2011). This is natural, since customer experience is not an unambiguous concept. Many studies regarding customer experience combine customer experience quality with the concept of service quality in a way or another (Lemke et al. 2009, 846-869; Frow & Payne 2008, 89-101; Palmer 2010, 196-208). Customer experience is not equal to the concept of service quality, even though there are similarities existing (Klaus & Maklan 2011; 2012; 2013).

2.2. Relationship Marketing

Customer experience not a transaction related concept, such as customer relationship is (Gentile et al. 2007, 396). In transactional marketing the marketing process is completed after the sales have occurred (Brink & Berndt 2008, 7). The school does not focus on the emotions and other concepts alike, which are an important part of customer experience (Brink & Berndt 2008, 7). Transaction marketing can be seen to be almost an opposite to customer experience concept

(Brink & Berndt 2008, 7). Though, relationship marketing is still linked to transactional marketing principles: basic focus of customer needs applies in both, but the understanding of marketing differs (Brink & Berndt 2008, 7).

The focus of customer experience is on the long-term interaction between a company and a customer. It can easily be deduced that customer experience is linked to relationship marketing (for example Baron et al. 2010; Gentile et al. 2007, 396). Both have similar goals: to create long-time, deep relationships with customers (Kotler & Keller 2012, 42; Frow & Payne 2007, 98). The concentration of relationship marketing is on retention and developing the relationships in long-term, in order to achieve loyalty, which is seen more important than customer acquisition, or single transactions (Brink & Berndt 2008, 7, 41). According to the definition of Kotler and Keller, "Relationship marketing aims to build mutually satisfying long-term relationships with key constituents in order to earn and retain their business." (2012, G7) Brink and Berndt (2008, 7) define relationship marketing accordingly: "Relationship marketing means attracting, maintaining and enhancing customer relationships." There are four different parties related to relationship marketing: employees, customers, marketing partners and members of financial community (Kotler & Keller 2012, 42). Brink and Berndt (2008, 9) have resembling understanding. They see, that relationship marketing is "the on-going process of identifying and creating new value with individual customers and then sharing the benefits from this over a lifetime of association. " In such process he collaboration among chosen customers and supplier is vital for value creation (Brink & Berndt 2008, 9).

More similarities can be found between relationship marketing and customer experience theories: in both concepts the concentration is on individual customer, not the segments or the whole customer base (for example Brink & Berndt 2008, 9; Gentile et al. 2007, 395). Moreover, both theories are underling the importance of excellent customer service in encounters (for example Brink & Berndt 2008, 22; Gentile et al. 395; Vehoef et al. 2009, 31). Both theories also underline the factors existing under the main concept has to be in line, in order to achieve success (for example Frow & Payne 2007, 99; Kotler & Keller 2012, 42). This means that

customer experience should be aimed to be quite similar in telemarketing or face-to-face sales. All in all, the list of similarities seems to be endless. As this study is concentrated on customer experience, not the relationship between concept customer experience and relationship marketing, the more-depth analysis is left on future studies.

2.3. Service Dominant Logic and Value Creation

Customer experience is a consequence of an encounter occurred between a company and a customer. The common aim of both parties in these touch points is to be better off than before the encounter. In these touch points customer is thinking, feeling and doing something related to a product or a service of a company, either doing something negative or positive (Payne et al. 2008, 87; Fisher & Vainio 2014, 167). If the experience is positive, it is likely to lead to positive value creation (LaSelle & Britton 2003, 30). Moreover, good customer experience is a chance to lead customer engagement as well (Johnston & Kong 2011, 6). On the other hand, company supports the co-creation process by reviewing co-creation opportunities, executing customer solutions and managing customer touch points, and measuring results with appropriate metrics systems. These perspectives are integral part of value co-creation process (Payne et al. 2008, 87-88; Voss et al. 2009, 2481). According Löytänä and Kortesuso (2011, 61-63), company can increase the value experienced by customer in two different ways: advancing and enabling. Advancing means that company adds something to the basic offering, such as 24/7 customer service instead serving just during basic work hours (Löytänä & Kortesuso 2011, 62-63). Enabling creates value indirectly: to set an example customer can use company's webpage easily with his or her smartphone (Löytänä & Kortesuso 2011, 62-63). Advancing and enabling are factors with which company can go beyond customer expectations (Löytänä & Kortesuso 2011, 62).

Customer experience, value creation and service dominant logic are linked to each other. In service dominant logic, the main idea is that customer is an active participant of exchange and co-production of value (Vargo & Lusch 2004, 7; Payne

et al. 2007, 83; Frow & Payne 2007, 98). In these days the co-production can be seen in the situation where customers can be active participant of co-creation of value as they can actively participate in each stage of developing of product design and product delivery (Payne et al. 2007, 84). These exchange and value production situations can be regarded as touch points, and as pointed out, touch points are followed by experiences.

Moreover, the concepts of customer experience, value creation and service dominant logic are underlining the value-in-use –idea: the actual value is created when customer is consuming a product or service, in the consumption is experience itself, companies can only make value propositions (for example Vargo & Lusch 2004, 11; Gentile et al. 2007, 396). It is not enough that a product or service is only produced; it does not fulfill the criteria of co-creation process (Payne et al. 2008, 83; Fisher & Vainio 2014, 166-167). Gentile et al. (2007, 396) are also underlining the value co-creation and the role of a customer in their study: on the basis of their perspective, company is not selling memorable experiences anymore. Instead, companies are creating a framework with artefacts and a context for customers, that conducive the experience. Customers can take advantage of these factors when they “co-create their own, unique, experiences” (Gentile et al. 2007, 396; Caru & Cova 2003, 267-286). Vargo and Lusch (2008, 257) think that customer value creation is becoming more experience-driven, co-created with customers and context dependent. However at the moment little is known about how does customer engage in co-creation of value (Payne et al. 2008, 83).

All in all it seems that all the researchers, who have conducted a research of customer experience, think that it is very important that companies understand customer experience, in order to achieve, retain or create competitive advantage and to create value. The importance of customer experience varies between different studies to some extent. Löytänä and Korteso (2011, 13) claim that company’s profit is directly proportional to the value created to the customers of a company. A view of Mascarenhas et al. (2006, 400) goes in line with the presented

perspectives: "When marketers offer products and services that consistently have strong physical attributes-based satisfaction, provide high emotional experience, and high perceived value summing to a high TCE [total customer experience], they will automatically generate high and lasting customer loyalty." The perspective is quite straightforward, but it depicts the idea of the importance of customer experience rather clearly. In addition, the pioneers of experience marketing, Pine and Gilmore(2011, 3-4), have claimed that a distinctive customer experience can be a source for notable economic value for the companies who put effort on that.

Fisher & Vainio (2014, 11) are underlining the role of employees in the value creation process: according to their perspective the work community experience is the roots for service experience. Fisher has proved in her doctoral thesis, that when individual employees do explore enjoyment in his or hers work, he or she is feeling good and convey positive energy to one another as well as to customers (Fisher & Vainio, 11). The most efficient way to help employees to understand customer needs is to tell customer stories (Shaw et al. 2010, 184). As mentioned in limitations chapter, the role of employees is left out on this study.

2.4. Definitions of Customer Experience

There are numerous ways to understand and define customer experience (Kim & Kim 2007, 47). The most relevant definitions from the perspective of this study are presented in a table 1. As there are numerous definitions and perspectives related to customer experience, many similarities and differences exist. From the table 1, it is easy to realize the novelty of the concept of customer experience: most of the definitions are clearly from 21th century. Moreover, it can be seen that most of the definitions are from the last decade.

Customer experience is typically seen as a complex, multifaceted construct (for example Verhoef et al. 2009, 32; Gentile et al. 2007). In addition, customer experience is holistic by nature (Verhoef et al. 2009, 32; Lemke et al. 2011, 846, Grewal et al. 2009, 1; Voss et al. 2008, 249). Every scholars' definitions presented in the table point out the fact that customer experience cannot be created

individually, only by a customer or by company. Some scholars are using the concepts of direct encounter, interaction, touch point or contact to refer this issue. In practice these situations can be for example when customer calls for a customer service, send to an email to a company or makes a contract. Even though these words are not mentioned in every definition (Berry et al. 2002; Fisher & Vainio 2014), it can be interpreted that the assumption of some kind of interaction exists behind the actual definition. Even though company can affect on a customer experience happened in these encounters, it cannot control them thoroughly. According to Löytänä and Korteso (2011, 11) company can affect on what kind of customer experiences it does create. This view can be easily being agreed with, as company is another party in customer experience process. A little bit differing understanding of a role of a company is presented by Gentile et al. (2007, 395). The scholars think that company is creating a framework for customer experience, and the customer is the final creator of the experience.

Meyer and Schwager (2007), Lemke et al. (2011) and Klaus & Maklan (2013) include the concept of indirect encounters to their definitions of customer experience. These indirect encounters mean unplanned, random touch points that happen between customer and company. To give some examples, indirect encounters may be a result from news seen regarding the company, recommendations or criticism given by customer's friends or advertisements seen. These indirect encounters are important and challenging from a company's point of view, as these cannot be directly controlled. Though, these may be somewhat important in the formulation of customer experience. From these issues it can be deducted that as company can not control every customer experience, it should aim at creating a superior customer experience platform. Moreover, a need for customer experience management has arisen: company's actions should be carried out accordingly. (Meyer & Schwager 2007; Lemke et al. 2011; Klaus & Maklan 2013).

Customer experience should not be defined to be seen as a separate construct from company's other actions: according to Verhoef et al. (2009, 32) customer experience is formulated during search, purchase, consumption, and the phases

related to after-sale activities. Meyer and Schwager (2007, 117) have similar idea behind their understanding of customer experience: they see that customer experience is also included to factors such as organization and its facilities, service process, and interaction with other employees as well as with other customers. This holistic understanding of customer experience can be seen to be linked to indirect encounters; both perspectives are viewing customer experience as a more comprehensive, and multifaceted way. In order to understand these issue better from company perspective, the discussion of customer experience management is needed. The chapter 2.6 is discussing about customer experience management with more in-depth.

Even though there are two parties needed, the final customer experience is occurring in customer's mind. Customer's subjective expectations affect on customer experience (Fisher & Vainio 2014, 9). All presented scholars are discussing the role of cognitive or emotional elements in customer experience, except Grewal et al. (2009). Individuality, emotions and uniqueness are integral part of customer experience. One may regard a similar kind of interaction situation superior, whereas another may think it is under one's expectations.

The most interesting difference between the understanding of the concept is that some scholars regard customer experience are a result of a single encounter (Voss et al. 2008; Meyer & Schwager 2007; Voss et al. 2009; Fisher & Vainio 2014) whereas other scholars underline that customer experience is a result from all encounters occurred between company and a customer. Like stated in the chapter 1.4, in this study the understanding is that customer experience is a consequence of a single encounter. As there are almost always some previous experiences existing, these may affect to the current experience to some extent. Another interesting difference is that Gentile et al. (2007) are the only ones discussing about value creation in their definitions. This is quite surprising, as customer experience is very clearly part of the value creation. However, it could be that other scholars see that the connection to value creation is that clear, that it is not important to mention in a short definition.

No the definitions, neither the studies behind the definitions, unequivocally take any stance on the actual, concrete time frame of customer experience: how long does customer experience is actually seen to endure. This finding was quite surprising: customer satisfaction is seen to be a consequence from a longer time perspective, whereas customer experience is a result from a shorter time. In this study the customer experience is seen to be a consequence from every touch point between a company and a customer. Some touch points are more important than to the other ones, and the importance does vary between different touch points.

2.5. Previous Studies of Customer Experience

Even though there is a lack of conceptual models, some scholars have managed to create such models. For example, Lemke et al. (2011, 846-869) have created a conceptual model of customer experience quality. The scholars found out, that value-in-use is mediating between experience quality and relationship outcome. They confirmed the role of other customers in co-creation experience alongside other factors. What is more, they found out that there is new factor affecting on customer experience: network quality (Lemke et al. 2011, 859). Such a factor did not come across in other studies when conducting the literature research.

Klaus and Maklan (2012, 5-33) have created "Customer Experience Quality (EXQ) scale, which was developed further by the same researchers (Klaus Maklan 2013, 227-246), when the model was made to be more generalizable and to be more predictive in customer satisfaction as well. Gentile et al. (2007, 395-410) have conducted an empirical investigation considering the different experimental features in the success achieved by some well-known brands and products. The scholars found out, that successful products involve customer's senses, acts, values, emotions and thoughts (Gentile et al. 2007, 404). Every successful product leverages at least one of these components (Gentile et al. 2007, 404). The study proved that customers want to live positive consumption experiences, which support the creation of emotional tie between a company and a customer, which in turn support customer loyalty (Gentile et al. 2007, 404). The scholars were

underlining the adequate balance between utilitarian and hedonic value (Gentile et al. 2007, 404).

Grewal et al. (2009, 1-14) created an organizing framework that describes the contributions of seven different factors that affect on customer experience. The framework was built on the basis on the previous studies done on the field, by presenting the most important findings and key aspects (Grewal et al. 2009, 1-14). The effecting factors are presented in table 2.

Frow and Payne were examining how company can create a "perfect" or outstanding customer experience with a reasonable cost with two case firms (2007, 89-101). On the basis of their study, scholars suggest that companies should concentrate on following issues in order to create such an experience. As the list is quite long, only few examples will be listed: "recognize the problem and the opportunity for improvement", "identify opportunities for co-creation", "utilize mapping tools to improve customer experience", "carefully manage customer touchpoints", and "introduce appropriate metrics for measurement of customer experience" (Frow & Payne 2008, 98-99).

The outcomes of customer experience are not in major focus in the research considering customer experience. The interest is concentrated more on the concept itself and to the phenomenon of customer experience. The lack of studies regarding the results of customer experience may be because the concept itself is somewhat unclear and the prevailing theory does not exist. When these are defined, it is wiser to start to concentrate related concepts and phenomenon with more depth. In order to understand the field of customer experience research better, some results are presented below though.

Gentile et al. (2007, 404) found out, that in order to achieve success, it is important to understand new, arising tendencies in customers' behaviour interpretation. According to their empirical studies, experimental features are linked to the value proposed to customers (Gentile et al. 2007, 404). On the basis of the results of their study, they recommend companies to understand the different feelings their

Table 1. Different definitions of customer experience

Authors	Year	Definition
Addis and Holbrook Used by Gentile et al.	2001 2007	“Customer Experience originates from a set of interactions between a customer and a product, a company or a part of its organization and the value that the consumer and the company gain is created through that set of interactions.”
Berry et al.	2002	“Anything that can be perceived or sensed – or recognized by its absence – is an experience clue.” The clues form a customer experience.
LaSalle & Britton	2003	“A Consumer experience is an interaction of series of interactions between a customer and a product, a company, or its representative that lead to reaction”.
Meyer & Schwager	2007	“Customer experience is the internal and subjective response customers have to any direct or indirect contact with a company.”
Frow and Payne	2007	“Customer experience has been defined as the user’s interpretation of his or her total interaction with the brand.”
Voss et al.	2008	“Any contact or ‘moment of truth’ is a customer experience.”
Grewal et al.	2009	“Customer experience includes every touch point of contact at which the customer interacts with business, product or service.”
Verhoef et al.	2009	Agree to the definition of Meyer and Schwager and Gentile et al. they add: “the customer experience is holistic by nature and involves the customer’s cognitive, affective, emotional, social and physical responses to the retailer.”
Lemke et al.	2011	Customer experience is conceptualized as the customer’s subjective response to the holistic direct and indirect encounter with the firm.
Klaus and Maklan	2013	“The customer’s cognitive and affective assessment of all direct and indirect encounters with the firm relating to their purchasing behavior”
Fisher and Vainio	2014	Customer experience is certain emotion or experience, that makes customer to come back and to tell others to his or hers experience.

products and services arouse, in order to exploit the positive effects of feelings. Grewal et al. (2009, 1-14) were also underlying the importance of understanding customer experience. In the future, according to their view, it is more important to keep customers, than make sales (Grewal et al. 2009, 9). Competition is becoming more and more rougher, leading to the situation where understanding of a customer is increasingly important. To conclude, company should understand the factors affecting to customer experience.

Lemke et al. (2011, 846-869) found out that value-in-use is mediating between experience quality and relationship outcomes. According to Grewal et al. (2009) the outcomes of positive customer experience are things such as worth-of-mouth, retention and gross buying. Verhoef et al. (2009, 31-41) recognized that the past customer experiences, service interfaces, store surroundings and store brands affect on customers' future experiences. In addition, the scholars understood the importance of understanding different experiences in different channels, and that the experiences evolve as time passes. All in all these results just underline the need to measure customer experience, as it is a key to understand the customer experience.

2.6. The Formulation of Customer Experience

In order to maximize the income of positive customer experiences, company should understand the construction of customer experience as well as possible (Klaus & Maklan 2013, 232). Customer experience is formulated in every encounter with a firm. As every encounter has it's own characteristics, customer experience can develop positively or negatively throughout the journey (Lemke et al. 2011, 846; Grewal et al. 2009, 1). Company should identify the encounters, and monitor those thoroughly in order to meet and go beyond customer needs (Gentile et al. 2007, 395; Grewal et al. 2009, 1). As already mentioned, in this study the encounters are called touch points. After the touch points have been identified, those should be monitored thoroughly, in order to understand, what exactly happens when customer encounters a company. On the basis of the information,

the touch points can be developed to form better experiences. In the literature of customer experience management, there seem to be many different ways for model the touch points between a customer and a company.

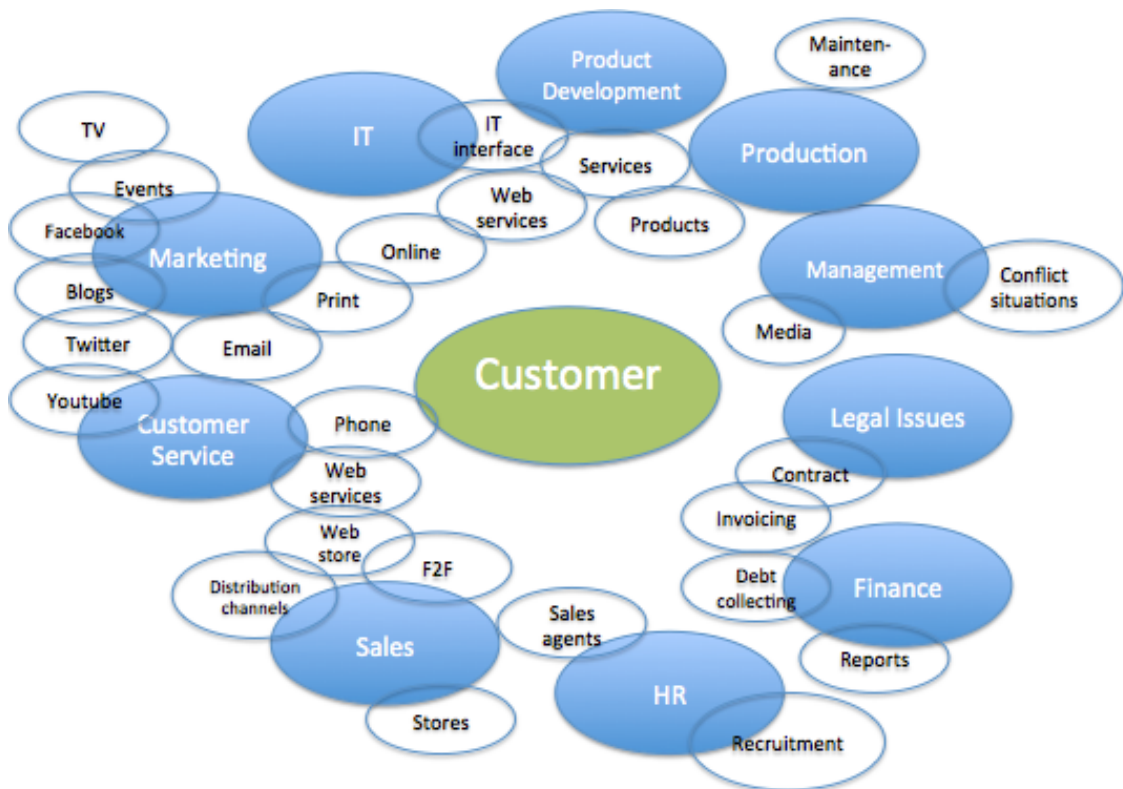
A one modeling example is presented in a picture 2 (Löytänä & Korteso 2011, 75). There are different touch points presented, that are quite typical to almost every company. Naturally, there are differences between companies as well as industries, but it still depicts the typical touch point field somewhat well. This mapping way is stable, and pervasive as it clearly aims to depict all the possible touch points with an all-encompassing way. Another way to scrutinize the different touch points between a company and a customer is to examine the lifecycle of customer. Vesterinen (2014, 53) has created a customer journey map (please see picture 3) that demonstrates the customer's interactions with a company during customer's lifecycle. This model is more dynamic: it is built on the basis of interactions. There are different touch points and customer experience before making the purchase or contract, while actually doing the purchase or contract, while using the product or service and finally in reviewing the contract or purchasing more. These two different models do complement each other, and these both at least should be used in order to understand the complex nature of the touch point field. With these models it is possible to explore and map the touch points.

The idea behind customer journey map (Vesterinen 2014, 53) is supported and taken further by other scholars. For example Frow and Payne (2007, 99) are encouraging to understand different stages of the relationship lifecycle between a customer and a company. This is because customers' needs typically differ during the lifecycle, and the outstanding customer experience may require different kinds of activities for a company. There should be a consistency in company's activities, and case study presented by Frow and Payne (2007, 96-99) proved, that the consistency is a key for turning casual customers to loyal customers. However, the models are very simple and stay on a superficial level. Surprisingly, there were no better, deeper models found. The ones which went in a more depth level, where results from a quantitative and complex researches.

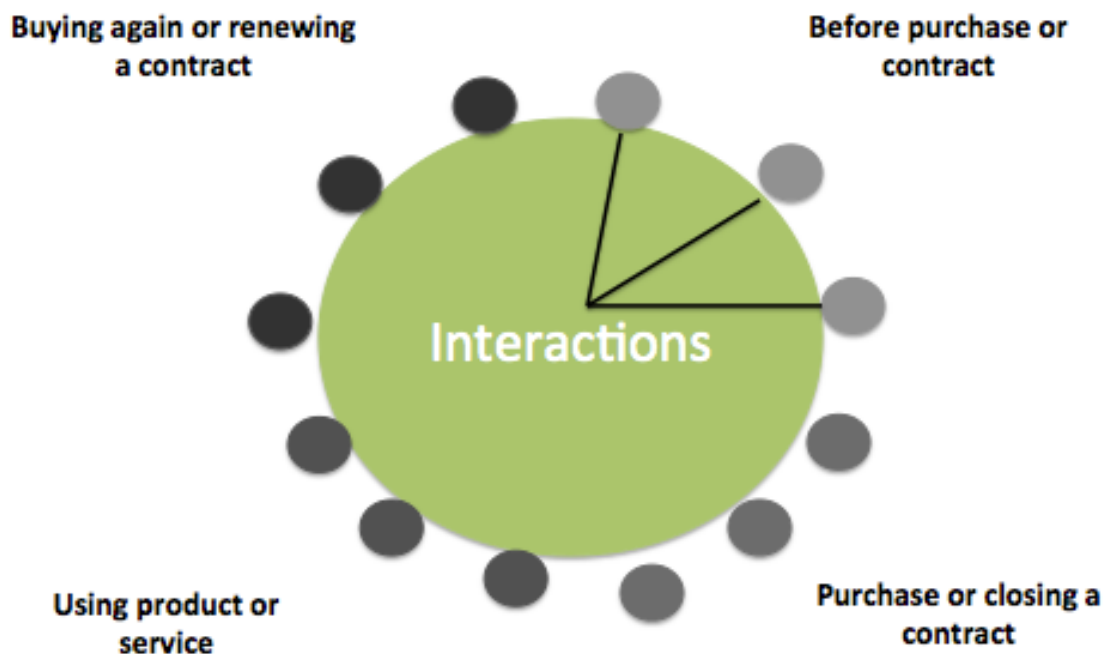
According to Verhoef et al. (2009, 31-41) an experience happened in one channel may affect on the experiences experienced in other channels. This is not surprising result, as it can be easily understood in practise; when customer gets a bad service in customer service situation, she or he is likely to feel unsatisfied to the company. Whether the same customer has a mistake made in the bill coming from the company in the future, the customer is more likely to become very unsatisfied to the company, compared to the situation where customer may have had a pleasant customer service previously. To conclude, the experience should be created in that way that it can be repeated in every channel with a great success (Verhoef et al. 2009, 37). In addition, the possible mistakes should be handled in a way that customer experience is “turned around”: customer becomes satisfied, as company has handled the reclamation well. This is somewhat ideal goal. Even though this perspective is accepted in this study, it has still to be underlined that customer experience still is a consequence of one single encounter. The notion that customer experience can be completely transformed if everything goes well supports this view: in the end the recent customer experience is that what matters. <

As many scholars have recommended, companies should concentrate on the most important touch points at first. It is not sensible to create great customer experience in a secondary touch points, that are not that relevant to the customer, and fail the important touch points.

In the table 2 there are the most commonly used theories of factors affecting on customer experience. According to the perspective of Verhoef et al. (2009, 32), customer experience is formulation of different drivers. Social environment, service interface, retail atmosphere, assortment, price, customer experiences in alternative channels and retail brand are the drivers. On addition to this, there are situation and consumer moderators affecting, which leads to even more complex construct. Consumer moderators are things such as goals, for example task orientation and experientially orientation, and socio-demographic factors are



Picture 1. An example of different touch points between a company and a customer (Löytänä & Korteso 2011, 75)



Picture 2. Customer journey map (Vesterinen 2014, 53)

consumer attitudes, such as price sensitivity (Verhoef et al. 2009, 32-33). Situational moderators can be defined as following: type of store, culture, location, economic climate, season and competitive intensity (Verhoef et al. 2009, 32). In the model, it is underlined that current experience is affected by previous experiences (Verhoef et al. 2009, 32). Company should internalize the holistic picture of determinants of customer experience, when improving or creating the customer experience management strategy (Verhoef et al. 2009, 33-34). In addition, according to the results of their conceptual model, it is important to understand the dynamics of the customer-company exchange in order to success in the area.

Gentile et al. (2007, 395-410) are examining customer experience from the psychological perspective, and relying their theories for various psychological researches. According to their view, customer experience is a formulation of seven different component: sensorial, emotional, cognitive, pragmatic, lifestyle and relational –components (Gentile et al. 2007, 398). When comparing this view to the presented model of Verhoef et al. (2009, 32), these concepts can be seen as a part of “consumer moderators”. According the factor analysis conducted by Gentile et al. (2007, 402), customers do not separate these components from each other; customers perceive every experience as a complex, but coherent feeling.

As explained before, Berry et al. (2002, 86) claim that customer experience is combination of all ‘clues’ sensed and observed by customer. The scholars divide these clues in to two groups: functional and emotional. These groups can be easily be synched to the to the previous theory of Gentile et al. (2007, 397-410). The emotional cues finds counterpart from sensorial and emotional components, as Berry et al. (2002, 86) defined the cue to include both sensorial as well as emotional factors. Functional cues can be combined to pragmatic component of the theory of Gentile et al. (2009, 398). Berry et al. are underling that companies need to orchestrate all the “clues” that people detect in their buying process in order to provide even satisfactory experiences.

As there are common issues existing, when compared to other theories, so there are differences as well. Grewal et al. (2009, 1-14) underline the effects of macro factors and firm controlled factors in customer experience. Macro factors have not achieved that much attention to other studies of customer experiences. In the model of Grewal et al., firm controlled factors are promotion, price, merchandise & brand, supply chain and location. These all affect on customer experience, which in turn affects on marketing and financial metrics. Macro factors are also affecting to firm controlled factors, and marketing and financial metrics are also affecting to firm controlled factors. Similarities can be found; Barnes and Wright (2012, 45) are also underlining circumstances as an effector to customer experience.

2.7. Customer Experience Management

As presented in previous chapters, the competitive field has changed. This requires changes from the management, as companies have to start to manage customers, instead of just managing products and services (Hellman 2003, 74-75). Creation of customer experiences is more about relationships and total offering, instead of just individual product or service (Payne et al. 2008, 86). Customers want to live positive consumption experiences, which should be understood and be taken into account in company's actions (Gentile et al. 2007, 395-410). Creation of positive customer experience means, that company keeps its promises and the general service and product quality is high (Fisher & Vainio 2014, 9). This requires management. Moreover, customer experience management is an important part the success of customer experience (Frow & Payne 2007, 89-101). Keeping and exceeding the promises should be the main aims of CEM (Berry & Carbone 2007, 26; Löytänä & Korhonen 2014, 37). Company should manage customer's expectations, and not to overpromise anything (Vesterinen 2014, 29). By doing so, company is more likely to avoid disappointments and unwanted customer experiences.

Table 2. Different perspectives of the formulation of customer experience

Authors	Year	Number of Dimensions	Dimensions
Holbrook & Hirschman	1982	3	Fun, feelings and fantasies
Pine & Gilmore	1999	4	Education, entertainment, aestheticism and escape
Berry et al.	2002	2	Functional and emotional components
Mascarenhas et al.	2006	2	Physical and emotional
Gentile et al.	2007	5	A sensorial, an emotional, a cognitive, a pragmatic, a lifestyle and a relational components
Verhoef et al.	2009	8	Social environment, service interface, retail atmosphere, assortment, price, customer experiences in alternative channels, retail brand and previous customer experience
Lemke et al.	2011	3	Communication encounter, service encounter and usage encounter
Grewal et al.	2009	2	Firm controlled factors and macro factors

Companies that have achieved success in the field of customer experience, have had a management that is strongly committed to the creation of customer experience, and the management behaves in exemplary way (Löytänä & Korhonen 2014, 51; Vesterinen 2014, 24). Moreover, company's management has succeeded to commit every department of the company to the customer centric logic and operating model (Löytänä & Korhonen 2014, 81; Vesterinen 2014, 24). In such companies, management has shown that investing in customer experience is worth of the investment, and that customer experience is not a campaign like, short-life investment: it is a continuous, long-term investment (Löytänä & Korhonen 2014; Berry & Carbone 2007; Klaus et al. 2013).

Customer experience is a dynamic concept, which means that customer's expectations and customer's surroundings are constantly changing (Verhoef et al. 2009, 38-39). This means for CEM that constant input has to be made in order to sustain and improve customer experience. Like in every part of company's business, such like product development or sales, a key to success is to do

constant thinking, planning, implementing and reviewing (Shaw & Ivens 2002, 149).

As pointed out, numerous studies have shown that the interest of marketing managers lies in the creation of long-lasting, engaged relationships with their customers, instead of just one-time visits or transaction (for example Mascarenhas et al. 2006, Voss et al. 2002). Confrontation can be seen in nature of experience: it is based on typically one visit or another activity, and it is relatively short on its time frame (Voss et al. 2002, 253). To conclude, these commonly short experiences should be as good as possible, in order to achieve long-lasting relationships with customers. In today's competitive environment, management needs to make a lot of effort in order to attract and, most importantly, to engage customers as the battleground of differentiations is changing (Mascarenhas et al. 2006, 397). Strategy for managing customer experiences is vital: strategy allows company to be more than just a fulfiller of current needs (Fisher & Vainio 2014, 144). When the company has a suitable customer management strategy, company can do the most suitable actions for actually understanding customers and go beyond customer's desires and perceptions (Fisher & Vainio 2014, 144).

According to Berry and Carbone (2007, 26) customer experience management is strongly linked to the creation of an emotional tie between a company and a customer. In order to manage customer experience, company should understand what the customer experience actually is (Grewal et al. 2009, 1). In addition, it is also vital to understand, how to create positive, customer centric logic inside the company, in order to achieve competitive advantage (Fischer & Vainio 2014, 7). A way to understand customer experience better is to measure it. Shaw and Ivens (2002, 156) claim that if customer experience cannot be measured, it cannot be managed either. Though, as already pointed out in this study, measuring is more easily said than done: customer experience is a context-based, individual phenomenon, and there is not a clear way to measure that in a straightforward way (for example Shaw & Ivens 2002, 175-176). According to Shaw and Ivens (2002, 172-175) there are two perspectives in measuring: physical and emotional. This perspective is easy to agree with, but what comes to measuring perspectives

in practice is another story. In the next chapter the target is to understand, how customer experience, its management and measurement are seen in the case company and some of the currently used measuring methods are went through.

Berry et al. (2002, 85) have a bit differing idea of prerequisites for CEM compared to Shaw and Ivens (2002, 156). They are underlining the importance of understanding the customer's journey, in order to manage it as well as possible. In their study, journey is referring to the expectations before and after experience. The notion made by Berry et al. (2002, 85) is crucial, as customer experience is likely to vary between the touch points as well as journey (Palmer 2010, 202-203). Based on this, it is easier to manage customer experience. On the contrary, Frow and Payne (2007, 99) highlight the importance of managing every touch point between a company and customer, as it is an important part of the creation of excellent customer experience (2007,98). Every touch point should be managed in a similar way, in order to create a coherent and consistent customer experience (for example Frow & Payne 2007, 99). The inconsistencies should be mapped, and then fixed (Frow & Payne 2007, 98-99). In practise, these management advices mean that as a result of similar management, customer should get similar customer experience from telemarketing, from the actual store of a company or by email. The inconsistencies could be found out from the feedback gathered, for example. Garg et al. (2010, 79-80) are bring up a problem existing in this understanding: there may be hundreds or even thousands touch points existing between a company and a customer, and "product-service mix, target segment, positioning, competition, price, channels of distributions, packaging, frontline employees, marketing, branding strategy and many more" can have an impact. Because of this, Garg et al. (2010, 79-80) are a somewhat skeptic of the management's ability to manage all of these accordingly.

Berry and Carbone (2007) present a bit different perspective to the importance of customer experience management. According to their view, customer experience management is important because there is a connection between customer experience and value creation: customer's experiences are creating the basis for the value creation. However, a company cannot control the emotions or

experiences evoked in customer's mind and instead, company can manage the factors affecting customer experience (Berry & Carbone 2007, 26-32; Shaw & Ivens 2002, 176). It is presented that there is a causal relationship that creates the main reason for customer experience management: company's offering affects to the emotions aroused in customer, which in turn affect on customers experiences, expectations and attitudes (Berry & Carbone 2007, 28-30). This in turn has an impact on their behaviour, which is a factor that companies want to affect (Berry & Carbone 2007, 28-30). Managing the clues is in an important role in customer experience management. This notion is also referring to the importance of understanding customer experience, and it does not dramatically differ from the perspective presented by Frow and Payne (2007) as well as Berry et al. (2002, 85): all of the scholars think that customer experience is important to understand and manage, the reasons behind are a slightly different, but all of them are linked to a value creation.

According to Löytänä and Korteso (2011, 158) the positive consequences of CEM can easily be presented with numbers: either as income or as savings. The scholars present three different starting points for measuring the positive results from CEM. They encourage companies to count the cost of one customer service call, the cost of handling complains and the cost of acquiring one new customer. Determining the costs mentioned helps understand the importance of CEM. (Löytänä & Korteso 2011, 158-161)

Many scholars claim that while Customer Experience has achieved more and more interest in the business environment, the actual work for creating the customer experience is not on the same level (Gentile et al. 2009, 397). Companies do not know, what the customer experience actually is, and how to achieve it (Gentile et al. 2009, 397; Frow & Payne 2007, 89; Kim & Kim 2007, 46). Moreover, the companies who are doing customer experience management, face many challenges. According to a recent study, the biggest obstacles for a management team in CEM are the difficulty of securing cross-organizational cooperation, poor data quality and the lack of understanding the importance of customer experience management (Alcatel-Lucent and Heavy Reading 2012, 4).

Löytänä and Korhikoski (2014, 71-75) claim that the most important reason for failing in CEM is the lack of systematic creation of CEM. The two main factors behind these problems are going to silos and doing part-optimization (Löytänä & Korhikoski 2014, 71-75). Going to silos may happen in operative, hierarchical or channel-based level. In such situations a customer can be forgotten as company's own, inner activities are too complicated that's why causing ineffectiveness. The silo problems can be tackled in many ways, the most important thing to do is to organize company's structure in a lighter way, as well as putting effort on communication inside a company (Löytänä & Korhikoski 2014, 73). Traditionally, in big organizations the structure of the organization can be quite heavy and the silo effect may happen more easily. In such companies, there is an underlined need to keep customers in mind in every action.

Silo thinking can easily be linked with CEM: CEM is typically conceived as something that customer service, sales and marketing departments do. However, CEM is, and should be, something more and comprehensive, that reaches over different departments and actions of a company (Meyer & Schwager 2007, 3; Löytänä & Korteso 2011, 14). Moreover the results of successful CEM may not be strictly seen: seeing the consequences can take time (Löytänä & Korhikoski 2014, 51). Managing customer experiences requires persistent and hard work (Löytänä & Korhikoski 2014, 40). When CEM has been implemented on a strategic level, a yield curve can be expected to start to rise (Löytänä & Korhikoski 2014, 40; Gentile et al. 2007, 405).

Above mentioned issues also underline the need for CEM as well as strategy. CEM is strongly linked to a company's general strategy, meaning that CEM does vary in different companies (Löytänä & Korteso 2011, 165). There is not a model existing, that company can comply and become customer-centric (Löytänä & Korteso 2011, 165). Though, some general tools can be given. Löytänä and Korhikoski (2014, 78-81) have listed some practical advices for customer experience managers. The scholars advice managers to create a culture of responsibility, where everyone take charge from their own areas. Moreover, they encourage managers to recognize the value achieved from customer experience

and to concentrate on that. Measuring customer experience is also important, and listening to customer systematically. Creating a customer experience program as a support function for CEM is also recommendable. In such a program company can start to take advantage of customer feedback in an effective way. In addition, company's operations can become improved to be more customer-centric. (Löytänä & Korhikoski 2014, 78-81)

Schmitt presents the model with more practical perspective (2013, 23-30). He has created the 5-step-model for CEM, in which he advises management to start with analyzing customer's experimental world. In B2C context the customer's sociocultural surroundings is a vital to understand, especially lifestyle and experimental needs and desires. For example the surroundings of a pensioner and busy businessman are somewhat different. After this understanding is formed, building an experimental platform should be the next step. In this phase the aim is to create a connection between a strategy and implementation. In other words a company has to define with its strategy how to achieve the target which is executed with implementation. Next phase is designing the brand experience, in which the aim is to form an idea, what kind of experiences the brand wants to offer to its customers. A question could be, is the brand aiming to be seen more as a friend or a status symbol, for example. Structuring the customer interface is the next phase. According to Schmitt, it "should incorporate elements (i.e. voice, attitude and behavioral style) and address experiential over time and coherence among various touchpoints." To set a simple example, customer service should be alike no matter the channel or the employee carrying out the service. Last step is to engage in continuous innovation, in order to meet customers current and future needs. As said, customer experiences are sensitive to change: company cannot stay to look blindly how it has succeeded in past.

Löytänä and Korhikoski (2014, 82) have created a model that presents the way of improving customer-centered actions inside the company. The starting point in cyclic model is to measure touch points, employees and financial issues. The next step is to strictly analyze of the achieved results of measuring: what are the causes and perceptions made. It is not enough to report the results once in a year;

the results should be forwarded to a person or department in charge immediately. Tactical corrections are the next phase, where the feedback should be handled and answered if needed. Especially people who are detractors should be handled well, in order to change them to become satisfied customers, or even promoters. After this the actual structural changes should be made, for example if there have been similar kinds of complaints for long waiting time in customer service, it might be wise to consider hiring new people. Lastly, the learning's of all the steps should be taken in account when starting the innovation phase. As said, customer experience is not a stable concept, it requires constant innovation. (Löytänä & Korhonen 2014, 82)

2.8. The Measurement of Customer Experience

Measuring of customer experience is an important part of customer experience, and naturally part of CEM as well (Shaw & Ivens 2002, 168). In previous chapter, customer experience management was discussed. As pointed out, the deepest aim of CEM is to achieve economical advantages: it is wise to measure customer experience in order to understand, whether the customer experience related actions are taking the company to wanted direction (Schmidt-Subramanian 2013, 1; Löytänä & Korhonen 2014, 133). All in all the aim of every company is to achieve and increase the income, if there is not a charity organization on question. Measuring customer experience with measures such as multi-scale, may allow companies to see, what factors of total customer experience contribute most notably to the most profitable customer retention as well as recommendation (Palmer 2010, 203). Of course, there are many other kinds of measuring methods existing, and company should carefully consider which kinds of measures are best for company's needs.

Though, the measuring itself does not give much when considering business perspective, it is a help for improvements that can be done in the future. With measuring company can get information from the current situation, which should be taken advantage of in which improvement of activities should be made

(Löytänä & Korhikoski 2014, 138). The information from measuring should be used for making things better on the future.

2.8.1. The Background of Measuring Customer Experience

Traditionally customers' perceptions concerning a product, service, brand or a company have been measured with customer satisfaction surveys (for example Löytänä & Korhikoski 2014, 134; Verhoef et al. 2009, 32; Shaw & Ivens 2002, 167). Measuring customer satisfaction is quite a rigid way to understand customers and their experiences. Typically, customer satisfaction is measured only once or twice a year, the questionnaires are kept unmodified year-to-year, and they are made to encompass every department of a company (Löytänä & Korhikoski 2014, 134-135). This is almost contradictory when considering dynamic, constantly changing nature of customer experience. Moreover, the process and routines of a company are typically running over the actual customer needs: there is a lack of psychological perspective in questionnaire sheets (Shaw & Ivens 2002, 169; Löytänä & Korhikoski 2014, 135; Löytänä & Korteso 2011, 193). The measuring is done blindly as a routine and measuring is done because of the measuring itself, not on the basis of the customers' needs (Shaw & Ivens 2002; Löytänä & Korhikoski 2014; Löytänä & Korteso 2011). The results of measuring customer satisfaction are backwards oriented, as those are an accumulation of longer time performance (Löytänä & Korteso 2011, 194). Such information may be good-to-know, but may not bring any actual monetary value for the company, may not measure customer experience or may not help in improving customer experience either. The results are mainly used for counting the bonus of employees, and the outcome is just run through and no actual changes or developments are made to improve the customers' satisfaction level (Löytänä & Korhikoski 2014, 134-135).

As already pointed out, customer experience and customer satisfaction have been used as synonyms. As the understanding of customer experience has changed, the concepts have been separated from each other: customer satisfaction is seen to as the formulation of customer experiences. Though, in some cases, customer

experience and customer satisfaction are still used as synonyms as the concepts and theories of customer experience are not yet established (for example Alfaro et al. 2012, 45; Frow & Payne 2007, 99; Motschmann 2006, 26-27). This is important to understand when making comparisons, analysis and conclusions related to measurement strategies of customer experience. For example, another scholar may reject what one may regard as the best measurement method. This may not mean that the method would be bad. The definition and understanding behind the concept just may be different.

Löytänä and Korteso (2011, 188) discuss about investigating on customer experiences, which is also a more humane concept compared to measuring, and comes a bit closer to the phenomenon of customer experience itself. Vesterinen (2014) as well as Feeney (2015) discuss about listening to customers. However, they are both discussing similar issues as the scholars who are using the term measuring. Vesterinen (2014) encourages to listen three different customer groups: current customers, the customers who churn as well as though leaders. The listening of customer –perspective a clear sign of currently occurring change in business field: companies are more and more putting effort on doing their business from customer's point of view.

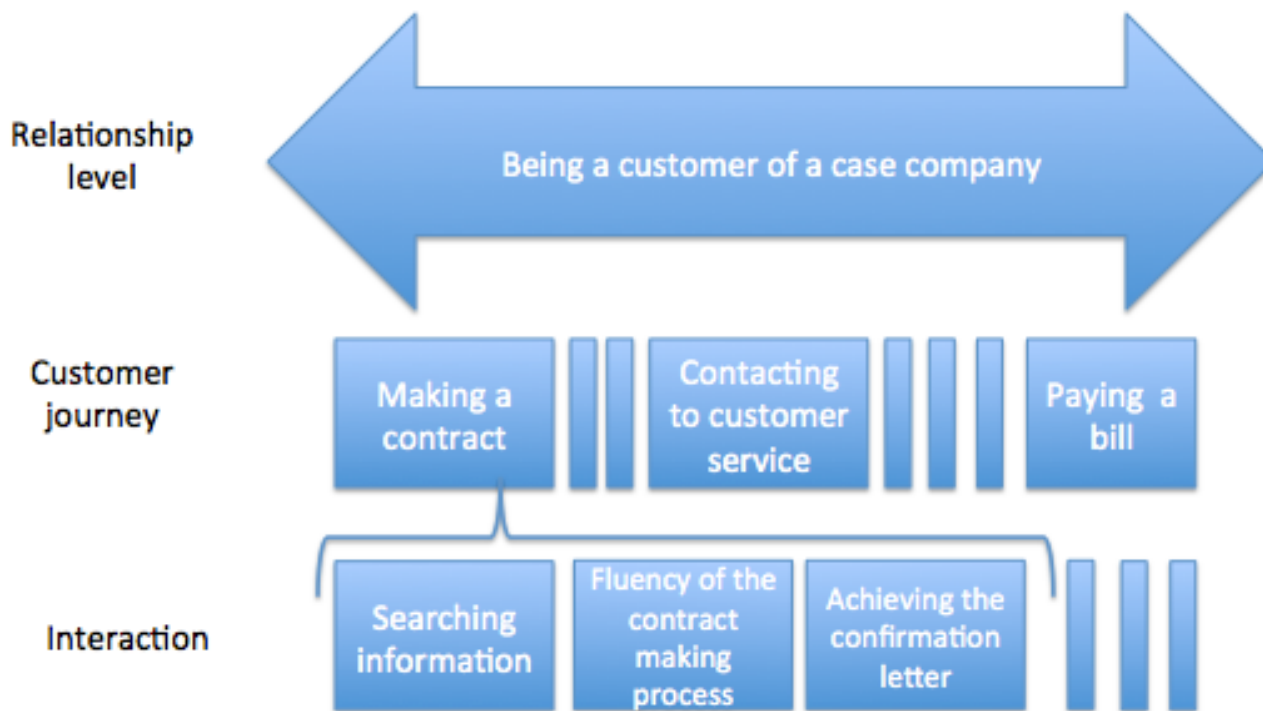
Current status of measuring were presented, there is missing a coherent model of measuring customer experience. Klaus and Maklan (2012; 2013) measured customer experience with structural parameters. They found out, that customer experience has positive, significant influence on customer loyalty, word of mouth as well as customer satisfaction. Moreover, they proved that measurement method called Customer Experience Quality, should be used alongside the measurement of customer experience.

Seven step measuring model for customer experience has been created by Schmidt-Subramanian (2013). Other scholars support most of the phases as well. The starting point is to choose the customer segments, to which company wants to measure. After this, the measured experiences have to be chosen. Other scholars also underline that measuring should be done from chosen touch points (Meyer &

Schwager 2007, 3; Löytänä & Korkiakoski 2014, 134). On the contrary, Frow and Payne (2007, 99) think that customer experience measuring should be done in every touch point with a measuring method should be adapted on the basis of touch point. If measuring is done in every touch point, company should understand which ones matter the most, then put the biggest input on those. Next step is to choose the best measuring methods that take into account all the perspectives of measuring: perception metrics, descriptive metrics and outcome metrics (Schmidt-Subramanian 2013). Perception means in this case customer's experience of interaction, descriptive meter refers to the description of occurred interaction, such as average transaction value or average call time. The outcome metrics tells "what customers are likely to do or actually did after their interaction; are they likely to recommend or how high was the churn level. Then company should design a data collection strategy, which is followed by setting of desired values for the meters. Last two phases consider the reaction for achieved results, which are more about analysing and development phases of CEM: the last step is to identifying and acting on customer experience issues, and final step is to share the insights achieved from customer experience measurement. (Schmidt-Subramanian 2013)

There can be seen to be three different level of measuring (Löytänä & Korkiakoski 2014, 137; Schmidt-Subramanian 2013). These three levels can be seen in the picture 4, Customer experience can be measured on a customer relationship level, on different stages of customer's buying path, and finally on the key interactions. The customer relationship level refers to measuring that is done during customer lifecycle on a customer perspective, for example when customer comes to a customer and ends the customer relationship. The measurement of customer relationship level does retrieve little to the measuring of customer satisfaction. This level measures indirectly the company's achieved success in customer interactions, whereas the other two levels measure it directly. When discussing about the measuring that happens during customer's buying path the idea is to measure all the noted touch points that happen between customer and a company. Such inspection allows a company to find out the development targets as well as the things it has succeeded in. Finally measuring the key interactions helps a company to see the most relevant touch points, in which going beyond

customers' expectations is most important. For example in the case of credit card company such kinds of interactions can be the fulfillment of the ordering sheet on the web, the arrival of the credit card and a call for the customer service. (Löytänä & Korhikoski 2014, 137; Schmidt-Subramanian 2013).



Picture 3. Different levels of customer experience measurement (Modified from Löytänä & Korhikoski 2014, 147; Schmidt-Subramanian 2013)

Right timing, right questions and right target group form the basis for achieving trustworthy results (Löytänä & Korhikoski 2014, 140-143; Vesterinen 2014, 36-55). Like always when conducting research, there is certain number of replies that have to be achieved in order to have reliable results (Löytänä & Korhikoski 2014, 142). The timing is a bit challenging issue, as the right, optimal timing may be different from a customer and to a company (Vesterinen 2014, 48-54). Moreover, the timing is very company related: any general models for having the right timing in measuring is somewhat impossible to create. What is comes to the right

questions, there are many relevant topics to go through. Feedback classification can be one way to approach this (Vesterinen 2013). There are two kinds of feedback types: relationship feedback and transactional feedback (Vesterinen 2014, 54). Relationship feedback is collected related to company's brand and things alike, and collected time periodically (Vesterinen 2014, 54). In this study transactional feedback is on question – the feedback is collected on continuous basis (Vesterinen 2014, 54). From customer's perspective the right timing is then when the touch point is still clearly in one's mind (Löytänä & Korhikoski 2014, 143; Vesterinen 2014, 52-54). However, in some cases right after the touch point it might be too fast, if the actual results have not realised: such a case may be that the problem is still under investigation (Löytänä & Korhikoski 2014, 142). Customer may have called to customer service because of a wrong bill. It might take one or few days to investigate the reasons for that, which means that customer does not get an answer right away: sending a customer experience questionnaire right after the first phone call is clearly a wrong timing. Though, too long waiting time is not recommendable either, because the experience may fade or change in customer's mind as time passes. Relevant questions depend on a company in case as well as its goals: every company should create an individual measuring system, which supports the achievement of company's goals (Löytänä & Korhikoski 2014, 140).

2.8.2. The Advantages of Measuring

In order to improve customer experience, it is vital to understand, model and measure effectively current customer experience (Spiess et al. 2014, 3; Löytänä & Korhikoski 2014, 51). Customer experience cannot be measured in a similar way as products and services have been measured in the past (Klaus 2013, 26). Customer experience is much more sensitive for changes, which means that customer experience measured today may be a different on the next day (Meyer & Schwager 2007, 12; Palmer 2010, 202). The measurement results should be forwarded to the management in real time, in order to take advantage of the information. When listening to customer's tone and understanding customer's opinions, company can more easily meet the customer's needs and desires and to

increase its income in a long run (Vesterinen 2014, 36). Measuring of customer experience is one of the biggest challenges that companies face (Alfaro et al. 2012, 45).

Especially big companies, with great number of customers, need strategies for successful measuring. When doing the right measuring, company understand better what it does right and wrong, and it can improve its actions. This is very beneficial, if comparing to the situation where customer related decisions are made on the basis of company's own assumptions. Spiess et al. (2014, 4) arouse the need for big data management strategy in such a companies. A typical challenge in big companies is that touch points occur between a customer and different departments of a company (Spiess et al. 2014, 4). The holistic and comprehensive understanding of these touch points is difficult to form, and the data of a customer is typically fragmented (Spiess et al. 2014, 4). When company has many customers, there is also lots of data related to them. Effort is required in order to achieve the understanding. Typically the effort is worth of all the trouble, as it can be a key for competitive advantage.

Naturally the financial perspective is vital to discuss when considering about advantages of measuring customer experience. Alfaro et al. are underlining the importance of the financial angle in customer experience (2012, 42), and they remind that the aspect should be always taken into account when analysing the results of measuring, or making decisions related to customer experience. Palmer is discussing customer experience as a part of value creation and he claims that companies should be able to measure customer experience, in order to do planning and control (2010, 203). Löytänä and Kortesoja are highlight value creation perspective but in a bit different way: they see, that customer should also get something back when answering to a questionnaire (2011, 194). It can be improved service or product in a future or discount coupon in a company's store or just a simple Thank you –message (Shaw & Ivens 2002, 167-168). Moreover, customer should be explained to, how the data he or she gives will be used. This helps to customer to understand the value of the information and may motivate to answer.

Garg et al. (2010, 89) claim that experience concept has become a strategic positioning tool. When considering this issue from the perspective of the measuring advantages, it can be deducted that when measuring customer experience, company can understand better the status of the customer's experiences, and it can use it's knowledge for strategic positioning

2.8.3. Measurement methods

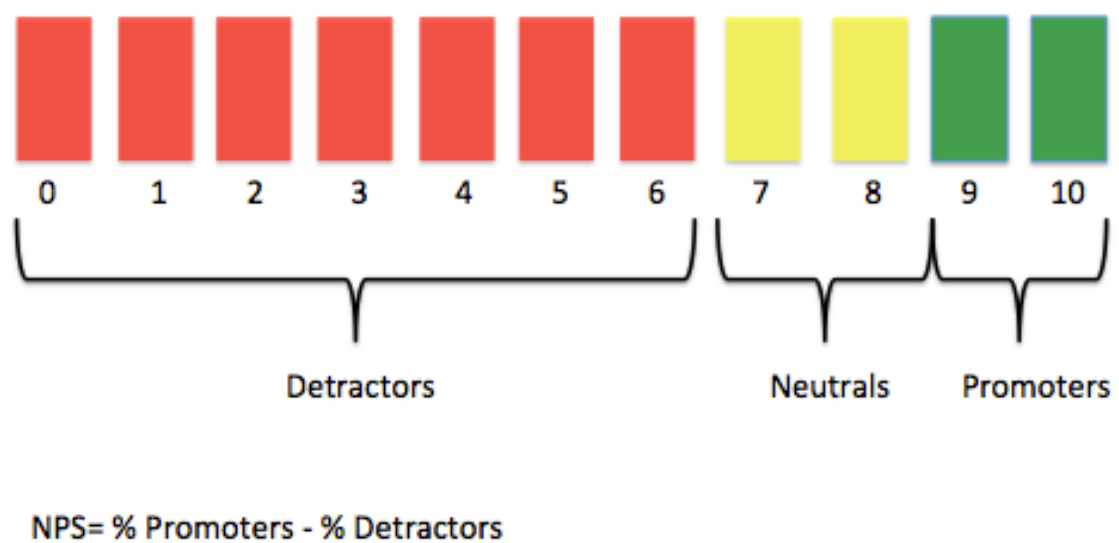
Measuring can be done from different perspectives, depending on company's aims. According to Mayer and Schwager (2007, 7), there are three different patterns of customer experience information, which all have their own need for data collection. When companies are going through results, company is going through past patterns. When monitoring present patterns, company can ask a wide range of questions related to the whole relationship lifecycle: how likely customer is to switch to another brand and what kinds of features customer would like to have in the service or product. When considering potential patterns, companies want to find out the new opportunities in their customer-company relationship. It can be done through observation of customers as well as through surveys. The decision of which patterns to use depend on a company itself and its aims. (Mayer & Schwager 2007, 7) It is clear, that companies have been traditionally concentrated on past patterns: data is collected from different touch points. What it comes to present patterns, it can be said that the constantly growing popularity of NPS is a clear sign that companies are targeting to improve their actions more actively.

Vesterinen (2014, 47) approaches the issue with a term feedback type. According to her view, there are different kinds of feedback types: recommendation, satisfaction and retention (Vesterinen 2014, 47). This perspective is a bit more modern and useful: company should always consider carefully its target segment's characteristics before formulation the feedback or questionnaire form. No matter what is the feedback type, It is always important to understand the reasons behind the results, and question "why" should be presented after the main question (Vesterinen 2014, 47; Feeney 2015, 11).

Successful measuring requires a carefully planned measuring system, which should be integrated to company's activities (Schmidt-Subramanian 2013, 2; Alfaro et al. 2012, 37). Most importantly, the achieved results from measuring should lead to some actions (Vesterinen 2014, 47; Shaw & Ivens 2002, 166; Löytänä & Korhikoski 2014, 139) and the measuring results should support the decision-making process of management (Löytänä & Korhikoski 2014, 138). It is important to understand the current status of customer experience, and also conduct regular follow-ups in the long term (Mayer & Schwager 2012, 7-8; Löytänä & Korhikoski 2014, 154). As there are business related goals in customer experience management, it is reasonable to measure the financial outcomes. However, customer-centric measures are needed alongside the financial measures, in order to understand the holistic picture of customer experience. With customer oriented measures company can understand, if a customer is happy or not, and how customer's satisfaction level could be developed (Löytänä & Korhikoski 2014, 53; Schmidt-Subramanian 2013, 2). In addition, employee meters are needed, but in this study the meters are not taken into deeper analysis.

Net Promoter Score (NPS) has become a popular way to measure customer experience (for example Alfaro et al. 2012, 40). It has become popular in recent years, when companies have started to concentrate on improving of customer experience (Riveral 2013, 31; Alfaro et al. 2012, 40). As the meter has achieved so high interest both in academic and actual business world, it is presented thoroughly in this study as well. Fred Reichheld developed it in 2002 to forecast company's future success on the basis of customer-company encounters (Markey et al. 2009, 44; Löytänä & Korteso 2011, 202; Löytänä & Korhikoski 2014, 148-149). NPS is showing a rate, how likely customer would be ready to recommend a used product or service (Lane 2009, 14; Spiess et al. 2014, 4; Markey et al. 2009, 44; Löytänä & Korteso 2011, 203). In short, NPS is typically asked in this way: "On the scale of 1 to 10, how likely is that you would recommend our brand to a friend or colleague?" (Riveral 2013, 30; Löytänä & Korteso 2011, 203). Number 10 represents the biggest probability, and 0 represents the biggest unlikelihood. NPS divides customers into three different groups: promoters, passives and detractors (Markey et al. 2009, 44; Löytänä & Korteso 2011, 203). The customers

giving a score 9 or 10 are the most devoted customers: promoters (Markey et al. 2009, 44; Rivalal 2013, 30). The customers giving either 7 or 8 are passives, and the rest are detractors (Markey et al. 2009, 44; Rivalal 2013, 30). NPS is counted by taking a percentage of promoters and detractors, and then subtracting the share of detractors from promoters (Markey et al. 2009, 45; Rivalal 2013, 30). The formulation of NPS measure is presented on a picture 5.



Picture 4. Net Promoter Score (modified from. Löytänä & Korteso 2011, 203; Alfaro et al. 2012, 41)

An interesting issue concerning to NPS is what is the good value. The guidelines found vary a to some extent and there is no clear view what it should be. To begin with, NPS value should be positive, which means that there are more promoters than detractors. According a consulting firm Bain & Company, “The average firm sputters along at an NPS efficiency of only 5 percent to 10 percent. (Measuring your net promoter score 2015). Löytänä and Korteso (2011, 203) state that the NPS result is really industry dependent. According to their example, in some luxury hotels, where customer experiences has been developed to an excellent level, NPS can be around 80-90 (Löytänä & Korteso 2011, 203). On the contrary, in industries where there are many variables that are not depending on the company itself, such as airline companies, NPS can be around 0-20 (Löytänä &

Kortesuo 2011, 203). NPS can be improved by increasing the number of promoters and decreasing the number of detractors.

When examining the results of NPS, it is equally important to understand who are detractors as well as the ones who are promoters (Feeney 2015, 11). The promoters should be understood because they might give an answer to transforming detractors to promoters, detractors should be understood in order to improve company's actions. Company should develop a strategy, what kinds of actions are needed to be done for detractors in order to uproot bad reputation and word-of-mouth. Moreover, some actions could be done for promoters, for example the customers could be used as a reference group. It is also possible to do segmenting on the basis of NPS results, and to create strategies to such segments.

NPS has become a standard meter, and it is more commonly taken into official reporting (Löytänä & Korhikoski 2014, 59). The best thing in NPS is that it is a simple question, which is easy to understand and answer (Löytänä & Kortesuo 2011, 203). In big companies, such a simple question is easy to carry out and it is easy tool for benchmarking as well. NPS gives also an input for development actions inside a company (Vesterinen 2014, 49): Markey et al. (2009, 46) claim that every touch point is a chance to change customer to become a promoter, - or passive or detractor. NPS requires constant follow-up and actions, but it helps to achieve company-wide customer focus (Löytänä & Korhikoski 2014, 59).

Reichheld (2006, 73) presents in his paper few studies that have been made concerning the connection between the profitability and NPS. Bain & Company has conducted a research concerning this issue with a result that 12 point increase in NPS value corresponds the doubling of company's growth rate (Reichheld 2006, 73). Another study presented in his paper has got a result that "a seven-point increase in NPS correlated on average with a one percentage point increase in growth rate". (Reichheld 2006, 73) In other words, even though there are differences regarding the actual increase in company's growth rate when NPS

increases, one thing seem to be quite sure: there is a linkage existing between the increase of NPS and company's growth.

NPS is a meter that divides the opinions of scholars as well as practitioners quite much. Lane is arguing that NPS is only score that company needs (2009, 14). According to his view, the rate is worth of trust as a loyalty indicator, as one is aligning his or hers own reputation with a brand (Lane 2009, 14). Many scholars have presented the criticism to NPS as well (for example Kristensen & Eskildsen 2014; Keiningham et al. 2007; 2008). The fact that there is not an answering option "I don't know" given in NPS does arouses critique. Moreover, the average answers 5 and 6 are interpreted here as negative answers. General understanding is that to NPS there should be few other questions combined in order to understand the reasons to achieved result (Löytänä & Korhikoski 2014, 59). If NPS is used as the one and only meter, the reasons behind the score given will not be emerged (Meyer & Schwager 2007, 7).

Another measurement ideas have been presented in addition to NPS. Like many other scholars, Alfaro et al. (2012, 38) point out that customer experience is an abstract concept. Because of that, the experience should be divided in to tangible elements. One way to do that is to explore the moments of truths in customer lifecycle, and then map those in a table. To set an example, the scholars suggest to graphically drawing an experience map of the most important moments, as well as the satisfaction level in those points. With this method, company may be able to understand, how well it is doing on the most important customer encounters. (Alfaro et al. 2012, 38)

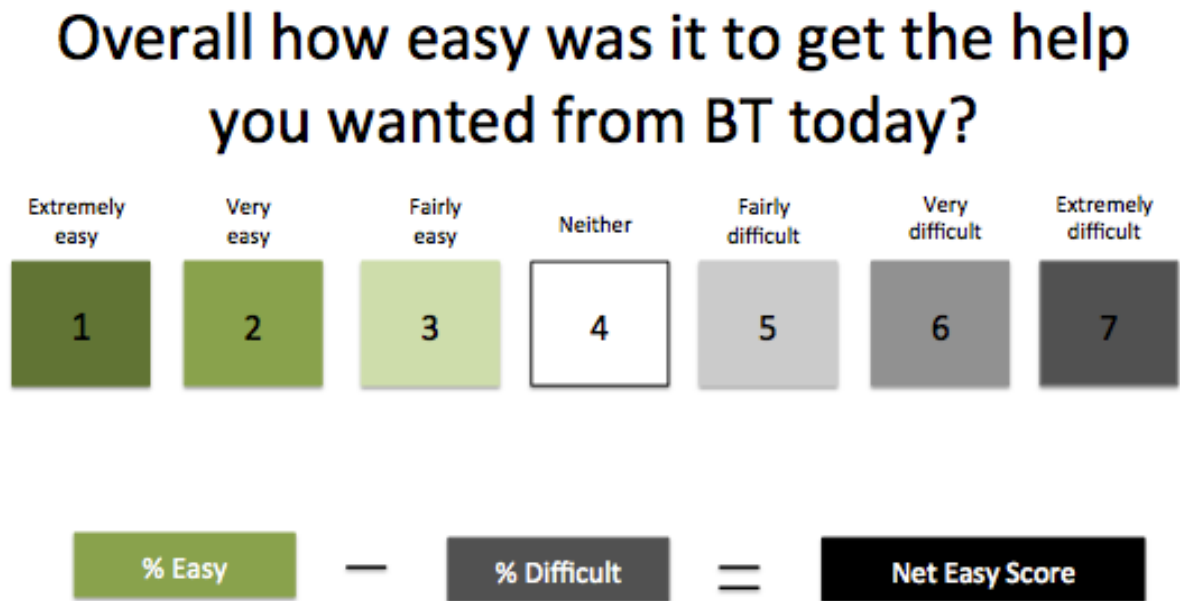
Forrester developed Customer Effort Score, CES in 2010 (Löytänä & Korhikoski 2014, 59). CES is based on an idea, where it is regarded that it is more important to help customers' daily lives instead of just aiming to delight (Löytänä & Korhikoski 2014, 59-60). In general, CES works such similarly to NPS, and the question is: On the scale 1 to 5, how much effort did go through in order to get your get your issue taken care off? (Löytänä & Korhikoski 2014, 59-60). The

model has been developed during the usage, and now there have been also used a scale from 1 to 7 (Löytänä & Korhikoski 2014, 59-60).

CES has been created in contact center context, where easiness and effortlessness are extremely important (Löytänä & Korhikoski 2014, 59-60). Because of this, the importance of these two factors is underlined (Löytänä & Korhikoski 2014, 59-60). For example, in a case where customer has called to a customer service, customer experience is more about the easiness. To understand the measure better, Löytänä and Korhikoski (2014, 60) present, how British Telecom has developed CES –index: the company has created it's own "Net Easy Score" metrics (please see picture 6). The measure resembles a bit NPS as well, as the answered people are divided into groups: satisfied and not satisfied, on top of which there is neutrals left out. The question asked is "Overall how easy was it to get the help you wanted today?". A notable difference is the usage of the evaluating scale, where the higher number is a sign of bad experience. The scale examines customer experience from a bit different perspective and it focuses on the more easily understood issue (easiness), whereas NPS score is asking a bit more from the customer: the readiness to recommend. Even though the meter is not a commonly used tool, it seems to have a great potential. Löytänä and Korhikoski (2014, 50-51) are encouraging to use these both scales together or alongside with other measures. This would allow the understanding of company's customer experience with more depth: the advice of the scholars can be easily being agreed with.

Forrester Customer Experience Index (CXi) is a yearly research conducted by research agency Forrester. The study is conducted in U.S., and it does not give any comparison information for international companies. In 2013, there were 154 brands included, representing 14 different industries. Approximately 7500 consumers did put the brands in ranking order. In CXi, there are three questions involved: "How enjoyable are you to do business with", "How easy are you to do business with?" and "How effective are you at meeting your customers' needs?" In Finland, there is similar kind of research called EPSI. The study offers some useful information for comparison representing certain industries. Though, as the study is

conducted only once a year, it requires real-time customer experience meters alongside of it. (Löytänä & Korhikoski 2014, 56-57; Alfaro et al. 2012, 42)



Picture 5. Net Easy Score (Löytänä & Korhikoski 2014, 60)

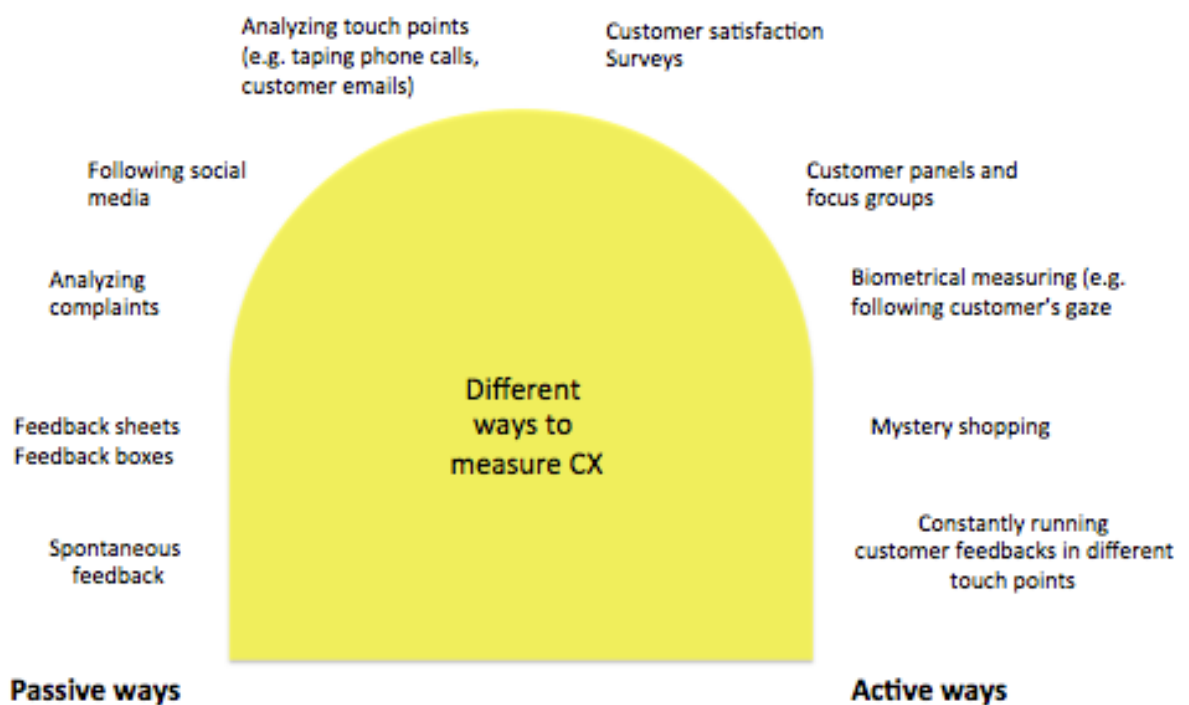
As customer experience is not a clear concept that is easy to measure, the verb measure can be misleading to some extent: measuring can be understood to be certain kind of metric that give you the one right, clear answer. Though, when taking a deeper look into the literature giving quite practical and clear example of measuring, such as a books written by Vesterinen (2014), Löytänä and Korhikoski (2014), Löytänä & Korteso (2011) and Shaw & Ivens (2002), it becomes clear that the measuring of customer experience is more than just a one or few metrics. Measuring can be understood in a far more comprehensive way when discussing customer experience. According to Löytänä and Korteso (2011, 188) measuring can be done either active or passive way – or something between these two (please see the picture 6). When examining the spectrum of the passive measuring methods, there are different options existing: spontaneous feedback given by customers, customer feedback sheets, analysis of customers' reclamations, following social media and analysis of the touch points (Löytänä &

Kortesuo 2011, 188). This can mean the analysis of customer emails or the recordings of customers' phone calls (Löytänä & Korteso 2011, 188). When going through the active measuring methods more depth, there are customer satisfaction measures, customer panels and –focus groups, biometrical measuring, mystery shopping surveys and finally constant feedback questionnaires in different touch points (Löytänä & Korteso 2011, 188). Some parts of the presented listing can be found from other literature as well. To see few examples, Schmitt and Shaw (2002, 172) are discussing mystery shopping, Vesterinen (2014, 39-40) is listing surveys, questionnaires, focus groups, observation and blogs under the section where customer experience measurement is discussed.

When measuring customer experience with customer experience sheets, it is possible to get a high number of respondents: questionnaires are typically quick to answer (Hirsjärvi et al. 2007, 190). For example, an inquiry can be set in a company's webpage, and anyone who wants, can voluntarily answer. In addition, questionnaires are cost-effective and time efficient (Hirsjärvi et al. 2007, 190). If the questionnaire is well prepared and planned, the results can be easily gone through and analysed with the help of computer if needed (Hirsjärvi et al. 2007, 190).

Questionnaires are one part of formulation of customer experience (Shaw & Ivens 2002, 168; Mayer & Schwager 2007, 5-6). This statement can be applied to other measuring methods as well: when conducting the measuring, it does affect on customer experience as well. From this it can be deducted that measuring is also a touch point between a company and a customer. For example, a company should put a lot of effort in designing the questionnaires, the construct of the questionnaires should be considered well (Shaw & Ivens 2002, 168). Designing the questionnaire thoroughly is a key to ensure that company gets the information wanted (Shaw & Ivens 2002, 168). When the questionnaire is short, consisting only of a few questions, it is more likely to get a customer's answer (Vesterinen 2014, 40). Short questionnaires can be used for example in pop-up windows, text messages or in feedback applications, to set some examples (Vesterinen 2014, 40). Shaw and Ivens (2002, 17) state that companies should use the help of focus

groups in the creation of questionnaires, in order to understand customers, their needs and desires better). The visual appearance should be also carefully considered, as it is likely affect on the image a company forms from a company (Shaw & Ivens 2002, 168). A questionnaire that looks like sloppily done, is not the best way to present your professionalism (Shaw & Ivens 2002, 168).



Picture 6. Different ways to measure customer experience (Löytänä & Korteso 2011, 188)

Company can have a strong impact on the results achieved. First of all, company can choose what kind of questions it wants to ask, and how does it actually present the question (Vesterinen 2014, 42-43). Answering options affect as well; it might be so, that the wanted answer option is missing in multiple-choice questions (Vesterinen 2014, 42-43). When conducting an inquiry, company can not know, how well it has succeeded in making the answer options: there may be misunderstandings regarding the answer options, the people who are answering may understand the asked question in an undesired way (Hirsjärvi et al. 2009,

190). Moreover, it is impossible to say how well the participants have answered: how honest and thorough they have been in their answers (Hirsjärvi et al. 2009, 190). What it comes to customer's answer, it is vital to understand, that there is a difference between customer's opinions and actual actions (Vesterinen 2014, 42-43). Customer may say that he or she is satisfied to a brand, product or service, but one may still switch to another for some reason (Vesterinen 2014, 42-43). These are examples of the challenges that are related to inquiries as research methods. It is important to keep these in mind when going through the results, but these should not restrict the usage of inquiries as a research methods. The challenges can be tackled by using other research methods on side (Tuomi & Sarajärvi 2009, 42-43).

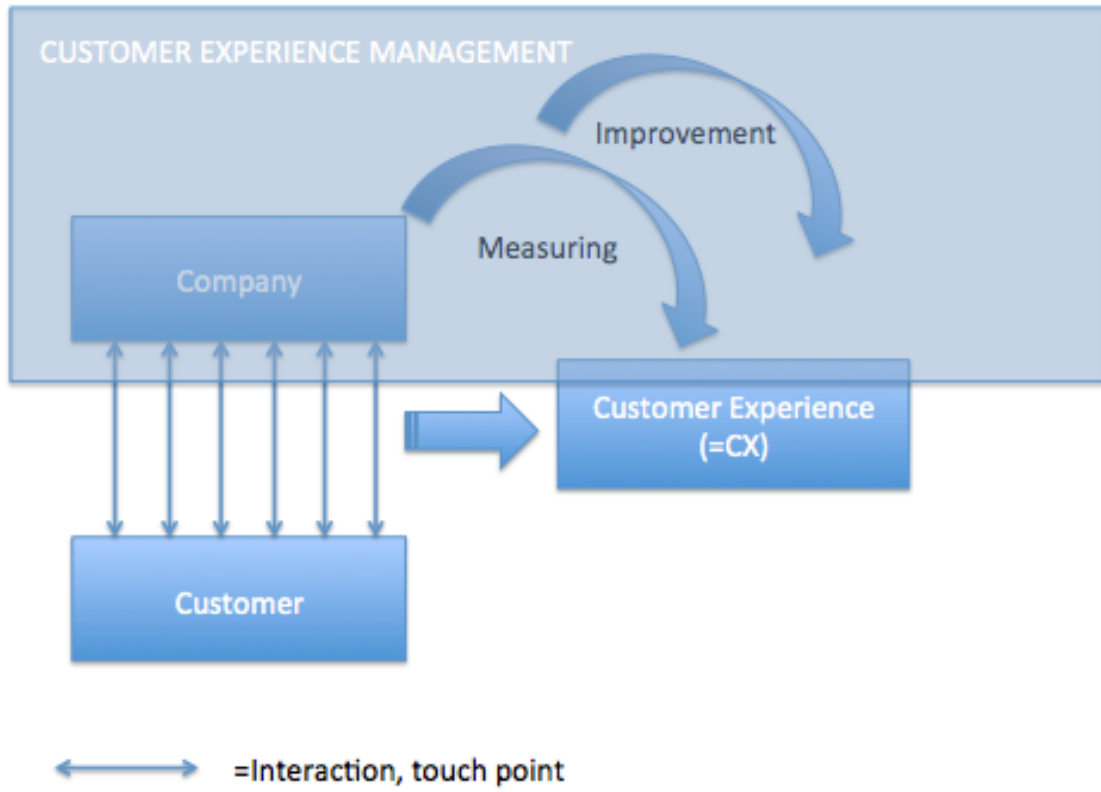
Hirsjärvi et al. (2009, 190) also claim, that it is impossible to say, how well the respondents have familiarized themselves with the researched issue. Though, this claim can be rejected on this study, as customer experience is individual, personal phenomenon, and it can be said that each one of us is the best expert of own experiences. The scholars also point out, that in order to create good questionnaires, time and effort are required (Hirsjärvi et al. 2009, 190). This is a valid point, which will be taken into account when making the improvement proposals. Effort and time are needed when going through the theory and conducting the research: these actions create a great starting point for a good customer inquiry. Moreover, the person who is answering to the questionnaire may have understood the used concepts or the questions in a different way than the party who has made the questionnaires (Hirsjärvi et al. 2009, 213). Such a thing can affect on the quality of achieved answers.

According to Mayer and Schwager (2007, 7) companies apply single summary metrics to measure past or present patterns. When doing so, the understanding of a company stays a somewhat limited, and actual reasons, and causal relationships behind the achieved results will not be understood. According to the literature review of this study, it can be concluded that many scholars agree that every company should create the most suitable measuring system to meet its personal and unique needs (Löytänä & Korhikoski 2014, 140). When measuring

customer experience, there should be more than one metric or one question. This is because one of the main goals of measuring is to get reliable information regarding the customer experiences (Löytänä & Korhonen 2014, 140). This information can be used as a basis in decision-making regarding customer experience development activities (Löytänä & Korhonen 2014, 140).

2.9. Theoretical Framework

To conclude the theory chapter, customer experience is a formulation of different interactions occurred between a company and a customer. As good customer experiences are in connection with positive consequences from customer-company relationship, such as loyalty and retention, company should put an effort on improving that. The starting point for the improving is to understand customer experience better. When measuring customer experience, company can understand customer experience with in-depth and find the improvement targets. The improvement is likely to create value to a customer as well to the company. This whole phenomenon is customer experience management that was defined in the introduction chapter accordingly: CEM is a key for achieving the leadership in the markets and to become a pioneer. In this study CEM is defined as management's strategy, which is also a process that has to be adopted on the basis of events in the business field. In order to achieve a success, CEM is required.



Picture 7. The theoretical framework of this study

3. EMPIRICAL STUDY

The previous chapter discussed the different theories of customer experience management. In order to understand the context of customer experience management more thoroughly, customer experience management is examined perceived from the real-life business perspective. The purpose of the empirical part is presented followed by the introduction to the case company. Then the research methodology is presented, followed by discussion about the reliability and validity of the study.

3.1. The Aim of the Empirical Part

In this chapter these issues are examined in practice, in order to understand them with in depth profoundly. As pointed out in research questions, the aim is to understand how customer experience concept is perceived seen within the company, what kinds of factors do influence customer experience, how customer experience is managed and measured. Due to the complexity of customer experience management and measurement, interviews and analysis are needed to understand the concepts profoundly. The most challenging phase in qualitative research is the analysis of the data collected (Eskola & Suoranta 2000, 138-140). The main idea in analysis is to concentrate on similarities, differences and diversities prevailing between the theoretical and empirical sections (Eskola & Suoranta 2000, 138-140).

3.2. Introduction to the Case Company

The case company of this study operates in Finland and in international markets. In this study the main focus is on one unit of the company, which operates in Finland focusing on utility business The restriction decision was made because the company operates in different kinds of areas of business, and starting the customer experience research from one unit seemed to be more realistic. According to the presented literature review customer experience itself is a complex concept. When finding out the best practices, the results can be scaled to another departments as well. This unit was chosen because it has the clearest

connection to the customers, and it has an impact on the actual customer experience through its actions and decisions. Even though there is a certain unit under the question, the unit is referred as “the company” or “the case company”.

3.3. Research Methodology

There are two different research types: qualitative and quantitative (Tuomi & Sarajärvi 2009, 65). In this study the research is carried according to the principle of qualitative methodology. The method was chosen, due to the complexity of the phenomenon of customer experience management. The typical characteristics of qualitative research is to use people as the information sources, present unexpected information, portray different aspects of research phenomenon and process of the cases as unique (Hirsjärvi et al. 2007, 176-177). The most commonly used data collection methods in qualitative studies are interviews, inquires, observation and information that is based on different documents (Tuomi & Sarajärvi 2009, 71). These methods can be used separately, combined, or side-by-side. The listed data collection methods are also applicable to being used in quantitative studies as well (Tuomi & Sarajärvi 2009, 71).

Naturally there are many differences between qualitative and quantitative studies (Tuomi & Sarajärvi 2009, 85). One difference is that the aim of the qualitative study is not to create statistical generalizations (Hirsjärvi et al. 2007, 176-177). Instead, the aim is to depict certain phenomenon or occurrence, to understand some specific activity, and to give a theoretically meaningful interpretation to a certain phenomenon (Tuomi & Sarajärvi 2009, 85; Hirsjärvi et al. 2007, 176-177). The primary emphasis of qualitative study is the best possible quality of the sample, whereas in quantitative study the focus is on quantity (Eskola & Suoranta 1998, 16, 18). Moreover, the form of the research can vary between the qualitative and quantitative studies. In qualitative study there can lie a challenge in separating the parts of representing the results and analyzing the results (Metsämuuronen 2008, 21). These both are commonly in a synthesis, and analysis is typically done when going through the results. In quantitative study the results are typically presented first, followed by the analysis. However, in this study the results and analysis are separated to their own chapters.

The goal of a qualitative research is to understand the research topic; it is possible that the research is concentrated only on one case (Hirsjärvi et al. 2000, 168). When the source material of the research is limited only to only few variables, it is easier to form a comprehensive and profound view, of the research target. On the other hand in quantitative research, the list of research objectives may seem endless. In this study, the aim is to understand the specific, context-tied research target, customer experience management. Because of this, this study focuses on one case company. The research questions will be answered by taking advantage of different data sources: interviews followed by analysis of current measurement methods.

To be more precise, this study is single case study, as this study has only one investigation target. A single-case study is a good research strategy in a case, where the concentration is on understanding one specific target with depth (Yin 1994, 38-39). In such a situation it would not be sensible to investigate many companies, as that would not support to understand the certain research target any better.

3.3.1. Interviews

The used data collection methods in this study are interviews and analysis of the currently used customer experience measurement sheets of the case company. According to academic literature, interview includes the following characteristics: it is planned in advance, it is started and led by an interviewer, the interviewer is motivating the interviewed, interviewer knows his or hers role and the interviewed can trust that the given information is handled with confidence (Metsämuuronen 2006, 113). In interviews, an interviewer and an interviewed person are in an intellectual interaction with each other, which creates flexibility to this method compared to questionnaires (Hirsjärvi et al. 2007, 199). With interviews it is possible to actually cling to the researched issue compared to the limitations that may occur in questionnaire sheets, which is the case on this research. Interviews are a flexible research method, as the interviewer has a chance to revise his or her word choices and perceptions if needed, and repeat questions (Tuomi & Sarajärvi

2009, 72-74). In addition, the interviewed can specify his or hers answers if needed (Tuomi & Sarajärvi 2009, 73). There are different interview types existing: individual interviews, couple interviews and group interviews (Hirsjärvi et al. 2007, 204). According to Hirsjärvi et al. (2007, 204) individual interviews is the most common research method, and it used in this study as well.

When choosing the interviewed persons it is recommendable that they have experience and knowledge regarding the issue that is under research (Tuomi & Sarajärvi 2009, 85). The interviewed should be selected with through high consideration. A concept called elite sample means that only the people with the most relevant information regarding the researched issue are taken to be participants of the study (Tuomi & Sarajärvi 2009, 86). In this study the method is used, because in the case company, there are clearly certain people with the best knowledge regarding the concept. Other employees, who have not been worked closely with the customer experience, and do not have the theoretical background, would not be sensible interview targets for this study. The variance of the results is likely to be high, as people can have considerable different understanding regarding the complex concept. Previous claim is made because already in the existing literature the definitions of customer experience are different, as it was proved in the table 1. If the study would be done to a bigger target group, the structure would be a bit different: at least the concepts should be explained in advance.

In this study there are five interviews conducted, which are presented in the table 3. The interviewed were chosen from the different levels of the organization, and their positions are strongly linked to customer experience. The representatives of the case company were interweaved with semi-structured interviews. Another term for such an interview type is a theme interview (Tuomi & Sarajärvi 2009, 75). The interview structure is based on the theoretical framework of the study, and the advancement of the research is based on the framework (Tuomi & Sarajärvi 2009, 75). In a theme interview, the topics of the interviews are defined, but the exact questions and the order is not chosen (Hirsjärvi et al. 2007, 203). In practise this means, that the interviewer can apply the interview questions on the basis of the

given answers to ask more specified questions if needed. It is suggested to give the interview questions, at least the interview themes, in advance to the interviewed person (Tuomi & Sarajärvi 2009, 72-74).

A typical way to analyze the results of the qualitative study is to conduct content analysis (Tuomi & Sarajärvi 2009, 91), which is used on this study as well. After the transcription, the most relevant answers for this study were grouped under chosen themes, which were chosen on the basis of research questions. After that, the similarities and differences were mapped and finally written on this research.

3.3.2. The Customer Experience Measurement Methods in Practice

As presented in the theory chapter "According to many scholars, the measuring is done somewhat blindly as a routine inside the company, and measuring is done because of the measuring itself, not on the basis of need aroused by customer or by company" (Shaw & Ivens 2002; Löytänä & Korhonen 2014; Löytänä & Kortesoja 2011). In order to improve the understanding of customer experience as well as measuring, company should carefully consider what does it want to actually know, how to take advantage of the information in practice to its own activities and how to improve the experiences created. In order to help the case company to understand the current status of customer experience, some of the customer experience measurement forms are gone through. The analyzed forms are the original ones that company is using in different touch points for measure customer experience. In the table there are collected different measuring methods from some selected touch points. The selection of the certain measurement method was done on the basis of the clearness of the questionnaires as well on the easiness to access the questionnaires.

3.4. The Validity and Reliability of the Study

When discussing about research methodology, the concepts of validity and reliability do usually come up (Tuomi & Sarajärvi 2009, 136). According to Tuomi and Sarajärvi (2009, 136) validity means has the study considers the issue that it was said, whereas Hirsjärvi et al. (2000, 213) define validity as correctness.

Reliability is retrieving to the repeatability of the results (Tuomi & Sarajärvi 2009, 136; Hirsjärvi et al. 2000, 213). The usage of these concepts in qualitative studies has been criticized to some extent, as those have been developed in quantitative study field (Tuomi & Sarajärvi 2009, 136). However, as the concepts are strongly linked to academic studies, they are shortly gone through in this study as well.

The validity of interviews can be increased by depicting the execution of the research as well as possible (Hirsjärvi et al. 2007, 227). The circumstances of the study should be presented in a clear, accurate way (Hirsjärvi et al. 2007, 227). Moreover, the interview time, possible distractions, possible false interpretations and the researcher's own self-evaluation should to be assessed (Hirsjärvi et al. 2007, 227). When presenting and analyzing the results, the researcher should explain, where he or she bases the results on (Hirsjärvi et al. 2007, 227). The interviewer should be truly focused on listening the interviewed person, and the interviewer should not let his or hers background to effect the analysis of the answers given by interviewed person (Tuomi & Sarajärvi 2009, 135-136).

In this study the interview questions were given in advance to the interviewed persons, and the interviewed were told that they are allowed to ask questions if the asked questions are unclear. They were told that they are able to complete their answers later on if they want to. Additionally, the Interviewer asked few questions with more detail, if she saw that necessary for the study. One interviewed was once helped a bit, as she did not comprehend the question's main idea. The representatives of the case company are interweaved with a semi-structured interview. The interviews were conducted in Finnish. However, the questions were first written in English, and then translated into Finnish. The used research questions are in the appendix 1 and 2. An interviewer can do observation when doing the interviews, by noticing and writing down how the interviewed person is presenting the answers, which can add more depth to the answers and results received (Tuomi & Sarajärvi 2009, 72-74). Though, in this study this method is not used, because it is seen to add room for interpretation. The interviews were recorded, and after the interview the interviewed were transcribed on the same day. Transcribing is more common starting point for the analysis of the collected

data than making the analysis straight from the listening from the tapes (Hirsjärvi et al. 2007, 217). In addition, the interview time was booked so, that there would not be hurry because of the strict schedule.

In this study the interviewer has previous knowledge of the company and of its processes of customer experience, which can have a minor impact on the study. Though, this challenge is well understood, and the chance of having an impact on the interviews is minimize. One another challenge concerning interviews as a research method is that the interviewed can understand the question or the concepts in a different way than the interviewer. However, this problem can be tackled at least to some extent, as the interviewer can specify presented questions if needed. However, what comes to the concept, it is natural that there is some difference existing. The researcher, and the interviewed are perceiving the customer experience concept in an own way. In interviews, the reliability can suffer if the interviewed gives an answer, that she or he sees socially acceptable (Hirsjärvi et al. 2007, 201). Interviews are context-based: it is possible that interviewed persons say one thing in one situation and something else in another situation (Hirsjärvi et al. 2007, 201). These issues have to be kept in mind when analyzing the results: the researcher should not exaggerate the results achieved (Hirsjärvi et al. 2007, 201).

4. CUSTOMER EXPERIENCE MANAGEMENT IN THE CASE COMPANY

In the previous chapter the case company, research method, validity and reliability were presented. In this chapter the actual research is done. First the interview results are presented, followed by an analysis of current, chosen customer measurement methods in certain channels. Finally, the development ideas will be presented and main research question will be answered: how to improve customer experience management and customer experience measuring.

4.1. Results

The interviews were conducted during 19th-28th of May in 2015. The procession of the interviews was presented in the chapter 3.2.1. and the used interview sheets are in the appendices (please see appendix 1 and 2). There were two different question sheets used: the appendix 1 focuses on customer experience management and other sub concepts related to that. The appendix 2 focuses on customer experience in the customer service perspective. The decision of two different questionnaire sheets was made in order to meet the differences that may occur in the understanding of the concept.

Even though the hypernym of this study is customer experience management, it can not be researched if there is no common understanding of the concept of customer experience formed first. This is why the majority of questions focused on the customer experience, and after that the questions of management and measuring were presented. The idea of the interviews was achieve understanding of how customer experience, its management and measurement are seen inside the company. That is why the interviewed persons were selected from different levels of the organization inside the specific unit, with one exception. One person was chosen from the corporate level, in order to understand the bigger picture. Moreover, the idea was to get people with different lengths of the employment and from different functions included into the study. The facts of the interviewed persons can be seen in the table 3.

Table 3. The interviewed persons

Referred in this study as	Position	The department	How many years has worked in the company	Sex	The length of the interview
A	Head of marketing	Sales	4 years	Female	32 minutes
B	Head of the whole business unit's sales	Sales	23 years	Male	24 minutes
C	Sub process specialist	Customer service	5 years	Female	20 minutes
D	Head of customer communication	Corporate communication	18 years	Male	27 minutes
E	Head of sales	Sales	8 years	Male	13 minutes

To conclude the general results shortly, the interviewed persons see customer experience, and its management in a quite similar way. Customer experience is seen as a multifaceted, comprehensive concept that is affected by numerous things. Not surprisingly, the higher working level the person represents the more comprehensive, analytical and wide perspective the person has. On the contrary, closer to the grass-root level, the perspective changes to more specific and hands-on. Not surprisingly, the position of interviewed affected very strongly to his or hers answers. For instance when interviewed person gave examples, one used own specialization area as context.

However, even the perceptions were quite similar on the basis of the interview, the classification and analyses of the results were somewhat challenging. Because of the complexity, answers to all the questions came up throughout the interview. This means, that some of the answers were gathered through the interview, not only from the answer for the certain question.

Even though the interviewed were not asked to define customer experience, some definitions were presented during the interviews. Because these definitions depict well the problem presented in the literature – the difficulty to define and understand the concept – the definitions are presented here.

4.1.1. Customer Experience in the Case Company

Person B thinks that customer experience is what one hears, sees, and experiences related to a certain company. Person D sees, that customer experience is an customer's impressions consisting of mental images, interactions in practice, and also the feeling and satisfaction of a customer. It is a formulation of small factors that are based to internal teamwork and co-operation. Interviewed A sees that there are different understandings of customer experience: it might mean overall customer satisfaction, it could mean different public discussions of the company, it could mean process meters or an experience of single encounter. She concluded that customer experience is what happens in different encounters when a customer meets a company and additional value is created to a customer. In general, customer satisfaction is often used a synonym customer satisfaction in the company.

The case company's representatives are all thinking about resembling issues when asking what kind of customer experience the company is aiming to create. All in all, term "unite experience" in every touch point came up. B and D think that going beyond customer's expectations is the goal of customer experience. D also sees, that this shouldn't even be hard in the industry where the case company operates, as the company does not have strong roots in customer experience. He sees that by going beyond the expectations, company is aiming at to achieve recommendations. Moreover, other similarities of the interview results were the easiness for customer that was mentioned by B and C. Interviewed A and B did mention that everything should be as easy to understand as possible. Person A underlines the issue, as she said that what the company offers to customers is somewhat easy to buy, everything in the purchase process should go as well as possible. She said that there might be customers who just want "to get it done

with”, meaning that there are very limited number of interactions: these few interactions should then be in an excellent level. Personality of the interactions is also important (interviewee B). He also mentioned another interesting point of view: when doing business with this company, a customer thinks that he or she does already know what one gets, this means that with the product itself experiences are more difficult to create. C has the focus on the processes of customer perspective, and she was saying that there should always be a good, positive feeling in customer’s mind after the interaction with the company. Moreover, customer should feel certainty that his or hers issues are taken care of by company. Trust was regarded important (A, B, C). E was underling the creation of relevant customer experiences to customers. With relevant customer experiences he means, for example, that marketing materials should be relevant to customer. Company should not offer a product or service that customer is not applicable to use in the household. E did also discuss, that first of all the company should meet the basic expectations and needs of a customer. If that has been done successfully, company could focus on creating something that customer cannot even expect. Such a case is can lead to a great customer experience.

4.1.2. The Importance of Customer Experience

When asking about the importance of customer experience in the industry where the company is operates, all of the interviewed did mention, that customer experience is a source of a competitive advantage, and customer experience is important to the company. The person C pointed out this indirectly, when she said “we are probably the only company in our industry who is taking care of our customer’s in this way”. Many interviewed mentioned that customer experience is also a way to commit customers to the company: when customer is satisfied and happy, one is less likely to leave the company. The interviewed D did not strictly see how would the importance of customer experience in the industry differ to the importance of the concept in other industries. However, he figured out one example with an interesting perspective that applies to this company: a number of transactions with respect to customer’s mental image are very limited compared to

a grocery store. In a grocery store customer encounters customer services - and the store itself - more often, and one does not read that much news about the store, to set an example. In the case company's situation this initial setting is quite contradictory, and one sees and hears news quite often regarding to the company or industry, whereas the actual interactions stay typically quite limited.

The person B said that concentration on customer experience is a great opportunity for the company. He also described the unique nature of the product, which gave a good starting point to the analysis of researched issue, as the sold product is not a product like clothing or gas, to set examples. As the explanation was so depicting, it is used here as well. The answer is shortened and a bit modified because the product itself is not mentioned in this study. The cursive text is a summary of given answer to this question, presenting the nature of the unique product and the market:

The product is a necessity that everyone needs. The difference that exists between this product and food, to set an example, is that one can choose what kind of food one eats, whereas to this product there are no visible variations available. As everyone needs this product, the market naturally exists. Because of the background of the industry, customer experience has not always been considered from the commercial perspective. What is more, the issues related to the product are more technical than customer experience focused. In addition, when considering the customer's experiences of the product through the history, those have typically been a bit negative nuanced: you have to pay a product that you don't even see, and it may even be that you are paying too much on your own opinion. Though, this can be seen as a positive challenge, that there is not that many industries where you can increase the customer experience that much.

Interviewed E did also begin his answer with a similar idea: he pointed out that in the industry, customer experiences have been limited mainly to the situations where everything has gone smoothly and the payment has been done in the right way: customer experience has not had significant role in the industry. In some, quite occasional cases a call to a customer service has been needed to made,

meaning some additional encounters. As the transformation of the role of customer experience in the company has and is occurring, he described the current situation accordingly: “We are able to serve customers in relevant ways, with services and products in certain moments, that actually matter to a customer, and in relevant channels throughout customer lifecycle.”

Person D did depict well the challenge the perspective of customer experience as he said that “the product itself can not be hyped.” As the product itself is a bit “challenging”, the customer service and customer experience have an important role. In other words in order to achieve successful customer experience, company should focus on creating good service experiences (person E). Person B explained the reason for the importance with in-depth: *“Because the case is that everyone needs the product, the product itself is similar no matter who is the sales company and since there are many companies in the market, the reasons behind the decision from where the product is bought may be somewhat emotional-based. In this market, a company can differentiate its offering with production method or with certain type of contract offered. These are somewhat easy to copy by competitors. Instead, customer experience is a chance to stand out from competitors.”* Good customer experience can also increase customer’s trust to the company (person B).

4.1.3. The Formulation of Customer Experience

Encounters, touch points as said in this study, have an impact on customer experience of the case company. These effectors were mentioned by all the interviewed. Becoming as a customer, moving, different messages from the company, billing, web service and customer service do affect according to the interviewed A. Person D started his listing from “zero moment of truth” were customer is listing the possible options and finding the knowledge. This is followed by becoming as a customer and being as a customer and lastly the connection to a customer service. Communication in different channels and encounters were the factors affecting to the customers’ experiences according to C. Interviewed B brought up similar issues: communication, customer service and different

electronic channels. He mentioned also the brand, news and sales activities as effectors. E did not see that there is a difference between the relevance of different touch points, instead between the criticality. He started by explaining the situation by becoming to a customer – that is either initiated by us or by customer – contacting to customer service, moving, and renewing of contract. Moreover, the cases where customer's situation changes because some external reasons, can also be important effectors.

Again, the representative of customer service (person C) was naturally listing many different factors, such as unity of different channels, educating employees, being very carefully delved into customer and his or hers issue, how well processes are working, communicating right things to the right customers and how well the possible reclamations are handled. If a case of negative experience occurs, customer experience has a chance to change a negative experience to positive. Interviewed A brought up this issue as well. A and C did both mention that there are actions done by the company, whether customer expresses dissatisfaction to received customer service. To conclude, different factors do effect on the formulation of customer experience, which underlines the need to have all these effectors in line.

Person A did also list numerous things, such as products and the reliability of delivery, encounters, different factors increasing the trust (for example there are contract terms available on the web), the satisfaction to the product, the billing, advertisement and publicity, and an ability to forecast customer's future needs and situations. Person D was also listing similar issues to C: the quality of processes and the communication, which should go with good quality and be clear as well. Instead of making comprehensive lists, B said that company's image affect, either positive or negative way. A bit surprisingly, all the interviewed were discussing additional sales, directly or indirectly, as a positive effector: B and C told that the increase in additional sales has affected on the customer satisfaction level. According to E, the things affecting the customer experience is how important or valuable does the customer see the issue on question – does one care the issue, and after that doing things in a right time, in right channel.

4.1.4. Measuring Customer Experience

Concerning measuring, all interviewees did mention the measuring that is done by customer service center from where a questionnaire is sent to a customer automatically after the call to the customer service. In addition, there is SMS questionnaire sent in customer service after contract making, but it was only mentioned by the person C. D listed the measuring methods according to the levels where the measuring occur: customer relationship level, encounters such as customer service and the process level. E had a bit differing idea, he mentioned the measuring in the industry level, where are measures such as readiness to recommend, brand image and customer satisfaction. These measures give guidelines for company's actions. He sees that the other level is more business related, and the measuring can for example consider customer's experiences of his or hers product. These measured can be also straightly for business parameter's, such as churn rate. Other interviewed people approached the question with concrete examples. B mentioned mystery shopping and analysis of company's web page that is done by a third party. A mentioned different quantitative measures such as waiting time to a customer service or turnaround time in web, web questionnaires (does customer find what he or she was looking for), automatically triggered email questions and face to face feedback. A also brought up EPSI survey. All the mentioned measuring methods are presented in the chapter 4.2 and the appendix 3.

Reasons behind the chosen measurement methods stayed a bit indefinite, interviewed had different perspectives. From all the answers it was possible to interpret that the measuring methods and channels are chosen on the basis of those importance. B said that the measuring methods and channels are seen to be the most suitable to the situations and channels existing. He also mentioned that the measuring methods have to be adapted to the situation, for example as in customer communication occurring in phone, taping can be done in order to follow the customer experience. However, such a thing cannot be done in face-to-face interactions. Person A brought up the development perspective, as measuring is done because of the urge to develop company's different actions, not because of

the measurement itself. D said that the measuring is done with the traditional methods that are measured in general with inside out –perspective. He described the current measuring flowingly: we do some action, and after that customer is approached with measuring. E had a totally new perspective; according to his view the measuring is done in the basis of risk level, where the risk has been identified on the basis of business data.

What it comes to challenges of the measuring of customer experience all the interviewed were discussing similar issues except the person C, who had more concrete approach to the issue. Combining all the measures seems to be the biggest challenge faced. D divided the measuring states on customer experience level to the encounter level and to the process level. He brought up the challenge of taking advantage of the gathered information, and starting the measuring from outside in perspective. B, D and E did discuss, how it would be useful to be able see, how does the increase or decrease in one touch point affect to the other ones. To set an example, does a negative experience from billing affect their experience in customer experience: if customer would have gotten a wrong bill, does customer have a negative feeling towards the customer service, even though everything would be done very well by the customer servicer. D was eager to achieve a number, that would allow to manage the customer experience related and other actions in a better way. He sees a challenge in the ability of forecasting, as well as going into silos. What is more, the constant measuring was mentioned by interviewed A and B. Person B did also add that it would increase the reaction ability and would help managing activities. He also said that constant measuring is time consuming and expensive. B was also discussing about the challenge of creation of customer experience oriented culture inside the organization, in which each employee would consider his or hers actions from the customer's perspective. Person A did brought up, the need for comparable information. She thinks that it would be useful to be able to compare the results between different departments. She was also listing a difficulty to define the concept and phenomenon inside the organization as well. C was discussing how the questions should be settled up and how the answering percentage could be increased.

When asked about the development needs, the results were in line with the challenges: unity of measures and results, constant measuring, measuring on the important touch points with right measures were things that were discussed. This that these are the issues that are actually important, as the same factors came up in different answers. Many did mention the measuring of all the touch points. Interviewed A and C were also interested in to find out, how strong the connection is between the customer experience and loyalty. Such a research can be challenging, as the complexity of the concepts (Interviewed A). E sees that it would be important to get the customer experience as a systematic part of actions in different departments, such as sales, and marketing communication.

4.1.5. Current Practices of Customer Experience Management

Customer experience management was seen and understood in a relatively differing ways. Interviewed A depicted the CEM of the company in a following way: the highest management is very committed to the matter, and they have launched a program that concentrates on customer. E did also mention the dedication of the management as an important factor. The program was seen highly important as it focuses on constant improvement, where the aim is to create better customer experience. In different departments there are also yearly bonuses paid whether certain level of customer satisfaction has been achieved. E did mention that the management gives a clear target what is aimed to be achieved with certain kinds of actions. The target is communicated clearly. He also added that customer experience is thought always in every employee's actions. Interviewed A and D were highlighting that there are constantly going different customer experience related projects, and the customer experience is part of various different projects and actions of the company. B said that there is a certain customer experience target set by the management, which can be achieved with coherent actions. "These actions are followed, measured, coached and measured again." He also discussed the challenges in general management: some of the parts are relatively easy to carry out, whereas some parts are difficult. He also adds that the desired goal cannot be achieved by doing things in a totally same way in every channel, the actions have to be adopted to every channel. Interviewed A had also a

practical example how the customer experience management with information sharing has been done: the customer case stories are shared inside the company by putting customer stories in intra and to walls in the company.

One interviewed pointed out the same problem that was already explored in the theory chapter: the concepts of customer experience and satisfaction can be easily being mixed up, as people do not know the actual definitions of those and both are resembling. In order to do successful improvement actions, defining these concepts to the whole company level could be vice.

4.2. Presenting Current Measuring Methods

As it came up from the interview results, customer experience measuring is done with different methods in different touch points by the case company. In order to get better understanding of the current measuring, some of the used measuring methods are presented. The analyzed measurement methods are presented in the appendix 3. Every color in the table represents a one measuring method, for example all the questions that are in the red base are asked in the similar questionnaire. All in all it can be said that there are quite many methods for measuring, with different kinds of questions with different answering options. In the chapter 4.3 some ideas are given to help the case company to improve their measuring.

4.2.1. Measuring Customer Experience in the Customer Service

The interviewed C and A were discussing about the questionnaire sent after the customer experience encounter. In customer service, there is an automatic questionnaire call sent after the customer has ended the call with customer service representative. There are four questions regarding to the customer's experience from the customer service encounter. Customer is asked to evaluate his or hers experience on the Likert scale from 1 to 5, where 1 is the worst and 5 is the best. The questions are regarding the customer service, servant's ability to tell company's products and services, did a customer get a solution to his or hers issue solved and the readiness to recommend the case company. The company

does react to the given feedback, and unsatisfied customers are contacted. As it was pointed out in theory, such a case may be a chance to turn an unsatisfied customer to be satisfied.

When comparing the measuring method for example to emails, the questionnaire call allows the achievement to instant feedback from the customer service. Customer gets the questionnaire right away and customer cannot postpone giving answer, like it can be done with emails. Customer has a clear picture how was the encounter. In addition in emails, it may be that customer does read emails once in a while, and when reading the email it may be that some time has passed after the interaction: it may be challenging to remember how the encounter exactly was and what was the call even considering. In addition, emails are also easy to bypass. On the other hand, as the call comes from the unknown number, many may not answer.

4.2.2. Measuring Customer Experience in the Company's Webpage

The interviewed A told that about the customer experience sheets that are used on the company's webpage. There are three different kinds of questionnaires considering the customer experience in the web. The questionnaires are regarding contract making, the registration process and customer's own service (please see appendix 3).

The first mentioned is concerning the fluency of contract making process, did customer get his or hers issue solved, and does customer have positive feedback or development suggestions (open feedback). There answer options are yes/no, Likert scale 1-5 (where 5=totally agree and 1= not agree) and open feedback. The contract making related questions are concerning the easiness and fluency of registration, and the background for the registration. In addition open feedback and development suggestions are asked. There are answer options with yes/no – option, multiple choices, and open feedback. The questionnaire of customer's own customer's own service page on the web: why customer did come to the company's webpage, did she or he get the issue solved, and other questions

regarding to the company's service offered. In the questionnaire there are following answer options: multiple choice, yes/no questions and open feedback.

4.2.3. Measuring Customer Experience Feedback from Emails

The case company is doing automatically triggered email communication to its customers whose email address company has, and there are different kind of emails send depending on the lifecycle status of a customer. In some of the emails, there are feedback questions asked. As there are numerous different kinds of emails existing, it is not sensible list those in this study.

Interviewed A did also explain the customer experience measuring in email communications. The case company is doing active email communication. Emails are sent in different touch points during customer's lifecycle. Emails are typically sent on the basis of customer's lifecycle status, and the aim is to meet the customer's possible arousing or prevailing needs. Some of these emails include different kinds of questionnaires regarding the customer's experience on the customer service achieved, and other things alike. There are also more comprehensive, product –related questionnaires and very short questionnaires consisting of only one or two questions. In this study the concentration was chosen to the emails that are sent in the beginning, during and at the possible end of the relationship, in order to get a bit more comprehensive understanding from the whole lifecycle of the customership.

In the beginning there are questions concerning customer's experience regarding the service received from the customer service: this email is only send if a customer has done the contract with a customer servant. There are multiple answer options regarding the customer's experience of the service achieved, from 1 to 5 with similar evaluation criteria as presented above. After that, from a customer is asked would he or she recommend the company, with yes or no answer options. During the customer relationship, in case of some products, there are questionnaires concerning customer's experience. These questionnaires are notably longer and include different kinds of questions regarding the product and

the service. In the end of the questionnaire there is NPS asked. If the customer relationship ends, there is an email sent to the customers whose email the company has. The chosen questions are concerning a customer's experience of the received customer service during the contract, and his or hers readiness to recommend the company. The answer options are on multiple choices and yes/no.

In the case company, email questionnaires are more protean way to measure customer experience. Emails can be quickly modified, and emails can be sent during different phases of customer lifecycle. Emails are also very cost-efficient measurement method, they can be sent without any actions required from a customer, like the automatically sent customer questionnaire call from the customer service. The emails are sent only, if the agreement has been given by a customer. These questions can be seen more as a relationship feedback than transactional feedback. Like phone questionnaires, the email questionnaires are quick to answer. However, as said, emails are easy to pass, the answering can be postponed reducing the opportunity to achieve real-time customer experience results. What it comes to web communication, similar notifications apply like with email, one difference is that the answering cannot be postponed.

4.3. Discussion

In the discussion part the results that were presented in the previous chapter 4.2 are analyzed, and compared to the theories presented in the chapter 2.

4.3.1. Different Perspectives of Customer Experience Concept

The slightly differing definitions do summarize well the challenge noticed in the research field of customer experience: there are numerous ways to understand and define customer experience. The case company should define clearly, what customer experience means in their company. As Grewal et al. (2009,1) had put it, company should understand what customer experience is, in order to manage it.

When comparing the results to table 1 in the chapter 2.4, many similarities can be noticed. As pointed out, “B thinks that customer experience is what one hears, sees, and experiences related to a certain company” which can be seen having similarities with definitions made by Berry et al. (2002), Meyer & Schwager (2007), Verhoef et al. (2009) and Lemke et al. (2011). Other definitions do also go across the similar notions, which is not surprising at all. The definition of B is quite “universal”, causing that many definitions in the literature have the same idea behind. However, in the definition made by interviewed B, there is not a mention of interaction, which has been – according to the literature of customer experience – regarded self-evident part of customer experience.

According to the perspective of interviewed D “customer experience is customer’s impressions consisting of mental images, interactions in practice, and also the feeling and satisfaction of a customer. It is a formulation of small factors that are based on internal teamwork and co-operation.” In the definition, there are the existence of interactions mentioned, as well as mental images, feeling and satisfaction, alongside the internal, company perspective. Gentile et al. (2007), LaSelle & Britton (2003), Meyer & Schwager (2007), Frow and Payne (2007), Grewal et al. (2009), Verhoef et al. (2009), Lemke et al. (2011), and Klaus & Maklan (2013) had the interaction and company perspective mentioned in their

definitions as well. No satisfaction neither mental images are mentioned in the definitions presented in the table 1. However, in many definitions, it can be seen that there is an idea of mental images behind (for example Verhoef et al. 2009). As the definitions in the table 1 seem to have developed from year to year, the recent definitions do retrieve to the idea of satisfaction. Klaus and Maklan (2013) mentioned that customer experience has an effect on purchase behavior. It can be intervened that whether customer experience has been either good or not good, one is satisfied – or not satisfied. Fisher and Vainio (2014) are more clearly referring on satisfaction, as they see that customer comes back and tells others on the basis of his or hers experience. In the definition made by interviewed D, it can be seen that customer experience accumulates, as he is using plural in his definition. Such a perspective was not used in this study, as customer experience is regarded to be a consequence of a single interaction.

Interviewed A defined that “customer experience is what happens in different encounters when a customer meets a company and additional value is created to a customer. “ Person A did have an idea of interactions behind and she was the only one discussing on value creation of customer when giving the definition of customer experience. The idea of value creation was only presented by Gentile et al. (2007). All in all it has to be brought up that none of the given definitions did meet the most commonly used definitions in the customer experience literature advocating the complexity of the concept. The given definitions do also reflect the various different ways to see and define the concept of customer experience.

The claim “companies do not know what the customer experience is and how to achieve it “ applies to the case company to some extent (Gentile et al. 2009, 397; Frow & Payne 2007, 89; Kim & Kim 2007, 46). As said, the interviewed do understand the concept resembling, but still in different ways. Position does affect how one defines the concept. The different understandings of the concept can be a challenge, if company is going to improve its customer experience related activities: if everyone has their own ideas what will be improved, the goal is more difficult to achieve. On the basis of the given definitions by the interviewed, the definition of customer experience in the case company could be “customer

experience is what happen in different encounters when a customer meets a company, and additional value is created to customer.”

4.3.2. The Created Customer Experience

As company’s representatives are aiming to create unite customer experience, it can be seen as a target that company should truly focus on. Unite customer experience can be a key for even better success. According to Grewal et al. (2009,1) and Fisher & Vainio (2014, 144) company’s long-term success is a consequence of serving customer well throughout different times and context, with consistent message throughout channels. In addition, Frow and Payne (2007, 96-99) did prove, that the consistency throughout the channels and communication are the key to turn casual customers into loyal customers. On top of this, Löytänä and Korhikoski (2014, 70) stated, that the biggest stumbling block in failing in customer experience are the inconsistencies between touch points. This means, that customer experience should be similar in every channel, meaning in practice that customer is served equally friendly via phone, face to face or in the web. As said, there are no similar, casual customers, as there can be in a grocery store. In the case company’s case, the customers are more committed to the company, as they have a contract: customers do not buy what the company is selling one day from one company and next day from another. Still, even though customers are a bit more committed to the company he or she has contract with, there are differences between these customers as well. Some customers are notably more long lasting than others. When having coherent and consistent communication and interactions throughout the channels, company can create more long-term relationships with its customers. Naturally, all of the channels have their own characteristics, meaning that adaptations have to be made depending on a channel.

According to the interviewed, after the encounter customers should be left with these feeling: satisfaction, positivity, and trust. Everything should be as easy as possible for a customer. The easiness was also found an important effector for company’s long-term success in the research field (Grewal et al. 2009,1). In

addition, all customer's issues should be solved at once, and customer and his or hers issues should be deeply delved into. In addition, it is vital that all the different channels, platforms and processes work coherently in interaction.

Taking good care of the fluency of the processes is highly important. As pointed out, to some customer it may be just enough that process works, and they may not be in the interaction with the company that much. When being in interaction, everything should work flawlessly. The main product sold is certain, that customer does know in advance what he or she will get. Going beyond expectations should be done with experiences. On the basis of these notions it can be deduced that there should be two kinds customer experience creation goals in the company. Company should aim at easy and quick processes especially in their basic actions, such as contract making.

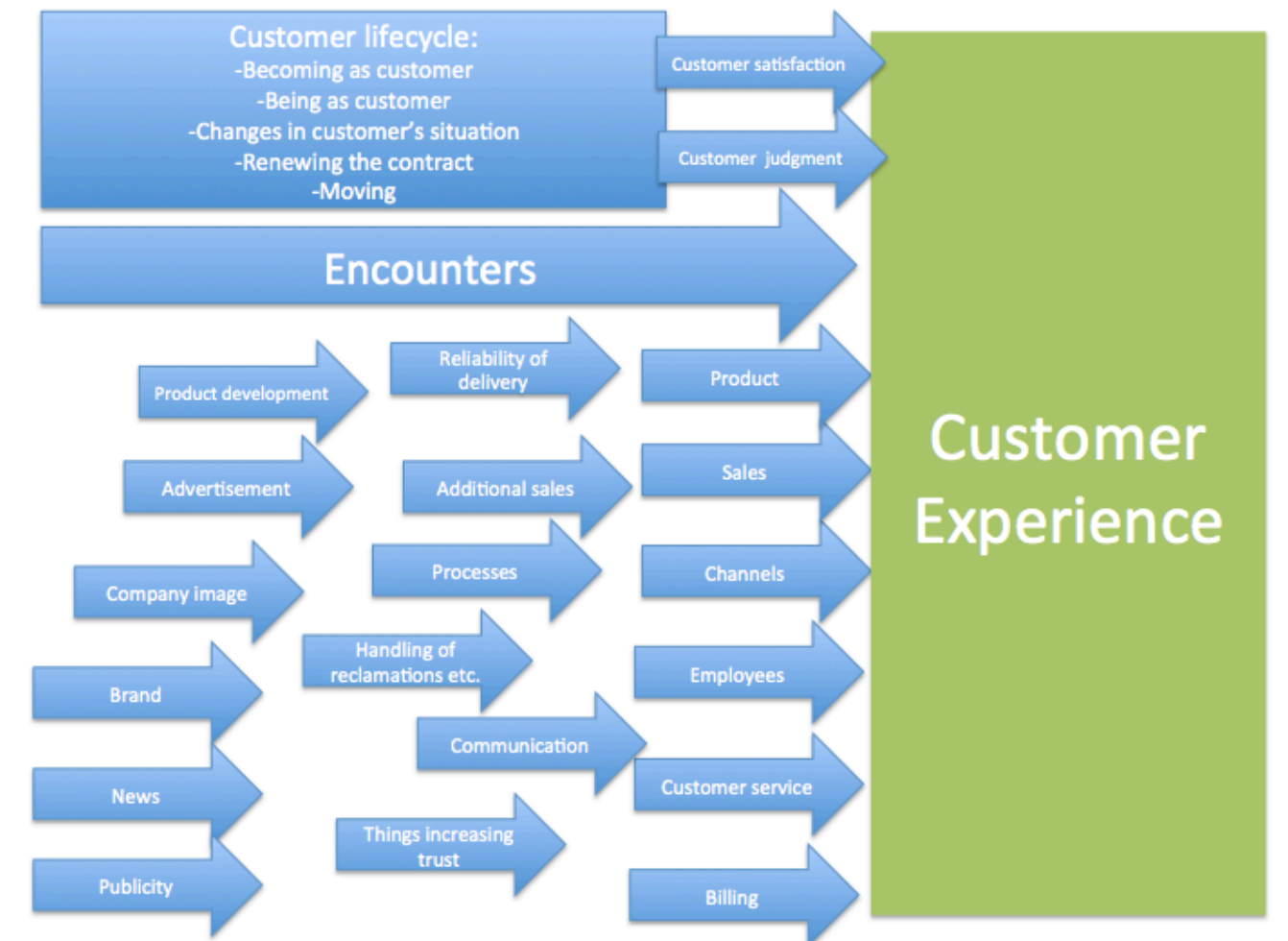
In addition of having well-working basic processes, company should aim at going more beyond customer expectations. The literature of customer experience is also highlighting that there is constantly growing number of customers that are actually want better and better experiences. As it was pointed in the theory "on the top of fulfilling the basic need, customers are looking for experiences" (for example. Berry et al. 2002, 85; Grewal et al. 2009,1; Voss et al. 2008, 247; Verhoef et al. 2008, 31; Gentile et al. 2007, 395). There are customers who want more, they may want to buy extra services or products, they want more knowledge concerning product bought and so on. For these customers the customer experience has to be created very well, in order to meet the needs. Going beyond expectations can be done via advancing and enabling (Löytänä & Korteso 2011, 61-63), as pointed out in in the chapter 2.3. According to the interviews advancing has been done by having a customer service 24/7 to customers who are moving. Something new extra could be added to the offering, for example to the contract making opportunity in totally new channels, such as SMS or an mobile application. Enabling was pointed out indirectly by all of the interviews, as they did mention easiness as important factor affecting on customer experience.

The created experience should be relevant to a customer, for example the communication should meet the customer's current situation. This issue does underline the need for valid data, so the company does actually know what kind of issues are current to customer at the moment. The importance of the data and ability to forecast on the basis of that was brought up by interviewed E and A, which reflects that the company does understand the importance. However, in today's digital era, companies have more data of their customers than ever before meaning that there are more and more intelligent systems needed in order to take advantage of the data (Lovatt 2009, 15). This problem has been noticed in the company, for example E did mention that there could be smarter and more intelligent systems behind.

4.3.3. The Different Effectors of Customer Experience

On the basis of the interviews, there are numerous kinds of factors effecting on the customer experience of the case company. In order to improve the management, the customer experience effectors have to be thoroughly understood and defined: otherwise management is impossible. The effectors that came up during different points of interviews are collected on the picture 8. The effectors have been grouped: the closer the effector is to customer experience box, the more it does affect on customer experience of the case company. Encounters are the biggest arrow, as it can be seen to be the hypernym to the other effectors. Some applications were made to the table from the answers achieved: web was listed under channels, and educating employees and employees absorption in customer's issues are both included under the "employees" –effector. As many of the interviewed did mention the customer lifecycle states as effectors, those were added this picture as well. As it can be seen, the effectors are not from a same category; there are general level effectors as well as more specific effectors mentioned. However, the idea is to present the complexity and wideness of the numerous customer experience effectors. Some of the listed effectors are certain that company cannot have a direct effect to, such as company image or publicity. The notion that Payne (2009, 26-27) had made applies well in this case: company can affect on the customer experience through direct encounters. It is challenging

to affect through indirect encounters, and it may be even impossible. The clearest indirect encounters in this case are: news, and publicity followed by company image and brand. The strictest affect on perceived customer experience can be seen to have with employees, customer service, and billing, to set some examples.



Picture 8. The different factors affecting on customer experience of the company.

When comparing the result to the table 2, where different effectors were presented, there are many similarities. Not surprisingly, the perspectives presented in the table are much more theoretical, especially the elder perspectives are in a somewhat abstract level. The listing made by Verhoef et al. (2009) meets the listings of the interviewed quite well. According to the view of the scholars,

customer experience is formulation of social environment, service interface, retail atmosphere, assortment, price, customer experiences in alternative channels, retail brand and previous customer experience. In addition, Lemke et al. (2011) have similar idea as interviewed, according to their view service-, usage- and communication encounter create customer experience together. Grewal et al. (2009) see that firm controlled and macro factors are the components of customer experience, which also goes along with the perspective presented by the interviewed.

Not surprisingly, the interviewed mentioned numerous different touch points that occur between a customer and the company. The answers of the interviewed are applied to the touch point outline made by Löytänä & Korteso (2011), that was presented in the chapter 2.5. in the picture 1. The idea was to perceive the given answers with already familiar and simple model. In the picture 9 there are circled with orange the different touch points between a company and a customer, which were told by the interviewed. With orange text there are marked the touch points that are currently measured in the company. The picture gives a directional idea, and presents quite well that only some of the touch points are covered with measuring. The original model, that is used on the basis of this study, does include few touch point that does not actually exist in the case company: this means that it may look that there are many uncovered touch points that could be measured. The model may little distort the understanding of a reader. In addition, it has to be kept in mind, that there are the different views of the interviewed included. It might be, that there is other measuring done in addition to the lists made by the interviewed. Communication, that was mentioned as touch point in the interviews, is named here as marketing, as it can be seen as a sub concept of that.

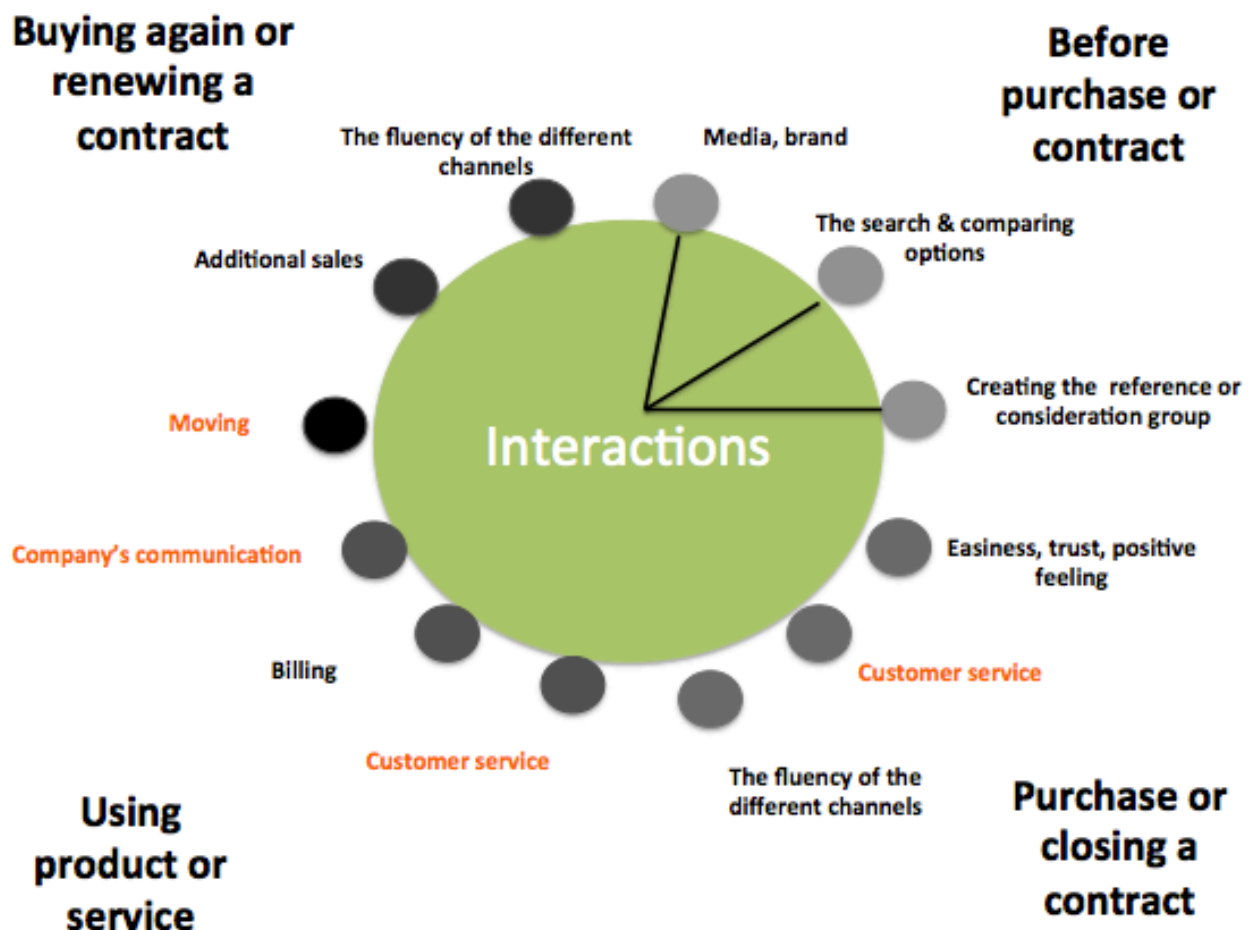


Picture 9. Touch points between a customer and a company (modified from Löytänä & Korteso 2011, 75)

However, this picture is not exhaustive, as the picture covers the situation where customer already is a customer: potential customers are left out. The picture is a quite stable, and it does not describe the dynamic, changing nature of the concept. That is why the other model, Customer Journey Map (please see picture 10) is used here alongside the picture 9 (Vesterinen 2014, 53). The Customer Journey Map does demonstrate better, how does the status of customer's lifecycle affect on the touch points. For example the touch point differ whether one is making the first contract or actually using the product. As Frow and Payne (2007, 96-99) put it, "customers needs typically differ during the lifecycle, and the outstanding customer experience may require different kinds of activities for a company." This notion goes in-line with the notion made by the person B: "good customer experience may vary from time to time, which means that company has to develop it's

customer experience related activities, measuring and other activities constantly. When staying up to date, company can go beyond the expectations and meet unmet needs.”

Company’s management should make decision, which touch points are the most relevant ones. In those touch points the focus should be put throughout the company. The classification of touch points would allow the employees to understand better, where limited resources should be focused.

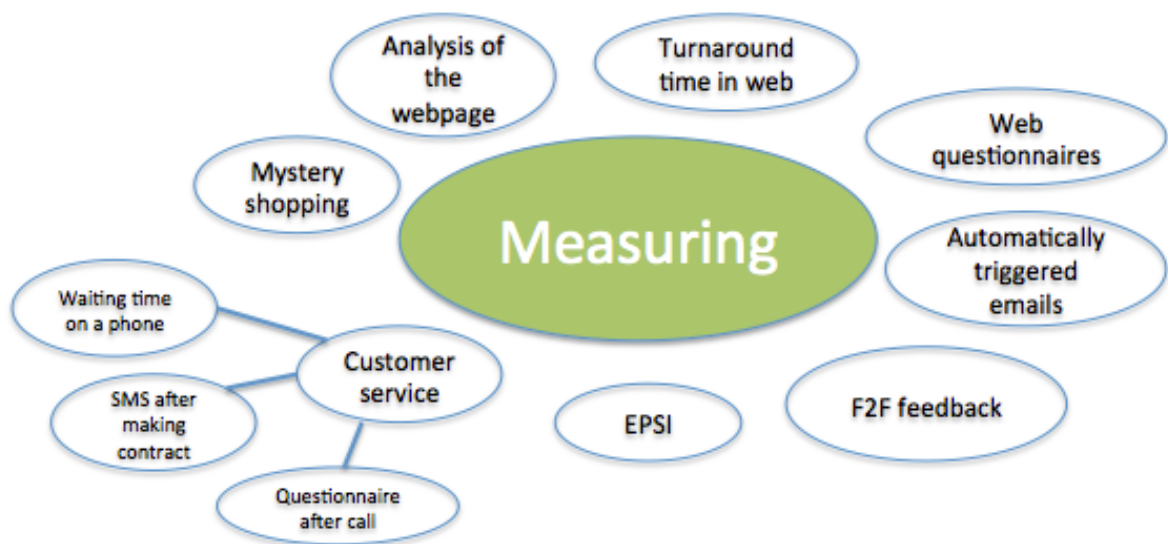


Picture 10. The Customer Journey Map of the case company (modified from Vesterinen 2014, 53)

4.3.4. The Customer Experience Measurement

As the reasons behind the current measuring were not that clear, it can be seen as reflection of unclearness that actually exist concerning the customer experience measuring. In general, it was said that the measuring is done on the basis of importance, but it might be useful to carefully to consider, what does the company really want – and most importantly needs – to know, and how exactly the answers could be achieved. In addition, the importance of defining to the concept comes important here as well.

The interviewed listed the different measuring methods that can be seen in the picture 11. As it was presented in pictures 9 and 10, not all of the current touch points are covered with measuring. The used meters are from different channels, which is a positive thing. However, in the chapter 4.1.3 there where mentioned the most relevant touch points according to the interviewed, from where the measuring should be done on the basis of the theory.



Picture 11. Different methods of measuring customer experience in the case company .

On the basis of the interviews and analysis of the chosen measuring methods, it seems that there are room for improvement: the measuring could be done in a more systematic way. The interviewed did underline the coherency in the

customer experience. On the contrary, this is not met with measuring. There are different kinds of questions asked with different answer options, making the result analysis challenging. With the lack of consistency in the measurement, the achieved results are difficult to combine together or compare. However, there have been some same questions used in different touch point: did customer get his or hers issue solved, and readiness to recommend. These questions could be scaled to other touch points as well: if doing so, the answer option should be similar no matter the touch point.

With current measuring, comparing the long-term results between different measured touch points is almost impossible. In the most relevant touch points the measuring should be done accordingly: having at least few same questions always asked on addition to the more channel or situation based questions. When considering customer point of view, it has to be remembered that customer experience measurement does affect also on customer experience – measuring is one kind of touch point as well (Shaw & Ivens 2002, 168; Mayer & Schwager 2007, 5-6). If conducting the measuring in a similar way, always after a touch point, it can support the creation of positive customer experience: customer may see the case company to be a good partner who wants to take into account customers experiences. When questionnaire is similar, or at least formulating of few similar questions – it can also add the trust experienced by customer: the company does have well planned system and it does the measuring systematically. In addition, asking customers' development suggestion can be seen increasing customer's trust. As trust was regarded one of the most important goals of customer experience after the touch point, it should be supported by measuring as well. Measuring can support the customer-company relationship, and it does increase the number of limited touch points. The used measures do highlight, on some level, the same themes that were brought up to be important by the interviewed: easiness, solving customer's problems by once, going beyond expectations. The last mentioned can be seen to be a result from the question of readiness to recommend.

The used meters seem to be created to meet the needs of the channel where it is used. The way of conducting customer experience measurement does not go in line with the theory of customer experience measurement, where the aim is to focus on understanding customer. On the basis of the formed understanding, customer experiences can be improved. However, in a large company like the case company is, a general understanding of the customer experience level is difficult to form without coherent measuring: same questions and answer options. What is more, at the time being the results cannot be compared.

The different channels should support to the creation of resembling customer experiences, with a similar good quality. This arouses an important point, as most of the touch points are one of a kind: in order to create similar experience to customer, it does not mean that things should be done in a similar way to all customers or in the same channel. In the chapter 2.7 a seven step-measuring model of Schmidt-Subramanian (2013) was presented and it is applied here as well. The first step is to choose the most critical segments (Schmidt-Subramanian 2013). In the empirical part there were two example segments mentioned indirectly: customers with the need to “get the thing just solved” and the customers who want something more on to the top of fulfilment of the basic need. To these customers the most relevant touch points or experiences have to be chosen (Schmidt-Subramanian 2013). To the “basic group” the touch points could be following: finding the information of the company and it’s offering, making the contract, paying the bills and a possible contact to customer service occasionally. In order to create positive customer experiences, company has to keep it promises with good service and product quality (Fisher & Vainio 2014, 9). To the second, more demanding segment the touch points can be defined on the basis of picture 10. On the top of the presented touch points, some additional value could be created with a sales coupon code or with discount to the next bill, to set some examples. The improvement methods enabling and advancing could be taken advantage of. In addition, Löytänä & Korteso (2011, 117) are also encouraging to carefully think, is there some touch point existing that are not given enough attention to, where company could create additional value to customers. On top of

this, company should mirror it's current measuring to the results of this analysis, and make modifications if needed.

In the model of Schmidt-Subramanian (2013) there is an important perspective that not is considered: company should carefully think what is the deepest aim in every touch point. With the decided aim, customer experience improvement activities are easier to do. The scholar is only saying that in the 5th step company should set target to each metric. However, in this step the goal should be considered as well.

Company should not only focus only on the current customers. Vesterinen (2014) and some of the interviewed encourage listening the customers who leave and the ones who are thought leaders, in addition to current customers. The leaving customers are partly covered with already presented email questionnaire, but more measuring and activities could be done for them. Though leaders are more challenging to find: media – news, blogs and forums could be one way to do that. However, these groups are left out of the example application of Schmidt-Subramanian (2013) and the rest of the phases are continued with current customers, as those the most sensible starting point.

Third step is to choose the most suitable measuring methods for each experience or touch point (Schmidt-Subramanian 2013). The chosen measure should take into account all the perspectives of measuring: perception metrics, descriptive metrics and outcome metrics in order to have encompassing picture (Schmidt-Subramanian 2013; Löytänä & Korhikoski 2014, 53-53). This is maybe the most challenging part, as there are many different measurement options existing. In the chapter 2.8. different measuring methods were listed. NPS has been already in use in some of the email questionnaires, so company is somewhat familiar with the measure. The usage of NPS in customer experience measurement is supported by the view of interviewed who where discussing about going beyond the customer's expectations – that is what NPS can be seen to be aiming to find out; recommending something is an activity that can be seen to be linked in exceeding ones expectations. NPS gives also an input for development actions

inside a company, and it also helps to get a company-wide customer focus (Vesterinen 2014, 47).

NPS has a wide answering scale, allowing to spot the differences between the answers given more clearly: if compared to the customer service survey where the scale is from 1 to 5, the interpretation of results stay much more limited. Development actions can be began if asking reasons for the dissatisfaction of the detractors, or asking from the people who were classified as neutrals by giving grade 7 or 8, what could be done better on their opinion. In addition, the same question could be asked the one who have given 9 or 10, and ask also what are the reasons behind their satisfaction. One challenge in using NPS as a measure is that in a country like Finland, people may not be enthusiastic recommendation givers. If choosing to use NPS in a measurement of touch points, some other or others questions should be used alongside that.

As all the interviewed highlighted the importance of easiness and effortlessness, Customer Effort Score should be definitely considered taken into usage. Using the measure in telecommunication was also recommended by Löytänä and Korkiakoski (2014, 60-61). Another option could be the Net Easy Score, combination of NPS and CES. An difference between CES and NES is the wording: CES has a negative nuanced way to express the idea – How much effort did go through in order to get your get your issue taken care off? – Whereas NES is asked it in a more positive way – Overall how easy was it to get the help you wanted today?. Company should carefully consider how the questions are settled, and presented, as those affect also to customer's experience (Shaw & Ivens 2002, 168; Mayer & Schwager 2007, 5-6). What it comes to the differences between NPS, CES and NES, NPS is asking a bit more from the customers – readiness to recommend, whereas CES and NES are asking just opinion. CES or NES could be used as perception metrics, descriptive measuring could be – depending on a channel – waiting time on a phone or turnaround time in a web for example. Outcome metrics could be NPS or churn rate.

The most suitable measures should be carefully considered. As the unity and coherence between the channels are regarded important, the chosen measures should be certain that those are suitable to every measured touch point. When having the same measure or measures in different touch points, company can compare the results between the touch point, and understand better the normal level of customer experience amongst its customers. The negative changes can be easily found out and reacted in time. When founding divergence, company should do tactical corrections right away, and structural changes in a longer time perspective (Löytänä & Korhikoski 2014, 82). For example, if customer would have problems in contract making in some channel, one should be helped and contact should be made right away. After that, company should delve into the problem, and find out is there something in the process that could be improved. In order to understand touch points better, company could still use channel or touch point specific questions alongside the generally used meter.

Designing data collection strategy is the fourth step (Schmidt-Subramanian 2013). Company has to specify how it is going to perform a range of activities for fielding questionnaires and following the achieved results regularly. In this point company should consider, how the results should be gone through in practice. For example company should choose the measuring methods, and the people who follow the results and forward those to the rest of the organization. Vesterinen (2014, 41) is recommending a company to carefully consider the purpose of collected data, otherwise the measuring is not sensible. The needs for data may differ quite radically between different departments (Vesterinen 2014, 41). Fifth step is to set targets for each of the metric (Schmidt-Subramanian 2013). This aim should be in line to the aim of the touch point. The aims help to the improvement actions, as company knows where it is concretely going. In the sixth step identifying and acting on customer experience issues are done (Schmidt-Subramanian 2013). NPS is not an only measure that should be actively reacted to. Routine for checking out the result is definitely needed in every meter, and general recommendations that should be used in measuring are given.

The measurement results should be forwarded to management in real time, in order to take advantage of the information. When listening customer's pulse and understanding customer's opinions, company can more easily meet the customer's needs and desires and to increase its income in a long run (Vesterinen 2014, 36). As it came up from the interviews, there is strategy for reacting the negative customer experience on some channels. This method should be used in every channel where customer experience is measured. Company should consider what kinds of results it wants to achieve amongst these customers on the future, and those goals can be achieved in practice. The ones who have not been negative neither positive could be approached with questionnaires what do they think that was missing, to set an example. In such a way these customers could be turned out to be more satisfied and have good customer experiences as well. Satisfied customers could be approached with questionnaires concerning the possible improvements. In addition, thanksgiving should not be forgotten (Löytänä & Korhikoski 2014, 138-139). The customer groups achieved from the measuring can be used on the basis of future segmenting as well.

Last, the 7th step is to share insights of the customer experience measurement (Schmidt-Subramanian 2013). When sharing the results, employees can see the actual results of their actions, and it can also motivate for doing things even better in the future.

4.3.5. Customer Experience Management

The case company is big company, with many processes, employees and customers. The systematic creation of CEM is definitely needed. On the basis of the interviews it seems that management has a right direction, and there is an idea where the company is wanted to be in the future. There have been actions done in different levels of organization towards more customer experience oriented approach. There are different projects and a bigger program going on, reflecting a right path what it comes to customer experience management. Customer experience should be considered in company's every action, and so it has been done according to the interviewed. According to Löytänä & Korhikoski (2014, 51)

and Vesterinen (2014, 24) companies that have achieved success in the field of customer experience have had a management that is strongly committed to the creation of customer experience, and the management behaves in exemplary way. The case company seems to be on a right track. The scholars do underline that in companies, where have excellent customer experiences created, company's management has succeeded to commit every department of a company to the customer centric logic and operating model. However, customer experience is dynamic concept, which means that customer's expectations and customer's surroundings are constantly changing (Verhoef et al. 2009, 38-39). This means for CEM that constant input has to be made in order to sustain and improve customer experience. Like in every part of company's business a key to success is to do constant thinking, planning, implementing and reviewing (Shaw & Ivens 2002, 149).

Benchmarking should be more actively done, as a routine. Via benchmarking there is possibility to find totally new ways of doing things. In addition, benchmarking to other industries is not a bad idea either. As person B said, customers are comparing to the experience of the case company to other experiences he or she receives from other companies from different industries, with which he or she buys products or services. From the other, succeeded industries in customer experience field the case company could go beyond customer's expectations and create totally new kind of customer experiences that have not been seen in the industry before. It has to be remembered that with good customer experiences customers can become more committed, which is likely to increase customer's trust and loyalty towards the company (Gentile et al. 2007, 404).

In customer experience management, systematic creation is an important thing to put effort to: the lack of systematic creation of CEM is the biggest reasons in failing in CEM (Löytänä & Korhikoski 2014, 71-75). For improving CEM, there were few theories presented in the chapter 2. The 5-step-model created by Schmitt (2013, 23-30) is used here, as it was seen to be most encompassing. The model is very customer centric, which is something the company should focus on if aiming to do things more outside in than inside out. However, the model is not all embracing.

Some adaptations and changes are done to serve the case company in the best possible way. Analyzing customer's experimental world was the first step. This refers to delving into lifestyle and experimental needs and desires, which could be done by conducting customer researches. Especially the irrational and emotional side of customers' decision-making is relevant to be understood (Gentile et al. 2007, 396). In case company's situation this is a bit more challenging issue, as the number of customers is high. In this case customers should be divided into smaller segments, and the analysis should be done for each of those. Alternatively, the most important segments could be chosen, and focused to begin with. As in the example of measurement improvement, the segments could be the ones with basic need and the ones who have higher expectations. This does mean that all the following steps have to be done for these two segments.

Next phase is building the experimental platform: creating a connection between the strategy and implementation. To these chosen segments there are strategies needed, what the company wants to achieve and how with what method. Carefully planned strategy allows company to be more than just a fulfiller of current needs (Fisher & Vainio 2014, 144). This phase is also in a strong connection with the model of by Schmidt-Subramanian, steps 2 and 3. The strategy is modified in real action plans.

In the empirical part it came up that there is a chance to go into silos, which is also a big effector failing in CEM (Löytänä & Korkiakoski 2014, 73). Silo problem can be tackled down by increasing communication inside the company and by re-organizing the company in a lighter way, which are things worth of thinking to the case company as well.

Next phase is to design brand experience, where it should be chosen what kind of experiences the brand wants to offer to its customers. As the company is a big company with a strong brand, enormous modifications cannot be done to the company's brand. The customer interface creation is strongly linked to the aims of the company. Because the company wants to achieve coherent customer experience, it should to focus on to the creation of similar customer experience in

every touch point. The company should identify the inconsistencies with its measuring, and fix those (Frow & Payne 2007, 98-99). Last phase is to engage in continuous innovation. The case company should constantly follow customers' changing needs and desires, and conduct benchmarking.

With continuous innovation the company can meet the customers changing needs better, and the company could take advantage of doing actions more inside out. Conducting a research for customers, where the needs, opinions, experiences of customers would be researched, could be a key for doing more outside in kind of thinking. It could allow to the creation of an offering that could be hyped. As pointed out in theory, the irrational and emotional side of customers' decision-making is relevant to understand in order to create successful customer experiences (Gentile et al. 2007, 396). In addition, the understanding of customers, their experience is a key for maximizing company's income (Klaus & Maklan 2013, 232; Gentile et al. 2007, 395; Grewal et al. 2009, 3). As told in introduction concerning research types, clearly focused studies, interviews in this case, would allow the company to understand customers better, with more depth. A deeper level interviews would be wise to execute for limited number of customers, which could allow the company to actual delve into to customer's experiences. As it was claimed by Klaus & Maklan (2013, 232), company should understand the construction of positive customer experience as well as possible in order to maximize the income.

Seeing the results of CEM may require time, and doing CEM well, persistent and hard work are needed (Löytänä & Korkiakoski 2014, 40). However, according to many scholars (for example Löytänä & Korkiakoski 2014, 40; Gentile et al. 2007, 405) it is something that company should put effort to, as when CEM has been implemented in strategic level, a yield curve can be expected to go up.

Table 4. The summary of achieved results

Definitions of customer experience concept	<p>Different definitions, customer experience is:</p> <ul style="list-style-type: none"> • What one hears, sees, and experiences related to a certain company • A customer's impressions consisting of mental images, interactions in practice, and also the feeling and satisfaction of a customer. It is a formulation of small factors that are based to internal teamwork and co-operation • What happens in different encounters when a customer meets a company and additional value is created to a customer
The targeted customer experience	<p>United, coherent customer experience. Customer should be left with following emotions: satisfaction, positivity and trust. Other important issues: going beyond expectations, easiness, fluency in processes and taking care of customer's problems by once</p>
The importance of customer experience	<p>Competitive advantage, a great opportunity to achieve success</p>
The effectors of customer experience	<p>Encounters. Some have direct effect (for example as customer service or billing) whereas some have indirect effect (for example company image, publicity)</p>
The management of customer experience	<p>Management has launched a customer experience oriented program, given guidelines and management is strongly committed to the matter. In addition in different projects the focus is on customer experience, actions are done on the channel's condition.</p>
The used customer experience measurement methods	<ul style="list-style-type: none"> • Automatically sent questionnaire call • SMS • Mystery shopping • Analysis of company's webpage • Turnaround time in web • Automatically triggered emails • Web questionnaires • Face-to-face feedback • EPSI <p>Different kinds of questions with different kinds of answer options</p>
The challenges in customer experience measurement	<ul style="list-style-type: none"> • Defining customer experience • Do measuring inside-out perspective • Combining measures • Taking advantage of gathered information • Understanding the causal relationships between different measured touch points • Forecasting • Silos • Constant measuring • Customer experience –oriented culture • Layout issues • Response rate • Measuring right issues in right touch points

The improvement of customer experience measurement	<ul style="list-style-type: none">• Combining different measures• Constant measuring• Conducting the measuring in all touch points• Understanding the causal relationship between customer experience and loyalty• Taking customer experience systematic part of company's activities
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5. CONCLUSIONS

This study concerned customer experience management of the case company. The findings from the empirical study supported the theory; customer experience and the management of it are complex concepts and phenomena. Moreover, different factors affect on customer experience. Conforming to the theory of customer experience, the case company has realized the great potential that lies in customer experience and its management, and it sees customer experience as a source of competitive advantage. However, like discussed in theory, there is not a one way to improve customer experience and its management, every company has to find out the most suitable methods for itself. There are different challenges faced regarding the improvement of CEM.

This study is beneficial for the case company, as it brings together the different perspectives of customer experience management that exist in different levels in the organization, and combines the perceptions to the results on the literature of customer experience management. As discussed, the findings of the academic literature are in conceptual level. This study shed some more light to the practice of CEM, and offered practical suggestion how the development activities of CEM could be conducted.

Inside the company, there are different perspectives what customer experience means, which goes in line with the academic literature. On the contrary, the aim of desired customer experience is clear: coherent and unite customer experience, where customer's different needs and desires are taken into account. Customer experience is seen as a formulation of numerous different encounters occurred between a customer and the company. After an encounter, customer should be left with feelings of positivity, trust and satisfaction. In addition, easiness and fluency of processes is seen important especially in basic processes. Customer should be served as well as possible – everything should be taken care of once and the customer and his or hers issue should be delved into. Going beyond expectations can be done with customer experiences.

In the case company, customer experience is seen as a source of competitive advantage, underlining the need to put effort on that. From the interviews it came up that there might be different unexplored opportunities existing in the creation of customer experiences. As the company's offering has different nature compared to other daily commodities – there are less actual interactions and more other kind of visibility – the encounters should be put effort to. Because the product itself cannot be seen and it does itself create experiences, there are great opportunities existing in the creation of customer experiences with the encounters. Company has already realized the possibilities of customer experience management, but there are different improvement activities that could be done.

The interviewed did list numerous touch point that affect on customer experience, which were presented in the results of the empirical study. Some of the encounters are certain that company can have an effect to, whereas to some effectors the company cannot have control to. Company should choose, which encounters are the most relevant ones to put the biggest effort to, and which ones are not as important.

The main research question, *How to improve the customer experience management and its measurement?* is answered with sub-questions:

“How is customer experience is measured?”

Customer experience is measured in the case company with different methods in different touch points. For example in customer service, questionnaire is sent after the phone call, and SMS is sent after contract making. In addition, waiting time on a phone is followed. Mystery shopping, analysis of company's webpage, turnaround time in web, automatically triggered emails, web questionnaires, face-to-face feedback and EPSI were mentioned as the measuring methods. In these different measurement methods the questionnaire call, the email questionnaires and the web questionnaires were taken under closer inspection in this study. The analysis presented the inconsistencies and consistencies existing in current measuring: the questions and measures used are not comparable with each other. Current measuring provides data, that can be used to making comparisons of the

results in certain touch point throughout different times. However, comparisons between different touch points can not be made with this measuring. In addition, the used answer options are varying: in some questions there are yes/no answer option, Likert scale from 1 to 5, different claims, open answer option or NPS with answer option from 0-10. This also brings an own challenge for the comparisons of different results. However, in the measuring there where some similarities existing: in some touch points it was asked did customer get his or hers issue solved and would the customer be ready to recommend the company.

“How is customer experience managed?”

In the highest management there have been created programs related to customer experience improvement. The management of the case company is highly committed to the matter, and it has set goals where to company is targeting. However, there are still different views, what does the concept of customer experience actually mean, referring that the CEM could be done in clearer way.

“How could the measurement be improved?”

Measuring could be improved with more systematic planning, by unifying and standardizing the current measuring methods and by doing the measuring from inside-out perspective, where customer is in the center. Suitable measures could be NPS, CES or NES, or all of them. In addition to the coherent measuring, company could use some channel or touch point-based questions as well. When having well planned measuring strategy, it could be possible to compare the results in different channels, take more actively advantage of gathered information, do forecasting, take the customer experience systematically part of company's activities, and most importantly: develop company's activities. The information about the measuring should be spread throughout the organization, which would also support the customer experience orientation inside the company. In addition, company should carefully consider the measured touch points: where the measuring would be most sensible and useful to done.

Seven step measuring model created by Schmidt-Subramanian (2013) gives clear idea how the measuring could be improved:

1. Choose measured segments
2. Choose measured experiences
3. Choose best measuring methods
4. Design data collection strategy
5. Set desired values for the meters
6. Identify and act on customer experience issues
7. Share the insights of customer experience measurement

“How could the customer experience management be improved?”

The company should define what does customer experience mean, what is the aimed customer experience in general, and in different touch points. These guidelines should be spread throughout the organization, in order to take customer experience as a systematic part of company's activities. In addition, when knowing what does the case company mean and want with customer experience, different units can do the activities more coherently, supporting to the creation of coherent customer experience. After encounters, customer should be left with the feelings of trust, positivity and satisfaction, which the management activities should support. In addition, company should emphasize easiness, taking care of customer's issue by once and delving carefully onto customer. Focusing on the fluency of processes should be also put effort to. Company should carefully consider, what should be done in each touch point, to meet the targets.

The company could take advantage of the 5-step-model for CEM created by Schmitt (2013, 23-30). Some practical applications were presented in this study chapter 4.3.5. The model encourages to carry out CEM flowingly:

1. Analyze customers' experimental world
2. Build experimental platform
3. Design brand experience
4. Structure customer interface
5. Engage in continuous innovation

This study aroused many ideas of different future topics concerning customer experience management. As Tuomi and Sarajärvi (2009, 92) stated, it is very common to find totally new, interesting topics from the research results. Possible research topic could be, how do customer experience measuring affect on customer experience itself, or customer loyalty, customer lifetime and additional sales. In addition, fascinating would be to customers actually do perceive the measuring. As it came up on the study, customer experience measurement naturally effect on customer's experience, as the measuring can be seen as a touch point.

Benchmarking study, between companies from the same industry or companies from different industries would also be interesting to conduct. Research topics could be how does the measuring methods differ and why, and how the measurement results are taken advantage. Such a study can be challenging to conduct, as customer experience measurement and management information can be sensitive for company's business.

Interesting would be to know as well, how big is the difference regarding the perception of customer experience level between company and a customer. In this study the result of the study made by Bain & Co (2015) was shortly presented. According to the study there is a big difference existing between a company and a customer. However, it would be interesting to know whether there is a difference in Finland or generally in the industry where the case company does operate. More precisely, the possible difference between the case company and its customers would be a fascination investigation target.

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Appendices

Appendix 1. The questionnaire of Customer Experience Management

- What does customer experience mean in the industry that you are representing?
- What does customer experience mean concretely in the company where you are working?
- What kind of customer experience you are aiming to create in the company where you are working, how and why?
- Why customer experience is important/not important/neutral in the industry that you are representing? (The chosen adjective is chosen on the basis of previous conversations)
- What factors do effect on the customer experience of the company where you are working at and why?
- On which encounters does customer experience form in the company you are representing? Please list the encounters starting from the most important ones and please argument your choices.
- How do you manage customer experience at the company where you are working at?
- How do you measure customer experience in the company you are representing?
- Why have you chosen the measuring methods and the used channels?
- What are the biggest challenges that you are facing in current measuring?
- How would you like to improve the measurement of customer experience?

Appendix 2. The questionnaire of Customer Experience in customer service

- What does a good customer experience mean in customer service of the case company?
- Please give examples on the basis of your previous answer?
- What kind of customer experience you are aiming to create in customer service, why and by which methods?
- Why customer service is aiming to create the type of customer experience that you did characterize?
- What factors effect on customer experience created in phone and why?
- What kinds of encounters happen via phone, for example what issues are you discussing with customer?
- How do you create the desired customer experience, can you give concrete examples?
- How do you measure customer experience in the company that you are representing?
- How does your unit act on the basis of achieved results?
- What is your personal opinion, does the current measurement give valid results, or do you find obstacles that could be developed?
- How do you see customer service as a part of coherent customer experience?
- Do you have a perception, what other things affect on customer experience alongside customer service?

Appendix 3. The currently used measuring methods by the case company

The measured touchpoint	The measuring channel	The used measure/measures	Answer options
Contacting to customer service	phone	Solution for customer's issue	1-5 (5=excellent, 1=weak)
Contacting to customer service	phone	Additional sales	1-5 (5=excellent, 1=weak)
Contacting to customer service	phone	Customer service	1-5 (5=excellent, 1=weak)
Contacting to customer service	phone	Readiness to recommend	1-5 (5=excellent, 1=weak)
Contract making	web	4 different claims made about contract making process	1-5, where 5=totally agree and 1= not agree
Contract making	web	Solution for customer's issue	Yes/no
Contract making	web	Positive feedback and development suggestions for the registration process	Open answer
Registration process	web	Easiness	Yes/no
Registration process	web	Easiness	Yes/no with open boxes for the explanation
Registration process	web	Different phases of the registration	4 different answer options
Registration process	web	Reasons for the usage of the service	5 different answer options (1 is open)
Registration process	web	The source of information regarding the service	4 different answer options (1 is open)
Registration process	web	Feedback and development suggestions from the registration	Open answer
Own web service	web	The reason for the registration	4 different answer options (1 is open)
Own web service	web	Solution for customer's issue	Yes/no
Own web service	web	The usage of case company's certain service	Yes/no
Own web service	web	Feedback from two different services	Open answer
Becoming as customer	email	Customer's experience of the service achieved	4 different answer options
Becoming as customer	email	Readiness to recommend	Yes/no
Having a contract	email	Evaluating own contract	1-5 (5=excellent, 1=weak)
Having a contract	email	NPS	0-10
Leaving customer	email	Customer's experience of the service achieved during customership	4 different answer options
Leaving customer	email	Reasons for the ending of customer relationship	4 different answer options
Leaving customer	email	Readiness to recommend	Yes/No