Tiina Hong

Customer Experience as a competitive differentiator in Subscription Services – Thinking beyond the paywall

Helsinki
Metropolia
University of Applied Sciences

Author(s)	Tiina Hong
Title	Customer experience as a competitive differentiator in Subscription Services – Thinking beyond the paywall
Number of Pages	40 pages + 2 appendices
Degree	Bachelor of Business Administration
Degree Programme	International Degree Programmes
Specialisation option	European Management
Instructor	David Clifford, Senior lecturer

The aim of the thesis is to provide a review of customer experience concept and its benefits as a competitive differentiator for the case company. Due to the digitalization of media market, content is more and more becoming commoditised. Therefore, relevant content alone is no longer sustainable competitive advantage. Customer experience has become today's emphasis on for businesses in all industries. However, academics in the field have debated on the definition of customer experience and as a result, various frameworks for customer experience management has emerged. This study aims to find a suitable course of action of the case company.

The nature of the research is exploratory and therefore qualitative methods were used. The research followed a case study research design using as single case company. Primary data was collected through in-depth interviews with three clients of the case company to gain deeper understanding of their customer journey and their previous experiences with the service. Secondary data was collected from various literature, articles and reports. Additionally benchmark study was conducted for gaining insights on customer experience management best practices of competitors and actors outside the industry.

The results revealed that the value of the service for clients is not only in the content but the case company could improve value perceived by their clients by considering experiential aspects. The results indicate two major development points: Positioning and brand communication of the service, and usability of the service. Positioning and branding is in the core of customer experience management as it affects customers' preliminary expectations

of the service. Secondly, as a digital service, usability is the key for facilitating good customer experience. Furthermore, it is crucial to build a consistent customer experience in all channels of customer encounters throughout the customer journey.

Contents

Appendices

List of Tables and Figures

1 Introduction

As a result of the commoditization of services in the early 1990's, customer experience management emerged as a way for companies to differentiate their offerings and meet the growing client demand for unique service experiences. Today, customer experience is mainly connected to entertainment services and events. However, recent studies show that all services are in fact experiences. Services are intangible, and what is left after the service is consumed is the experience.

Recently, the importance of customer experience has been recognized by many service providers, and as a response, the discipline of service design has developed. On the other hand, digitalization has resulted in the emergence of digital services that are developed by ICT experts that recognize the importance of customer experience in digital services, but fail to consider the touchpoints outside the digital world. The introduction of the paywall as a business model for subscription services has furthermore complicated creation of holistic customer experience in digital services. This research aims to develop guidelines for applying customer experience management to create a holistic customer experience beyond the paywall.

The research follows the case study research design using a single case company, Bonnier Business Forum and their digital news service Hoiva & Terveys. The thesis begins with a literature review, which introduces the evolution from CRM to CEM and the factors that drove this change. After looking into the emergence of CEM, the literature review presents the varying definitions of customer experience by the main researchers in the field, concluding with the key concepts of CEM. Additionally, the relevance of CEM in the services management and the key issues related to digital services management is reviewed in this chapter.

The second chapter presents the methods used for the research and analyses the limitations as well as the ethics of the research design chosen by the researcher. For this research, interviews with clients of Hoiva & Terveys were used for primary data collection. Mainly qualitative data was collected, and in addition to interviews, the data presented was from research reports of consulting companies and brainstorming sessions with the case company and the researcher's observations.

The third chapter presents and analyses collected data using various tools such as customer journey mapping and experiential benchmarking. Results are then presented in the last chapter and the research is concluded with the discussion of the research findings as well as recommendations for the case company and for future research on the subject.

2   Literature Review

The literature review presents the theory starting from the evolution from customer relationship management to customer experience management, followed by the definition of customer experience and the key concepts for customer experience management. Furthermore, the literature review presents customer experience and customer experience management in the context of digital service management.

2.1   From CRM to CEM

Customer experience management started as an extension to customer relationship management (CRM). Transaction based CRM was no longer enough for managing customer interactions, as it was recognised that customers were not only rational decision-makers but also had irrational buying motives (Holbrook and Hirschman 1982). CRM was criticized for its lack of consideration for customers' emotions and the effects of relationship on their emotions. Additionally, CRM failed to sustain interpersonal relationships between companies and their customers due to the quantitative and rules-based approach (Palmer 2010). Where CRM leaned on quantitative data that emphasizes utilitarian value of goods and services for customers, CEM integrates hedonistic values and views service management from the customer's point of view.

2.1.1   Customer relationship management

Customer relationship management (CRM) is a strategy for managing company's interactions with customers, clients and sales prospects by using technology to organize, synchronize and automate business processes such as sales, marketing and customer service (Hand 2012).

CRM emerged in the mid-twentieth century when mass production and mass marketing techniques changed the competitive landscape by increasing product availability for customers. In the product oriented economy, customers became account numbers and their individual needs were forgotten (Chen & Popovich 2003).

Due to the over-saturation of products and services, as well as increased access to information, customers' standards and expectations in terms of quality and price increased. CRM became a competitive advantage of the most successful companies (Raab et al. 2008).

In addition to consumer markets, CRM is commonly used in the business-to-business (B2B) market. Customer relationship management in business markets differs from CRM in consumer markets in various ways. First, in B2B markets, buyers are organizations (businesses or institutions), therefore the amount of customers is smaller (Kumar & Reinartz 2012). Additionally, relationships between buyers and sellers are closer in business markets (Buttle 2009). This results into the increased importance of managing customer relationships in business markets.

The main goal of B2B CRM is to build stronger buyer-seller relationships and better manage the value of buyer-seller relationships through sales force management. This includes sales force automation (SFA), key account management (KAM) and hybrid offerings (Kumar & Reinartz 2012: 265).

SFA refers to information technology that is applied to support the sales function, including for example, electronic data interchange, databases, Internet, spreadsheets, sales forecasting tools, inventory management systems, contact management programs, e-mail programs, graphics and presentation software, laptops, cellular phones, and fax machines (Hunter & Perreault, 2007). The benefit of SFA is that it provides sales team easy access to updated market intelligence, customer data and product inventory, thus enabling them to respond to customer inquiries and questions faster.

KAM refers to the additional activities and dedication of personnel to the company's most important customers (Kumar & Reinartz 2012: 266). The main goal of KAM is to establish long-term customer relationships. Moreover, KAM offers opportunities for higher profit for the seller and enhanced opportunities for the buyer as the buyer-seller relationship deepens.

Hybrid offerings refers to moving from simply offering goods to expanding the offering with value-added service. Alternatively, in service businesses, providing products that support the services, thus increasing value to the customer and furthermore, increasing customer loyalty and retention (Kumar & Reinartz 2012: 271).

With SFA, KAM and hybrid offerings the seller can deliver more value to their customers and better manage long-term relationships, thus reaching the ultimate goal of CRM in B2B context.

However, it is important to note that repeated interactions do not automatically lead to a relationship. Relationship commitment implies both psychological and emotional commitment (Barnes 1995). Thus, creating a gap between CRM tools and service relationship management goals.

2.1.2 Experience as a competitive differentiator

The focus on customer experience emerged as markets shifted from service economies to experience economies due to the commoditization of goods and services. The concept of experience economy was first introduced by Joseph Pine and James Gilmore (1998), claiming that quality goods and services were no longer enough for customers. They desire experiences, and increasingly companies are responding to this need and have started to provide them. Pine and Gilmore also believed that businesses could benefit from this shift. According to Pine and Gilmore (1998), the main factor that drove the shift from services to experiences was the commoditization of services. Services had become generic and it became more difficult for companies to differentiate their service offerings. Therefore, providing experiences to customers became a way to distinguish from competitors.

Palmer (2010) also recognized the possibility of experience as a competitive differentiator. Referring to the evolution of a dominant basis for market differentiation (Christopher et al. 1991), which proposes the dominant differentiating factors to have evolved from tangible design features to relationships, Palmer predicted experience would become the next dominant differentiator for companies.

2.2 What is customer experience?

The concept of customer experience received criticism for the difficulty of defining it (Palmer 2010). The fact that it is defined and understood differently amongst academics and business managers makes the concept difficult to conceptualize for practical implementation.

Pine and Gilmore (1998) state that an experience occurs when a company intentionally uses services as stages and products as props to engage with customers in a way that creates memorable experiences. Therefore claiming that an experience is fully staged by the company.

Bernd Schmitt (1999) had a more general view on customer experience. He held that experiences "occur as a result of encountering, undergoing or living through things. Experiences provide sensory, emotional, cognitive, behavioural, and relational values that replace functional values" (Schmitt 1999). Therefore stating that experience occurs in every encounter and living moment of a person.

Meyer and Schwager (2007) define customer experience as something that is advocated by the customer instead of the company. "Customer experience is the internal and subjective response customers have to any direct or indirect contact with a company. Direct contact generally occurs in the course of purchase, use, and service and is usually initiated by the customer." (Meyer & Schwager 2007).

Prahalad and Ramaswamy (2004) suggest that experiences are co-created by the customer and the company. The customers increasingly engage in both defining and creating value and therefore each encounter with customers is different (Prahalad & Ramaswamy 2004). Therefore, companies can no longer simply focus on their products and processes, but must focus on creating an environment that enables customers to personalize their experiences. Even though the academics in the field disagree on the definition of customer experience, they agree that customer experience not only includes the experience of purchase but includes all the interactions with the company before and after purchase (Cova & Caru 2007, Meyer & Schwager 2007, Berry et al. 2002).

Recent managerial literature takes a similar point of view on the concept. Capgemini (2012) defines customer experience to be the embodiment of the brand and every single interaction between the company and the customer, actual or potential. "It is the organization's physical performance and the sensations and emotions it creates"(Capgemini 2012). Accenture (2015) defines customer experience as how the customers and stakeholders of the company perceive the entirety of the interactions they have with the company throughout sales, marketing and service touchpoints. Thus, agreeing that in addition to the purchase experience, experiences can occur also before and after the purchase.

Combining views of the main researchers in the field, customer experience is the customer's perception of all the encounters between the customer and the organization before, during and after the purchase or service period. Customer experience occurs whenever the customer, actual or potential, interacts with the company directly or indirectly through any touchpoint, even when the company does not intentionally provide it. Moreover, the customer experiences are subjective and co-produced by customers, therefore customers have the power to affect their own experiences.

2.2.1 Stages of customer experience

Customer experiences not only occur when the customer is purchasing a product or a service, but also occur before and after the purchase. Shaw and Ivens (2002) developed a theory of five stages of customer experience (figure 1).

The first stage, *experience setting*, is when customers set their expectations of the product or service. These expectations are built from the brand image of the company, advertising and word of mouth. Based on this information, the customer becomes interested in the product or service and sets expectations accordingly.

The second stage, *pre-purchase interactions*, consist of all the activities that lead to purchase decision. At this stage, the customer has become interested in the product or service and begins to consciously seek for more information. This stage includes for example presentations, tenders and negotiations. The third stage, *purchase interactions,* occurs when the customer decides to purchase. This stage includes for example the purchase experience at the point of sale or the customer service and delivery.

The fourth stage, *product/service consumption*, consist of experiences related to using the product or service. In this stage, user experience must be considered. User experience (UX) is defined as "a person's perceptions and responses that result from the use or anticipated use of a product, system or service" (Kraft 2014). It is the customer experience that occurs during the use of the product or service. Positive UX can result into renewed purchase and referral.

The final step, the *post-experience stage*, occurs after the consumption of the service or product. This is when the customer reflects on the totality of the experience against the expectations they had in the beginning. Based on the outcome of this reflection, the customer then decides to either continue with the product or service provider or go to a competitor. After the post-experience stage, the cycle returns to expectations setting. The customer has previous experience now and depending on how well their expectations were met, the customer sets either higher or lower expectations for the next experience.
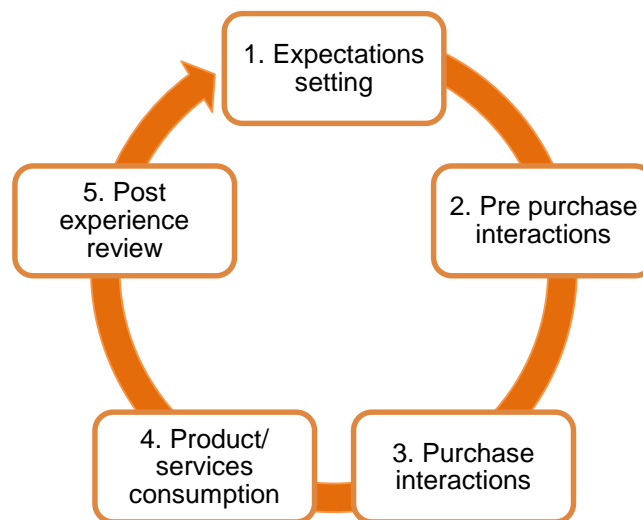
Figure 1: Stages of customer experience (modified from Shaw and Ivens 2002)

2.2.2 The role of emotions, expectations and relationship

Shaw and Ivens (2002) define customer experience as a blend of the company's physical performance and the emotions evoked, measured against the customer's expectations across all moments of contact. Thus, the experiential value the customer perceives depends on the physical elements of the product or service and the emotions the experience evokes compared to the expectations customers have before the experience.

For example, the physical elements consist of accessibility, availability, service, products, quality, and environment. These are the elements that are considered main differentiators in the traditional marketing view, but are no longer the main differentiating factors as they are easy to replicate. However, these factors remain important and fundamental for creating a great customer experience.

Emotions, on the other hand, are considered to be differentiators in customer experience management. Emotions are a crucial aspect of the experience, as customers are not only rational but also emotional creatures that often make consumption decisions based on the pursuit of fun, feelings and fantasies (Schmitt 1999, Holbrook & Hirschman 1982). The emotional elements of customer experience include for example feelings, lifestyle and status (Gentile et al. 2007). Emotional experiential factors are difficult to replicate and cost-effective to produce. Additionally positive emotions increase customer loyalty (Shaw & Ivens 2002).

Both physical and emotional elements affect the overall customer experience. In order to evaluate the experience, the customer measures it against the expectations he or she has before the experience. Experiences that exceed the customer's expectations are considered positive, while experiences that fall below expectations create negative perceptions. Thus, managing the emotions and physical features of the experience is not enough. Expectations must also be built and managed in order to exceed them.

In addition to emotions and expectations, the relationship the customer has with the company, mainly the brand or sales personnel, affects the experience. Customers' expectations change depending on their previous experiences. Schertzer et al. (2013: 619) state that relationships are built over time and with experience, and customer value attributes change depending on the length of relationship.

Therefore it is likely that clients' expectations and perceptions of service quality may also change as the relationship develops. Each experience the customer has with the company raises or lowers their expectations for the next encounter depending on the nature of the previous one. If the experience was positive, the customer is likely to have higher expectations. If the customer experience was negative, customers tend to have lower expectations for the next encounter. This is called accumulated experience. A long relationship with accumulated experience is likely to create an emotional bond between the company or brand and the customer (Nasunationa et al. 2014). The accumulated experiences define how customers will proceed after the purchase or service period. They determine if the customer will consider repurchase or go to a competitor.

2.3   Customer experience management key concepts

Customer Experience Management (CEM) is a methodology and discipline for improving the customer experience factor (Dandridge 2010). Due to the ambiguity of customer experience (Palmer 2010), varied methods for CEM have developed.

According to Berry et al. (2002), customer experience should be viewed holistically considering the complete customer journey - everything from the expectations customers have before the experience to the assessments they are likely to make after the experience. This can be done by managing messages (*clues*) that company sends to its customers, developing competence for CEM (*experience audit*) and setting a theme (*experience motif)* for implementing CEM.

Shaw and Ivens (2002) talk about building great customer experiences by constantly exceeding customers' physical and emotional expectations. Additionally Shaw and Ivens (2002) emphasize that great customer experiences are designed "outside in" instead of "inside out". This refers to thinking what customers want to experience instead of starting from what the company wants customers to experience.

Frow and Payne (2007) later introduced the concept of "*perfect customer experience*". According to this concept, customer experience management should focus on providing positive day-to-day customer experiences as well as creating peak experiences in order to deliver outstanding experiences. Frow and Payne also note that customer experience should be considered throughout the lifecycle of customer relationship.

Although the interpretations of CEM differ, there are a few key concepts that appear in the main research in the field: *Touchpoints* (Carbone & Haeckel 2002, Berry et al 2002, Frow and Payne 2007), *customer journey* and *moment of truth* (Berry et al 2002, Buttle 2010, Norton & Pine 2013), and the importance of *understanding your customers experiences and expectations* (Shaw & Ivens 2002, Berry et al 2002, Löytänä & Kortesuo 2007, Schmitt 2003).

2.3.1 Customer journey and touchpoints

Touchpoints are any contact points between the customer and the company that can take many forms. They can be face-to-face interactions between individuals, virtual encounters with the website or physical trips to a building. In order to define these touchpoints, customer insight must be gained through interviews or observations, for example (Stickdorn & Schneider 2012).

Customer journey refers to the sequence of events the customer goes through to learn, purchase and interact with the company's offering (Norton & Pine 2013). It consists of all the interactions between the company and the customer at any touchpoint.

Moment of truth (MOT) refers to any occasion the customer interacts with the company in a way that it leaves an impression of the company. It occurs in any interaction at any touchpoint (Buttle 2010). Thus, the customer journey is the sequence of moments of truth.

The **Customer journey map** is an illustration of the steps that customers go through in engaging with the company (Richardson 2010). It is a tool for understanding all the steps the customer goes through in all stages of customer experience, as well as all the contact points between the customer and company during this journey. It consists of the customer journey, the touchpoints where customers interact with the company throughout the customer journey and the moments of truth. The customer journey map provides a holistic view of customer experience in all touchpoints, thereby helping the company to optimize the consistency of customer experiences throughout all channels. Additionally, the customer journey map provides a tool for prioritizing service development and evidence and persuasive arguments for the most acute investment needs (Fichter & Wisniewski 2015).

2.3.2   Understanding the customer expectations and experiences

Understanding customers' experiences is important for designing experiences from the customers' point of view (Shaw & Ivens 2002). There are several ways to collect information about your customers. Berry et al. (2002) suggest an *experience audit* for gathering information. The experience audit is a tool for understanding the current state of customer experiences delivered to the customers. This can be carried out through videotaping customer encounters and analysing body language, facial expressions and gestures of both customers and company representatives in order to understand how they feel about the specific encounters. Another way for implementing an experience audit is in-depth interviews where both customers and employees are interviewed about their feelings of the certain encounter. This way the company can better understand how their customers and employees perceive certain encounters and improve the customer experiences it delivers.

Gathering customer feedback is another form of understanding customers' experiences. In addition to gathering customer feedback through traditional channels such as face-to-face conversations, feedback cards and telephone, the development of information technology has enabled feedback gathering online (Sampson 1998).

Using information technology to gather feedback speeds the process of getting feedback and analysing the data (Opoku 2006). The emergence of social media has greatly impacted the gathering of customer feedback. Social media provides a platform for instant feedback collection and response as well as collection of indirect feedback (Goldenberg 2015)

Understanding customers' expectations and needs improves the company's ability to design positive experiences. Arussy (Löytänä & Kortesuo 2007) has created a segmentation model that divides customers into four segments based on their value to the business and the amount of attention they require. The model (figure 2) presents four segments: Misunderstood, Money-makers, Lost souls and Candidates[1].

---

[1] Translated by Tiina Hong. Original names: Väärinymmärretyt, Rahantekijät, Menetetyt ja Kandidaatit (Löytänä & Kortesuo 2007)

Money-makers are customers that are active in their relationship with the supplier and are most profitable for the company. They bring in most of the revenue but require little resources. These should be the key accounts of the company. Money-makers also require the most attention as they are most valuable for the company and are likely to co-operate with the company the most. For these customers special treatment should be provided by creating experiences that exceed their expectations in order to keep them happy.

The Misunderstood are passive but profitable customers. They are usually misunderstood as unprofitable because they are passive. These include for example customers that repetitively consume the service or product but are not in the immediate target group. These should also be considered important as they have the potential for becoming money-makers if properly maintained.

Lost-souls are customers that are passive and unprofitable for the company. These types of customers include for example those that benefit from free trials but never become paying customers. The reason for their unprofitability can be assessed and they can be then turned into the Misunderstood customers and eventually the money-makers or they should be dropped altogether.

The candidates are active but unprofitable. These are the customers that ask for special offers and make counteroffers but usually do not make the purchase decision. These customers consume a large amount of the company's resources but are not profitable. Therefore they should be moved to Lost-souls by offering a trial after which the sale should be either closed or the customers should be dropped in order to allocate resources for more profitable customers, such as money-makers and Misunderstood.

By segmenting the customers according to their need for attention and their profitability, the company can efficiently tailor the experience based on what brings the most value to the company and furthermore, to the customer.
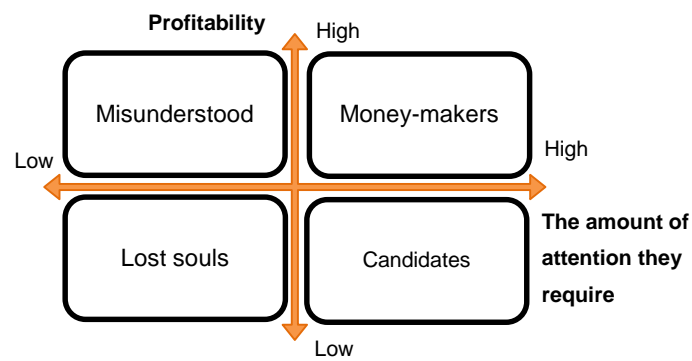
Figure 2: Experiential Customer segmentation model (modified from Löytänä & Kortesuo 2007)

Analysing the competitive landscape of customer experiences both inside and outside the industry is part of understanding your customers' expectations and experiences. The key interest is in analysing what kind of experiences competitors offer to their customers, what is done well and how this might affect their expectations for your offering. This can be done by experiential benchmarking. In experiential benchmarking, a comparison of practices is not limited to competitors in one's industry. In addition to competitors, players outside one's industry need to be included. By analysing the practices of players in other industries, the company can get innovative ideas on how these practices could be applied to this specific industry (Schmitt 2003).

2.4   Customer experience in services management

Managing and marketing services differs from marketing goods due to their differing nature. Unlike goods, services are highly experiential. Additionally, services are co-created by the service provider and the user during the service encounter (Buttle 2010, Swartz & Iacobucci, 2000, Vargo & Lusch, 2008). Thus, making the relationship between the service provider and service user unique and service experience important to be managed.

2.4.1   Service attributes

Lynn Shoshtack (1977) was among the first researchers to recognize the difference between goods and services. She identified four special attributes of services.

First, services are intangible which means that services cannot be smelled, touched or sensed in any other way before consumption. Thus, making the services high on experience attributes and low on search attributes. This means that information about the service quality is difficult to find beforehand and services can mainly be valued by experiencing them.

Second, services are inseparable, meaning that service production and consumption are not separate events but happen simultaneously. Thus, service user is involved in production of the service, in another words, co-create the service experience.

Third, services are heterogeneous. Services involve different stakeholders that are involved in producing the service. Therefore, the quality of service varies depending on the situation and person unlike goods that can be mass produced to be exactly the same.

Finally, services are perishable, they cannot be held in inventory. The opportunity for providing services cannot be saved for later. This creates challenges for marketers to match supply and demand (Buttle 2010, Vargo & Lusch, 2008).

2.4.2   Service usability and Paywall

Usability deals with an individual's ability to accomplish specific tasks or achieve broader goals while using a service or product. In the context of digital services, usability concerns include factors like load time, graphic layout or the size of buttons. The total sum of a web-browsing experience has a huge effect on our desire to buy a product, continue with a service, or even sign up for something (Reiss 2012). Therefore, usability of the digital service is a crucial part of attracting new customers and retaining existing customers.

A paywall is a digital mechanism that limits access to digital content to paying customers only (Reiss 2012). Today it is commonly used by many digital news content providers. There are several types of paywalls: the first type is a content-based paywall, where certain content is accessible for free, and premium content, such as popular columns, require payment to read. The second type of paywall is called frequency-based, which limits access to content by limiting the amount of content accessed rather than the type of content. For example the amount of free articles.

A micro-payment paywall model requires a reader to pay a small amount for each article they want to read (Chiou & Tucker 2013).

Technological advancement has changed the news publishing industry drastically in recent years. Increasingly, news is being offered in digital form, which can often be accessed for free. News publishers need to make content accessible, shareable and viral even (Peck 2014). Many publishers have instituted paywalls to preserve their economics, only to discover that this limits the accessibility of content and prevents readers from sharing it. Thus, affecting the usability of the service and evoking negative experiences when seeking for information about the service or using it.

2.5   Service Design

Due to the emergence of the experience economy and the increasing amount of research revealing benefits of customer experience in services marketing, the new field for CEM in service context emerged. Service design is an interdisciplinary field that combines design principles with CEM concepts in order to design better services (Schneider & Stickdorn 2011).

"Service design is the design of overall experience of a service as well as the design of the process and strategy to provide that service" (Moritz 2005). Service design orchestrates service elements such as the physical environment, people, and the service delivery process to help customers co-create their desired experiences (Teixeira et al. 2012) The idea of service design is to make services usable, easy and desirable by creating touchpoints and defining how they interact with each other and with the service user (Keeping Connected n.d.).

Design used to be associated with professions like fashion design, graphic design and product design whose function was to simply make things look better (Moritz 2005). In reality, design tasks are handled by interdisciplinary teams, which work on design in a larger scope, from designing artefacts to designing holistic experiences. According to Moritz (2005) the scope of design consist of four levels: design for strategy, policy, philosophy or ideology, design for processes and systems, design for client experience and design for features. The look of the product or service is simply one of the levels of design.

The Design Council (n.d.) has developed a Double Diamond Model that illustrates the service design process in four phases (Figure 3).

In the first phase, discovery, the project starts from gathering inspiration and insights by for example conducting market research, user research and design research groups. In the defining phase, designers analyse information gathered in the first phase and prioritize the most relevant issues that need to be addressed. In this phase, project management is inevitable.

The third phase consist of development where solutions to addressed issues are created, prototyped and tested. In this phase, multidisciplinary collaboration is needed for expert knowledge on specific issues related to the service. The final phase, delivery, consists of finalizing, approving and launching the project. This includes final testing, launching and evaluation.

Designing services that are useful, usable and desirable requires expertise from different design disciplines, as well as input from business management, technology and psychology experts. Moreover, it requires a profound understanding of service users' experiences and cooperation with them. It takes a holistic view of customer experience management in a services context and takes advantage of design elements to create consistent service experiences.
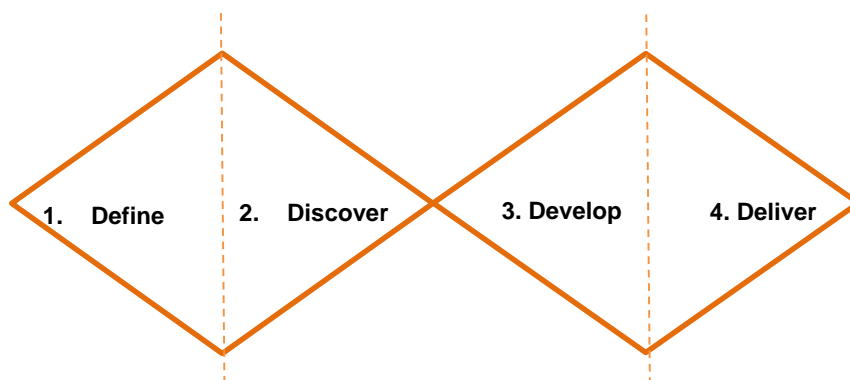

Figure 3: The Double Diamond Model of service design

3   Research Methods

The aim of this thesis is to study the benefit of customer experience management in managing customer relationships. Furthermore, the aim is find ways to improve customer experiences by analysing the gap between the current customer experiences of the case company's clients and the best practices used for customer experience management by successful companies.

3.1   Research design

For this study, an exploratory research design was chosen. Exploratory research aims to find out what is happening and gain new insights: to access a phenomena in a new light. In addition to exploratory research, explanatory or descriptive research design can be chosen. Descriptive research aims to portray an accurate profile of persons, events or situations, whereas explanatory research explains relationships between variables (Saunders et al. 2009:139). Thus, exploratory research design was chosen instead of descriptive or explanatory design, due to the fact that the aim of the research is to gain understanding of the effects of paywalls on customer experience in digital services, and how this could be better managed through customer experience management.

3.2   Data collection and analysis

The research objectives were achieved through primary research and secondary research. Mainly qualitative data was collected by conducting in-depth interviews with clients of Hoiva & Terveys. Secondary data was collected from relevant literature, articles and news. Other information was collected from discussions with company representatives and the researcher's observations. Additionally, a benchmarking study provided secondary data of customer experience management practices in the industry and best practices outside the industry.

3.2.1   Collecting data from interviews

Fischer (2012: 175) identifies three types of interviews that can be conducted: open, pre-coded or semi-structured. Of these three, the researcher concluded that interviews with clients of Hoiva & Terveys would be most useful if conducted in a semi-structured manner.

Open interviews are informal and conversation-like. The interviewer therefore engages in a conversation with the respondent about the topic of interest, which the respondent leads. This type of interview is suitable when looking for new ideas from respondents. Pre-coded interviews, on the contrary, are the complete opposite of open interviews. These interviews are prescripted, questions follow a logical sequence and the respondent is given optional answers for most questions. Pre-coded interviews are particularly suitable for comparing views and experiences of a large group of people. Semi-structured interviews are between the two. In this type of interview, the interviewer has a schedule as a reminder of main topics that need to be covered but the respondent can answer those questions in the way he or she feels most suitable. For collecting qualitative data from a small sample, semi-structured interviews are appropriate (Fischer 2012).

Respondents for interviews were chosen based how they have started their customer journey. This helps in identifying the different customer journeys that the clients may have and the expectations they have for the service based on what has happened before purchase. Moreover, this supports the analysis of how different expectations affect the customer experience and therefore helps in identifying best practices.

The interview questions were mainly open-ended in order to facilitate conversation. Questions were divided into two sections: identification of customer journey and customer experience.

3.2.2 Benchmarking

Benchmarking is a commonly used management tool for identifying and applying best documented practices by comparing company's products or processes with competitors. For benchmarking, companies for comparison and key performance metrics must be chosen and data collected and analysed (Bogetoft 2012).

For this study, customer experience management practices of competitors of the case company were studied to gain insight on how customer experience is managed in the industry. Additionally, benchmarking customer experience management of a company outside the industry provided information of innovative customer experience management practices that could potentially be applied to the case company.

Potential respondents were first contacted by email by the company representative after which the researcher contacted then by telephone to request an interview. Interviews were then conducted by phone. A call recorder was used. Interviews were later transcribed for analysis.

3.3 Limitations

The main limitations for this research were the amount of data and time. Using interviews as the primary data collection method is time consuming and considering the limited time assigned for this project as well as the time limitations of the company, the researcher and respondents, time can be considered the main limitation to the research.

Additionally, the sample size for the research was a limitation. The size of the sample was small which can limit the reliability of the results, as it cannot be generalized to represent the whole population. However, in qualitative research sample sizes are usually small and the amount of respondents does not affect the responses of a single participant. Even so, sample size is a considerable limitation.

3.4 Ethical considerations

Throughout the research all methods has been chosen with ethical consideration. Participation in interviews was purely voluntary and it was clearly communicated to respondents. Additionally, responses were handled anonymously in order to ensure privacy for respondents. Anonymity of responses was assured with proper data storage and anonymity was properly communicated to interviewees before interview. Moreover, permission for recording the interview was always asked beforehand.

4 Results

This chapter presents the results obtained from interviews, benchmarking study and the theory review. Moreover, this chapter provides an analysis of research results obtained.

4.1 Company background

Bonnier Business forum Ltd. (BBF) is a B2B digital news service provider in Finland. BBF is a subsidiary of Bonnier Business Press (BBP), which is a part of an international media conglomerate Bonnier AB (Bonnier Business Press). BBF offers digital handbooks for business practitioners (Bonnier Pro) and targeted digital news for decision makers in various industries.

Hoiva & Terveys is one of BBF's news services. It is targeted to decision makers in the health care industry. The service includes four email newsletters per week, including a themed article once a week and a news webpage. The webpage consists of latest news, an archive of previously posted news and a blog. All content is behind the paywall except for headlines of latest news and blog entries. The list price for an annual subscription is 638e + VAT. In addition to Hoiva & Terveys, BBF has similar news services targeted to real estate professionals, Kiinteistö, and Metalli for the metal industry. In addition to these news services, BBF organizes events such as seminars and panel discussions for its clients.

Currently the main competitor of Hoiva & Terveys is Mediuutiset, which offers digital news services for health care professionals, as well as a physical newspaper. In addition to Mediuutiset, media aggregators are competitors of Hoiva & Terveys as they can substitute such news service. However, the information flow coming from media aggregators can be overwhelming and time-consuming to review and analyse. Mediuutiset, on the other hand, focuses more on medical news and less on political decision making in the health care industry. Hoiva & Terveys differentiates itself from other information services by offering only the most relevant news and news analyses for decision makers in the health care industry that facilitate decision making process.

4.2 Digital services in Finland

Finland is a leading country in mobile integrated information and communications technology and the development of related products, systems and services (Hernesniemi, n.d.). In research relating to digitalization of organizations, such as World Economic Forum, Finland generally is ranked among the top countries (Teknologiateollisuus 2012).

In WEF's research on networked readiness 2010-2011, Finland ranks in the top three countries. The country ranks high on both individual level and company level of readiness to use internet. Additionally, during recent years, Finland has improved readiness to produce digital services tremendously, ranking amongst the top countries in the world on most digitalized countries (Teknologiateollisuus 2012). Meaning that more and more individuals and companies in the private sector as well as the public sector utilize information and communication technology (ICT) in their daily operations.

Finland is also one of the pioneers in service design. Service design professionals are cooperating with ICT experts to integrate service design and ICT in order to develop better digital services (Turunen 2014). Accordingly, the future of digital services in Finland is promising. Finland is among the top countries in the world on utilizing ICT and designing services. As a result of these factors, it is inevitable that there will be more competition between digital service providers.

4.3 Interview results

For the study, three clients of Bonnier Business Forum Ltd., and more specifically subscribers of the Hoiva & Terveys news service, were interviewed. The clients for the interview were chosen based on the different ways they have become customers. The main goal of the interview was to identify the different customer journeys of the respondents, their perception of the current experience and ideas for development. The results clearly indicate the necessity of customer involvement and need for development. All three respondents were eager to share their experiences and provide development ideas.

4.3.1   Background of the respondents

During the interview, background information such as name of the company, title or personal information of respondents were not asked due to importance of anonymity. All respondents were decision makers for big actors in the health care industry.

The first respondent is in a managerial position in an organization operating in the private sector in an industry that provides services for health care professionals. Therefore, this organization is not in the direct target audience of Hoiva & Terveys news service. The respondent personally became a subscriber for Hoiva & Terveys when she started in her position at this organization. The previous person in the position was a subscriber and therefore the subscription was transferred to her.

The second respondent is in a leadership position of a municipality in Finland. He became a subscriber after receiving a trial period of the news service. During the trial period, the respondent found the service beneficial and started to subscribe.

The third respondent is a decision maker in a major health care organization in Finland. Similar to the second respondent, he became a subscriber through a cold call of which followed a trial period and finally subscription. In addition to subscribing to the news service, this respondent has been interviewed for a news piece.

4.3.2   The customer journey

The customer journey of the first interviewee started when her assistant showed her the service at the beginning of her tenure with the client company. She then contacted the customer service of Bonnier Business Forum and asked to get the subscription transferred to her. The log in information was then delivered to her and instructions for usage was given. The client has not participated in any events of Hoiva & Terveys and the news service is the only service she is using. However, it is important to note that the client has started in her position at the company only recently and therefore has not had the opportunity to benefit from other services.

The journey of the second respondent started from an email sent by Bonnier Business Forum to offer a trial period of the service. The respondent then found the service satisfactory during this time and the sale was closed in the end. The respondent has only used the news service in terms of browsing the website, reading the newsletters and blog posts.

The third respondent began his customer journey from a cold call by the Bonnier Business Forum sales force. The salesperson then offered a trial period which he took. During the trial period, the respondent found the service useful and started to subscribe. Before the initial contact from Bonnier Business Forum, the respondent had not heard of the company or the service. The respondent has mainly used the service by reading the newsletters, as he finds accessing the website platform difficult. However, he has also been involved in content creation by being interviewed for a news piece of Hoiva & Terveys.

4.3.3 Customer experience

The experience of the first respondent so far has been positive. She felt that it was easy to get the subscription transferred and the log in information was quickly provided. It took less than an hour until it was done. She had found the service useful for her work in terms of finding sales leads for the sales department. Additionally, she finds it convenient to have all the most relevant news in one place which saves her a lot of time from navigating through the news.

Moreover, she has found it especially useful because of the fact that she does not directly work in the health care industry, but rather in a sector that serves the industry. Therefore she does not have knowledge of the most relevant and trusted news providers in the health care industry, which makes navigating the news even more difficult and time consuming. Overall, the main factor for her to keep using the service at the moment was simply staying on top of the happenings in the industry. The only factor that the respondent found not satisfying about the service was simply the visual look of the website and the newsletters. They are not colourful, have a very simple look, and therefore are not necessarily appealing to browse. The respondent would definitely recommend the service for colleagues and friends that she thinks could benefit from it.

What often stops her from recommending a product or service is the fact that many do not know how to use it and apply the information for business purposes. In the future, the respondent would hope to be more involved and do more cooperation in terms of blog posts or maybe appearing in the news.

The second respondent was satisfied with the service. He found the main value of the service for his work to be the efficiency. The service enables him to quickly gather the most relevant information for decision-making by offering relevant information readily in one place and in an easily readable short form. Personally he wants to stay updated on the happenings of the industry and Hoiva & Terveys enables him to do so without spending too much extra time navigating the news. The respondent has found the service perfectly satisfying in its simplicity and wishes it to stay somewhat the same in the future. He would not like to have more content or complex structures presented in the future as it would then possibly lose the efficiency it provides. He would and has recommended the service to his colleagues and friends because of the functional benefits it offers (efficiency and simplicity). Altough the respondent did not find any areas of improvement for the service itself, he found the name of the service misleading and weakly branded. As the service provides information for business decision making, it should be named and branded accordingly. The current name and the way the service is presented does not clearly communicate the benefits it offers for business purposes in his opinion. Moreover, the service should be profiled as a business analytics tool rather than simply a news provider.

The third respondent finds the service useful for keeping up with the main topics of discussion in the health care industry. The service is an efficient way for him to stay informed of the latest news.

What the respondent has found extremely satisfying about the service is that the news articles are well written and they are analysed from a specific point of view offering an opinionated analysis of the recent happenings in the industry, rather than simply offering news that could be accessed from other channels. However, the respondent felt that the price of the product does not match the value it brings to him. The key issue that prevents the respondent from fully enjoying the service is the user interface. The newsletters that are delivered by email have a link from which one can access the website platform. He reads the newsletters but accessing the website is in his opinion too difficult as it requires log in information although he uses the link in the newsletter.

Therefore he only reads the newsletters and misses out on the additional value that the content on the website could bring. In the future, the respondent would like the service to enable its readers to communicate, comment and share thoughts about the news articles. At the moment, the service feels like a one-way conversation and lacks dialog. Additionally, the respondent would like to see the service to be more present in social media which also would add to the element of dialog. Despite the points of improvement, the respondent is satisfied with the informative nature of the service and has therefore recommended the service to colleagues for a source of quality information.

All in all, the research findings show that the clients are satisfied but clearly have points of development that often are left unheard due to the lack of dialog between the service provider and the customer.

4.3.4   Summary of findings

Al in all respondents had positive experiences of the service but found many points of improvement (Appendix 2). The main element that respondents found positive about the service was content. Hoiva & Terveys provides most relevant news in the industry that are not often published in other channels. It is an efficient way to keep up with industry happenings. Additionally, the first respondent has been able to find sales leads from using the service.

Negative experiences were mainly related to brand communication and usability of the service. First respondent found the service dull looking and unappealing. The third respondent had problems with accessing the website from the newsletters. These two factors are related to usability of the service.

In terms of brand communication, second respondent found the name Hoiva & Terveys misleading as it does not imply the real benefit of the news service as information source for business management and decision making but rather appears simply as news channel. Third respondent finds the service good in its simplicity but wishes for more dialog. At the moment, the service communicates only one way and does not allow readers to react or comment on the news. Additionally he finds the price of the service too high compared to the benefits it brings.

The customer journeys of all respondents followed somewhat a similar path. Figure 4 presents the customer journeys of the respondents with differently coloured lines. The moments of truth are presented on the first row on top of the figure and the possible touchpoints on the first column on the left. The dots represent potential encounters at each stage of customer experience. The moments of truth circled in red are moments that could be improved based on the research.
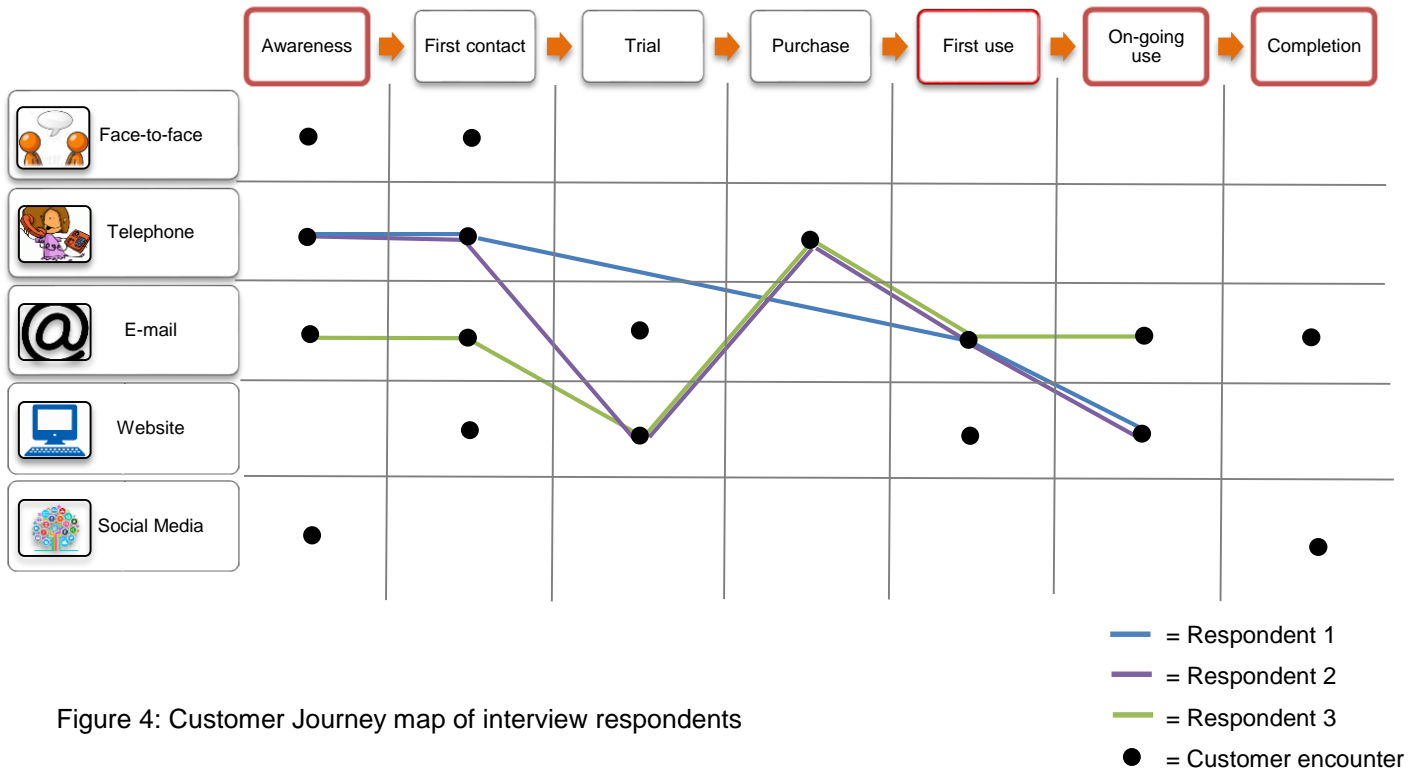

Figure 4: Customer Journey map of interview respondents

The customer journeys of all respondents start with receiving an email or phone call from Hoiva & Terveys before which they had not heard of Hoiva & Terveys. Respondents were offered a trial period which led to a purchasing decision. After purchasing, respondents used the service by accessing the website or reading newsletter sent to their email address. The customer journey of the first respondent differed slightly from others as she was introduced to the service that and already been purchased by the company.

All respondents have first been introduced to the service by the company through e-mail advertisement or cold call. These also mark their first contact with the company.

In addition to telephone and email, customers can find Hoiva & Terveys online from social media sites, the website of the service or face to face at trade fairs.

Trade fairs and exhibitions are traditional channels for marketing communication in B2B markets. Participation in such events is a good way to advertise the service and reach potential customers that might not be considered to be in the main target group and therefore are not contacted otherwise. Additionally, Hoiva & Terveys uses Twitter for commenting on recent happenings in the industry and news published in other channels. This is a good way to participate in the conversation with their target group but does not give potential customers information about the service itself. This could be more efficiently used for raising interest in the news published in Hoiva & Terveys. In addition to Twitter, Hoiva & Terveys is present in LinkedIn as a closed group. It is another channel for discussing industry happenings but does not raise awareness of the new service to potential customers. For potential customers that are already aware of the service and searching for information about it, Hoiva & Terveys manages to show its expertise and relevance in the industry. However, potential customers that are not aware of the service or the brand, will find it difficult to find.

Another point for improvement is related to using the service. Usability of services is related to how desirable, useful and usable the service is. In terms of Hoiva & Terveys, respondents find it useful without doubt. However, the service does not appear desirable according to the first respondent. The visual looks of the service is not the key element of Hoiva & Terveys success, but in order to provide consistently positive customer experiences, all user experience aspects are interrelated and thus, equally important. Another aspect that has affected respondents' experience is concerned with usability of the service. According to the third respondent, accessing the website from the link provided in the email is difficult because a password is required. This creates an obstacle for the reader and can stop them from using the website completely. Furthermore, this correlates to the decreased perception of value of the service for the third respondent. Another interesting notion of third respondent's comments is that the difficulty to access the website has led to no using it at all. Two conclusions can be drawn from that. First, the content is relevant enough for the client to continue subscribing to the service. Second, a question arises if the webpage gives enough additional value to the clients if it is not worth the trouble of logging in every time.

Completion of service is related to evaluation of service and repurchase intentions. Successful management of this phase can lead to positive word of mouth, valuable feedback and therefore better customer insight. Moreover, this can lead to repurchase if service is improved based on feedback. The third respondent pointed out on the possibility to have discussion about the news. Allowing users to react to the news articles by rating or commenting the news as well as evaluating the relevance of the news would increase the customer experience in the completion phase.

4.4   Benchmarking for CEM best practices

For identifying best practices of customer experience management experiential benchmarking is used. Experiential benchmarking uses the traditional benchmarking tool for comparing companies' products or processes using experiential factors. However, experiential benchmarking does not only compare to competitors but also takes into account new entrants and players outside one's industry. For this specific case, customer experience management of Hoiva & Terveys is compared to other information services in the Finnish market and internationally operating service providers. Key performance metrics are chosen in consideration to all the stages of customer experience. Results are presented in following form (Table 1). Services compared to Hoiva & Terveys are listed on the left hand side of the table. Key performance metrics are presented in the columns on the first row. Performance is market with signs **+** > stronger than Hoiva & Terveys, **–** > weaker than Hoiva & Terveys and **=** > equal to Hoiva & Terveys. In addition to benchmarking against other information services, inspiration of best practices from other industries are examined.

Performance criteria chosen is based on how well the company manages customer experience throughout the customer journey that is broken down to five stages: awareness, interest, purchase, service usage, completion. These stages are chosen because they occur in all services in the benchmark study. The evaluation is based on observations from the digital touchpoints mainly.

4.4.1   Benchmarking results

Meltwater Outside Insight

Meltwater is a Norwegian based software as service (SaaS) company. Meltwater Outside Insight is a media intelligence service that aggregates information from news and social media, and analyses the information as well as provides reports to clients based on their tailored setups. Meltwater Outside Insight allows user to easily access relevant information from many different sources and tailor information filtering based on customers' needs.

Meltwater is generally a well-known brand and a large company that operates worldwide. Meltwater Finland is well present in main social media sites such as LinkedIn, Facebook and Twitter, which gives the brand extremely good visibility online. When typing *mediaseuranta*[2] in Google search engine, Meltwater appears first due to their paid Google AdWords campaign. However, a customer that is not specifically looking for a media aggregator but is simply searching for service online to follow news or other information services will not find Meltwater among search results. Overall, the Meltwater brand is more visible online than Hoiva & Terveys.

When a person interested in the service is seeking information about the service, the Google AdWords becomes beneficial. With that, Meltwater appears first in search results when looking for media aggregators. The ad leads directly to a landing page that has information for requesting a trial and a service pricing quotation. The service is not possible to sample on the spot, which could prevent the potential customer from moving forward to the purchasing phase. However, contact information such as phone number is included in the landing page, which gives the interested customer an opportunity for immediate contact. The website itself is visually clear and has all relevant information such as information about the company, its services, references, customer support as well as free content such as the blog and Meltwater Insights (webinars and E-books). These items are presented visibly in the landing page. Sampling requires similar actions to Hoiva & Terveys.

---

[2] Media aggregator

Purchasing the service is not possible from the website, but similarly to Hoiva & Terveys, interested customers are most likely to try out the service first, and after that they are followed up by salesperson to offer the service for purchase.

Like Hoiva & Terveys, Meltwater services are behind the paywall. However, the blog and insights-section that offers E-books and webinars are for open use. Moreover, their website design is visibly appealing and most relevant information is presented in a simple and clear way which improves usability. Additionally Meltwater has a mobile application which enables using the service on mobile devices which increases usability.

The website platform of the service does not offer opportunities for giving feedback. However, there is contact information on the site if needed. Additionally, an active social media presence allows users to participate in commenting on and share interesting articles. Moreover, users can share experiences and rate the service.

Mediuutiset

Mediuutiset, the main competitor of Hoiva & Terveys, is a news service for health care professionals. Although it is very similar to Hoiva & Terveys, Mediuutiset positions itself as targeted news service for health care professionals such as pharmacists and doctors and health care students reporting on medical innovations and news related to the industry, whereas Hoiva & Terveys reports industry happenings from the business point of view. Mediuutiset is a news service that includes a newsletter once a week, a news webpage and a physical newspaper. Mediuutiset also has a mobile app for using the service. The newsletter and all content on the website are free of charge for everyone.

Like Hoiva & Terveys, Mediuutiset is a niche service and therefore is not commonly known outside the immediate target group. However, it is owned by Talentum which is a major information service provider in Finland. It produces digital news services, books, events and trainings for professionals in various industries. Talentum is owned by Alma Media which is a leading media company in Finland. These factors alone give Mediuutiset increased visibility. Similarly to Hoiva & Terveys, Mediuutiset is present in Twitter and in Facebook as a closed group.

For potential customer seeking for information about the service, the webpage allows users to access content free of charge, which enables sampling.

However, reading the digital version of the newspaper requires a subscription. The newspaper can be sampled by getting a one month trial.

Purchasing the newspaper can be done from the website by filling in required information. Different types of subscriptions can be chosen and for medical doctors and medical students, the newspaper is completely free of charge. Being able to subscribe to the newspaper and choosing the type of subscriptions directly on the website makes the purchasing process easier for the potential customer and therefore increases the possibility of subscription.

Mediuutiset webpage is easy to use and is visibly appealing due to the amount of pictures used. The website design is clear and the news articles are marked by categories, which enables the reader to identify the key message of the article before reading. Additionally, the newspaper can be read online which increases usability. Other news services of Talentum are listed on top of the page for interested readers to access. The mobile app of Mediuutiset is only for reading the digital version of the newspaper. It does not give any extra value to the reader as the website has responsive design, which means that it is optimised for browsing on mobile devices as well. All in all, the service is usable and useful as well as desirable.

The news articles of Mediuutiset can be shared on social media or by email. This allows readers to participate in commenting on the news as well as recommending the service to others, therefore improving the customer experience in the completion phase.

WOLT

Wolt is a Finnish start-up offering a free mobile application for ordering food from restaurants in the company's network, including over 400 restaurants. The food can be ordered for home delivery or to be prepared ready for pick up by the customer. The idea of the app is to enable efficient communication between the restaurant, delivery person and the customer in order to provide fast service for the hungry customer by allowing payment by phone. Currently Wolt's network includes restaurants in Helsinki, Turku, Tampere and Stockholm.

In terms of online visibility Wolt is present in social media sites such as LinkedIn, Twitter and Facebook. When searching for services for ordering food, Wolt appears on top due to Google AdWords campaign.

From the first look, the website is simple. The first thing the customer faces is the question of which city they want to order food in. After clicking a city, the view opens to a list of restaurants in the city, their opening hours and delivery times. However, the service cannot be used on a computer. The mobile app needs to be downloaded before getting more information. For downloading the app, the customer can get a download link by email, access the website from mobile phone and download from there or get it from the app store on their phone.

In terms of usability, the simplicity of the app makes ordering easy. Additionally, the application shows information of the ordering process in real time, giving estimation of preparation time, information about accepted order and payment, real time information about the location of the delivery and finally confirmation of the successful delivery.

In addition to providing real time information and fast service, Wolt allows its customers to give feedback and rate the service immediately after the order has been completed.

Table 1: Benchmarking results

	Awareness	Interest	Purchase	Service Usage	Completion
Meltwater	+	=	=	+	+
Mediuutiset	=	=	+	+	+
WOLT	+	+	+	+	+

All in all, all services benchmarked performed better or equally well compared to Hoiva & Terveys (Table 2). The main competitive advantage of Hoiva & Terveys is relevance of the content, which is not sustainable in the long run. Hoiva & Terveys needs to consider the experiential factors of its competitors and others benchmarked above, and plan their own experiential offering that exceeds those of the above mentioned actors.

5   Discussion and Conclusion

Customer experience management has been criticised as a vaguely defined the concept. For this reason, it has resulted into many researchers focusing on different dimensions of customer experience, but never a consistent framework for managing customer experience. As a result, branches of customer experience management emerged. Regardless of the industry, customer experience is a sustainable differentiator as it puts the customer in the middle of the process of product/ service development.

Customer experience management focuses on planning a product or service experience from the customer's point of view considering the complete journey the customer goes through before, during and after consuming the product or service and all the customer encounters in all touchpoints. The main idea is to combine knowledge of the before mentioned aspects to design a customer experience that is consistent throughout the customer journey and in all touchpoints.

Especially in services, customer experience is important to manage. Services are produced and consumed during the service encounter which means that the customer co-creates the service experience during the service encounter. Therefore customers must also be included in planning the service in order to create a service that facilitates the experience co-creation. Service design is a discipline that derived from this thought. It integrates design principles in service management in order to create a service that facilitates customer experience co-creation.

Although customer experience management is considered a marketing technique, it is a business strategy, at the core of which is the customer. CEM can change the business model of the company completely and it requires cooperation of all departments such as HR, Marketing, finance and IT to build a customer experience oriented business.

Finland is one of the top countries in terms of digitalization. Finns rank in the top three in the category of readiness to use digital services, and the ICT industry in Finland is prospering and getting investment from the government. In addition, Finland is one of the top countries in design, more specifically service design. However, collaboration between ICT experts and service design professionals has been minor. Today these specialists cooperate to design for increasingly experience focused digital services. New

entrants in the digital service sector will compete on experience. Thus, offering excellent experiences for digital service users is critical for success.

The research shows that clients of Hoiva & Terveys are clearly satisfied with the service in terms of content. However, several experiential factors arise. First, Hoiva & Terveys positions itself as news provider and its main offering as the newsletter. However, Hoiva & Terveys is in direct competition with all information services such as media aggregators and trade news publications online and as newspapers. The main problem of Hoiva & Terveys is that it is an information service that positions itself as a news provider, not as a informaton service for business purposes. This results in weaker performance compared to other information services (Table 2). Additionally, Hoiva & Terveys does not communicate the brand efficiently. Potential customer that are looking for an information service, only find Hoiva & Terveys if they are already familiar with the service or if they are contacted by the company.

Secondly, Hoiva & Terveys reports relevant news to the decision makers in the health care industry and raises discussion of the current industry news amongst them, but does not enable discussion. Enabling discussing would allow readers to participate, and therefore improve their experience of using the service.

Finally, the website has usability issues. The webpage is not The third respondent pointed out that he never uses the website as it is too much trouble to log in every time. This raises questions on if the website should be more accessible from the newsletter and moreover, if the website gives the service users any additional value.

In conclusion, two main recommendations for Hoiva & Terveys can be made. The first recommendation for Hoiva & Terveys is to start by repositioning as an information service in its entirety including the website, newsletters and events. From that each customer encounter in each touchpoint should be redesigned for better customer experiences. Stronger marketing communication is required for communicating the brand and the value promise. The paywall is not what stops interested customers from subscribing. Poorly communicated value promise decreases the perceived value for the customer and this stops them from subscribing. By improving marketing communication and strengthening the brand as an information service for decision makers in health care business communicates the real value of Hoiva & Terveys.

The second recommendation is related to usability of the service. The content is relevant and the newsletter is an efficient way to access relevant information, but the service is not consistent in all channels. Usability concerns desirability, usability and usefulness of the service. The website lacks desirability as it is not visually appealing. Reorganizing the website and adding pictures can make an impact. Additionally, usefulness of the service suffers from the lack of direct contact to the website. This could be solved by adding another channel foe accessing the service, for example, a mobile application. Moreover, the website lacks usefulness by lacking content that would not already be accessible from the newsletter. By adding extra features, such as podcasts of interviews and events, or access to Bonnier Pro handbooks, on the website that are not accessible from the newsletter, Hoiva & Terveys would increase value to it's customers. Moreover, Hoiva & Terveys would be more like an information service and the newsletter would become a part of it, not the main offering.

For future research on the subject, recommendation to different directions can be made. First, research on CEM has mainly concerned B2C services. However, B2B service providers can also benefit from the concept. Therefore expanding knowledge on the subject by studying CEM in different industries B2B operations can be an interesting research subject for the future. Second, lots of discussion has been raised on measuring customer experience.

In order for companies to justify relevance of applying customer experience management, metrics for measuring success should be established. Many experience-oriented services use Net Promoter Score (NPS) as the main measurement of customer experience. The NPS measures the likeliness of customer to recommend the service to someone. A good experience is likely to result into referral. However, it does not provide detailed qualitative data of the specific aspects of the customer experience. Thus, measuring customer experience would be an interesting research topic for expanding knowledge in the subject.

References

Accenture (2015) *2015 B2B Customer Experience Research Findings.* [online]
Available at: <https://www.accenture.com/us-en/insight-managing-b2b-customer-
experience.aspx> [Accessed on 20 March 2016]

Ajami, R. A., Gargeya, V. B., & Raab, G. (2010). *Customer Relationship Management.*
Farnham: Ashgate Publishing Ltd.

Barnes, J.G. (1995), *Establishing relationships - Getting closer to the customer may be
more difficult than you think.* Irish Marketing Review, vol. 8, pp. 107.

Berry, L. L., Carbone, L. P. and Haeckel, S. H. (2002). *Managing the total customer
experience.* MIT Sloan Management Review, Spring 2002, Vol. 43 [online]
Available at: <http://sloanreview.mit.edu/article/managing-the-total-customer-
experience/> [Accessed on 28 March 2016]

Bogetoft, P. (2012). *Performance Benchmarking.* Dordrecht: Springer US.

Buttle, F. (2009). *Customer relationship management: Concepts and technologies.*
(2nd Ed.). Oxford: Butterworth-Heinemann.

Capgemini (2012) *Customer experience – What's it all about. Capgemini Consulting
Guide.* [Online] Available at: <https://www.fi.capgemini.com/customer-experience-
whats-it-all-about> [Accessed on 29 March 2016]

Carù, A., & Cova, B. (2007). *Consuming experience.* London: Routledge.

Chen I. J., Popovich K., (2003). *Understanding customer relationship management
(CRM) People, process and technology.* Business Process Management Journal Vol. 9
No. 5, 2003 pp. 672-688

Chiou, L. and Tucker, C. (2013). *Paywalls and the demand for news.* Information
Economics and Policy, Vol. 25, Iss.2, pp.61-69.

Christopher, M., Ballantyne, D., Payne, A., (1991). *Relationship Marketing: Bringing
Quality, Customer Service and Marketing Together.* Butterworth-Heinemann, Oxford.

Constantine L., Fisk R. P., Nóbrega L., Nunes N. J., Patrício L., Teixeira J., (2012).
Customer experience modeling: from customer experience to service design". Journal
of Service Management, Vol. 23 Iss 3 pp. 362 – 376

The Design Council (n.d.). *Eleven lessons: Managing design in eleven global brands: A
study of the design process.* [online] Available at:
<http://www.designcouncil.org.uk/resources/report/11-lessons-managing-design-
global-brands> [Accessed on 21 April 2016]

Fischer, C. (2010). *Researching and writing a dissertation.* (3rd edition). Harlow,
England: Pearson Education Limited.

Fichter, D., Wisniewski, J. (2015). *Control-shift. Customer Journey Mapping.* Online
Searcher, 39(4), pp.74-76

Frow, P. and Payne, A. (2007). *Towards the 'perfect' customer experience. J Brand Management.* 15(2), pp.89-101.

Gentile, C., Spiller, N. and Noci, G. (2007). *How to Sustain the Customer Experience.* European Management Journal, 25(5), pp.395-410.

Goldenberg, B. J. (2015). *The Definitive Guide to Social CRM: Maximizing customer relationships with social media to gain market insights, customers, and profits.* Upper Saddle River, New Jersey: Pearson.

Hand, J. (2012). *Customer relationship management.* Delhi: University Publications.

Hernesniemi, H. (n.d.),. *Digitaalinen Suomi 2020.* Helsinki, Finland, Teknologiateollisuus RY [online] Available at: <https://www.teknologiainfo.net/files/documents/pdf/digitaalinen_suomi-ekirja.pdf> [Accessed on 21 April 2016]

Holbrook, M. B., Hirschman, E. C., (1982). *The Experiential Aspects of Consumption: Consumer Fantasies, Feelings, and Fun.* Journal of Consumer Research, September 1982, pp. 132-140.

Hunter, G. K. and Perreault Jr. W. D. (2007). *Making Sales Technology Effective.* Journal of Marketing: January 2007, Vol. 71, No. 1, pp. 16-34.

Keeping Connected (n.d.). *Design Methods for Developing Services.* [online] Available at: <https://connect.innovateuk.org/web/3338201/service-design-methods> [Accessed on 21 April 2016]

Kraft, C. (2014) *User experience innovation: User centered design that Works.* New York, NY: Apress.

Kumar, V. and Reinartz, W. (2012). *Customer Relationship Management.* Berlin, Heidelberg: Springer Berlin Heidelberg.

Löytänä, J., Kortesuo, K. (2011) *Asiakaskokemus – Palvelubisneksestä kokemusbisnekseen.* Helsinki, Finland: Talentum Media Oy

Meyer, C. and Schwager, A. (2007). *Understanding Customer Experience.* Harvard Business Review. 1st February, 2007

Mor, Y. (2015). *Make Digital Service Your Customers' Preferred Experience.* Information Today, Inc, Medford.

Moritz, S. (2005). *Service design: Practical access to an evolving field.* MSc thesis, KISD. [online] Available at: <http://hci.liacs.nl/files/PracticalAccess2ServiceDesign.pdf> [Accessed on 21 April 2016]

Nasutiona R. A., Sembadab A. Y., Miliania L., Restia N. D., Prawonoa D. A. 2014. *The Customer Experience Framework as Baseline for Strategy and Implementation in Services Marketing.* Procedia - Social and Behavioral Sciences, Vol 148, 25 August 2014, Pages 254–261

Newbery, P., Farnham, K., (2013). *Experience Design : A Framework for Integrating Brand, Experience, and Value.* Somerset, US: Wiley

Norton, D. W., Pine, B. J., (2013). *Using the customer journey to road test and refine the business model.* Strategy & Leadership, Vol. 41 Iss: 2 pp. 12 – 17

Opoku, R. A., (2006). *Gathering customer feedback online and Swedish SMEs.* Management Research News, Vol. 29 Iss: 3 pp. 106 – 127

Palmer, Adrian, 2010. *Customer experience management: a critical review of an emerging idea.* Journal of Services Marketing, Vol. 24 Iss 3 pp. 196 - 208

Peck, G.A. (2014). *Beyond the Paywall: Future Valuation of News.* Editor & Publisher. Vol. 147, No. 7. pp. 46-51. [online] Available at: <http://www.editorandpublisher.com/news/beyond-the-paywall-future-valuation-of-news/> [Accessed on April 21 2016]

Pine, Joseph, Gilmore, James H. (1998). *Welcome to the Experience Economy.* Harvard Business Review. [online] Available at: <https://hbr.org/1998/07/welcome-to-the-experience-economy> [Accessed on 19 January 2016]

Prahalad, C. K. and Ramaswamy, V. (2004). *Co-creation experiences: The next practice in value creation.* Journal of Interactive Marketing, Summer 2004, Volume 18, Issue 3, pp5–14

Reiss, E. (2012). *Usable usability.* Indianapolis, IN: John Wiley & Sons.

Richardson, A. (2010). *Using Customer Journey Maps to Improve Customer Experience.* Harvard Business Review. [online] Available at: <https://hbr.org/2010/11/using-customer-journey-maps-to> [Accessed on 29 March 2016].

Rugg, G., Petre, M. (2006). *A Gentle guide to research methods.* New York: Open University Press.

Sampson, S. (1998). *Gathering customer feedback via the Internet: instruments and prospects.* Industrial Management & Data Systems, Vol. 98, Iss. 2, pp.71-82.

Saunders, M.N.K., Lewis, P. and Thornhill, A. (2012). *Research methods for business students.* (6th edition). Harlow, England: Financial Times Prentice Hall.

Schertzer, S. M. B., Schertzer, C. B., Dwyer F. R., (2013). *Value in professional service relationships.* Journal of Business & Industrial Marketing, Vol. 28 Iss 8 pp. 607 – 619

Schmitt, B. H. (1999). *Experiential marketing: How to get customers to sense, feel, think, act, and relate to your company and brands.* New York, NY: Free Press.

Schmitt, B. H. (2003). *Customer experience management: A revolutionary approach to connecting with your customers.* New York: Wiley.

Schneider, J., Stickdorn, M., (Eds.). (2011). *This is service design thinking.* Amsterdam, The Netherlands: BIS Publishers.

Scott E. Sampson, (1998). *Gathering customer feedback via the Internet: instruments and prospects.* Industrial Management & Data Systems, Vol. 98 Iss: 2 pp. 71 – 82

Shaw, C., & Ivens, J. (2002). *Building great customer experiences*. Basingstoke: Palgrave Macmillan.

Shostack, G. (1977). *Breaking Free from Product Marketing*. Journal of Marketing, 41(2), p.73.

Swartz, T. A., & Iacobucci, D. (2000). *Handbook of services marketing & management*. London: Sage.

Turunen, A. (2014). *Muotoiluajattelusta apua digitaalisten palveluiden luomiseen*. Tieteessä tapahtuu 6/2014, pp. 46-48. [online] Available at: <http://ojs.tsv.fi/index.php/tt/article/view/48245> [Accessed on 21 April 2016]

Vargo, S. and Lusch, R. (2007). *Service-dominant logic: continuing the evolution*. Journal of the Academic Marketing Science, Vol. 36 Iss. 1, pp.1-10.

Appendix 1: Interview questions

THE CUSTOMER JOURNEY

1. Mistä kuulit ensimmäisen kerran Bonnier Business Forumista ja Hoiva & Terveys-uutispalvelusta?

   How did you first become familiar with Bonnier Business Forum and Hoiva & terveys news service?

2. Kuinka sinusta tuli Hoiva & Terveys asiakas?

   How did you become the client for Hoiva & Terveys?

3. Mitä Hoiva & Terveys palveluita olet käyttänyt (uutispalvelu, yhteistyöt, tapahtumat, blogit etc)?

   Which services of Hova & Terveys have you used?

CUSTOMER EXPERIENCE

4. Millä tavoin Hoiva & Terveys palvelun käyttö on tuonut lisäarvoa…?

   In which ways has Hoiva & Terveys news service brought additional value to..?

   a. työsi kannalta

   Your work

   b. henkilökohtaisesti

   You personally

5. Oletko tyytyväinen Hoiva & Terveys palveluun?

   Are you satisfied with Hoiva & Terveys

6. Mikä on ollut erityisen hyvää Hoiva & Terveys palvelussa?

   What has been especially good about Hoiva & Terveys?

7. Millä osa-alueilla palvelua voitaisiin mielestäsi parantaa?

   What could be improved?

8. Millainen toivoisit Hoiva & Terveyden olevan tulevaisuudessa?

   What would you wish the service to be like in the future?

9. Suosittelisitko palvelua kollegoillesi/ystävillesi? Miksi?

   Would you recommend the service to your colleagues and friends? Why?

10. Muita kommentteja tai palautetta Hoivasta & Terveydestä

   Any final comments or feedback about Hoiva & Terveys

Appendix 2: Summary of respondents experiences

	Negative experiences	Positive experiences	Points of improvement	Other comments	Would recommend
R1*	- Unappealing visual design of the webpage -	- fast service - relevant content - reliable source of information - easy acces to most relevant news - good source for sales leads	- Improvement of visual looks of the webpage	- would like to co-operate and be involved in content production	Yes
R2*	- Name of the service misleading - brand/ benefit not well communicated	- Effective way to keep up with industry happenings - simple and easy to use	- Better name that would imply the benefits of the service - Better brand communication	- Likes the service for its simplicity, wishes it to stay that way	Yes
R3*	- Price too high, does not correlate to benefits - Difficult to access the webpage from the link in newsletter - It's a one-way communication, dialog not possible	- Efficient way to stay updated on industry happenings - Well written articles with analysis - Short articles	- Hopes to service to facilitate dialog by enabling sharing and commenting - easier access to information - Social media presence		Yes

*R1= Respondent 1, R2= Respondent 2, R3= Respondent 3