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Converging the sales process and service process to enhance the customer brand experience

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| <p>Tässä työssä käsitellään uuden prosessin kehittämistä nykyisten prosessien tueksi ja uusien toimintamahdollisuuksien löytämiseksi osastojen välillä. Luodun prosessin on tarkoitus olla apuvälineenä osastojen välillä yhteisen tavoitteen saavuttamiseksi sekä autoliikkeen asiakastytyväisyyden ja uskollisuuden parantamiseksi. Taustalla olevat kysymykset ovat kuinka kaksi olemassa olevaa ydinprosessia voitaisiin linkittää toisiinsa ja löytämään niistä mahdollisuuksia asiakastytyväisyyden sekä liikkeen kokonaistuloksen kehittämiseksi.</p> <p>Prosessin kehittämisessä toteutettiin laadullista haastattelumenetelmää työntekijöille sekä asiakkaille nykytilan selvittämiseksi. Nämä haastattelut osoittivat tarvetta toimintamallin kehittämiseksi prosessien välille ja loivat selkeän suunnan sekä tarpeen tutkimukselle.</p> <p>Tutkimuksen runko sekä tausta sen ympärille luotiin kirjallisuuden avulla löytyneiden ideoiden pohjalle. Prosessin runko muodostui asiakkaan nykyisten ja tulevien kokemusten ymmärtämisestä, jonka seurauksena prosessin rungoksi muodostui Customer Experience Management (CEM) prosessi. Kehitetyn rungon ympärille luotiin osastojen välille linkittävät toimenpiteet asiakkaiden ja työntekijöiden haastattelujen avulla. Näin aikaansaatiin asiakkaan toiveita ja odotuksia peilaava prosessi, joka toimii myös erinomaisena tukena nykyisille CRM järjestelmille.</p> | |
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| <p>This research concerns building a new process to support existing processes in automotive aftersales business. The process that is created is intended to be used as a tool for achieving common objectives between a dealer's two main departments. The underlying question of the research is: How can these two existing core processes be linked together to promote opportunities to increase a dealer's profitability and customer loyalty?</p> <p>At the beginning of the research process, qualitative research was implemented by interviewing different employees and customers around Finland. These interviews indicated the need for the operational model between the existing processes and thus created the clear direction and need for the research.</p> <p>The framework and background of the research were created with the help of ideas found in the literature. The framework was formed around understanding customers' feelings about their upcoming services. As a result of this improved understanding of customers' feelings, the framework of the process was formed around the idea of Customer Experience Management (CEM). Interdepartmental operational links were created between different departments around the developed framework with the help of customer and employee interviews. In this way, it was possible to achieve the customers' expectations reflecting the process, which acts as an excellent support for dealers' current CRM systems.</p> | |
| Keywords | Process, Customer Relationship Management, Customer Experience Management, Customer Journey Mapping |

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1 Introduction

Claims that the car business in Finland is highly respected by the customers are misguided. In fact, customers' expectations and experience are not at the same level as they were in previous decades due to the increased expectations about the customer service. Hence, it can be said that the aftersales business area of the car industry has been very conventional during recent decades, whereas customers' expectations have changed with the new generations. Their vehicle is usually one of the customer's biggest investments, and this arouses positive as well as negative feelings. These feelings have changed over time as well. In particular, major changes have arisen related to customers' expectations of the car service and buying the car in difficult or unclear situations. These are situations where the aftersales department should be able to react as efficiently as possible. Customers' expectations of customer service does not just relate to employees' social or communication skills but the ability to serve the customer in as comprehensive a way as possible, taking care of all of their individual needs.

Creating positive feelings in this area is complicated, as the customer can have strong prejudices this relationship. Buying a car, the customer often feels that they are a customer of car sales, and servicing the car they are a customer of car service, but they rarely experience being a customer of both departments at the same time. This is the field in which knowledge and operational models are needed so that it is possible to improve customer satisfaction and loyalty, because this will take a greater and more important role in the future.

Hence, the objective of this study is to link the existing aftersales processes more efficiently in order to achieve a better level of customer service and arouse a feeling in the customer of being the customer of the entire dealership, not just a car sales or service department

The main part of this research identifies parts of the aftersales processes of the Volkswagen brand which could be development. This is undertaken by implementing interviews with customers and dealership employees. Secondly, it finds appropriate CRM processes from the literature to link existing processes together and create an operational concept around the developed framework. The concept that is created is

also planned to be piloted, depending on resources and the outcome of the current research.

The results of the interviews indicate deficiencies in certain dimensions of customer management and interaction between processes. Based on the facts analysed from the interviews and literature, the idea of a CEM system was created, based on the condition of existing CRM systems and clear concepts for linking processes. The latter process was undertaken with the cooperation of professionals in aftersales and importer employees in the form of interviews. With the help of this concept, it is possible to achieve better and more uniform long-lasting customer relationships which are easy to adapt to correspond to each dealer's requirements.

1.1 Company background

VV-Auto Group Oy (Ltd) imports and markets Volkswagen and Audi passenger cars and Volkswagen commercial vehicles in Finland. The company also imports and markets Seat passenger cars in Finland, Estonia and Latvia. VV-Auto Group Oy has its own subsidiaries: VV-Autotalot Oy in the Helsinki metropolitan area and Turku operates in retailing Volkswagen, Audi and SEAT passenger cars and Volkswagen commercial vehicles, as well as providing repair and maintenance services. VV-Auto is a subsidiary of KESKO Corporation, even though importing trends have more and more moved towards ownership by the car manufacturer.

VV-Auto Group's dealer and service network is comprised of its own retail trade and independent dealers throughout Finland. These dealers are located from Rovaniemi to Riga.

Below are listed the most important annual events in the history of VV-Auto Group from 1950 to the present day. The events are explained in brief but describe the company's operating strategy from 1950 to 2012 as the largest individual car importer in Finland.

Company history

- 1950 Autola Oy imports the first 12 Volkswagen cars to Finland
- 1975 Audi is included in the import programme
- 1977 Kesko acquires the company from Wihuri, renames it VV- Auto Oy
- 1979 MAN import to VV-Auto
- 1990 Seat import to VV-Auto
- 1990 – 1994 VV-Auto gives up its own retail business
- 1994 VV-Auto gives up its own car rental business (Interrent Oy) and truck operation (MAN) and moves its central spare parts warehouse to Sweden
- 1995 VV-Auto sells its leasing department and focuses solely on importing
- 2003 Retail of Volkswagen and Audi in Turku to VV-Auto
- 2004 - 2006 Retail of Volkswagen and Audi in Helsinki, Espoo and Vantaa to VV-Auto

In the past, VV-Auto Group Oy's business sectors were wider than today. From the beginning, VV-Auto had its own rental car business, import business of heavy trucks, central spare part warehouse and leasing department. Today, the company has moved away from these sectors and focuses solely on the importing of passenger cars. VV-Auto Group Oy retired from retail business in 1990 but bought it back for its subsidiaries step by step in 2003 and strengthened its activities in this business sector, because apparently there was still potential in the retail business with a focus on core business in the aftersales market as well (Yleisesittely 2011).

1.1.1 Current and future plans

Figure 1 shows that the company's sales have decreased about 14% between 2011 and 2012. Even with decreased sales, this is still better than in 2009, when total sales were even worse. Figure 1 shows the new car deliveries of Volkswagen, Audi and Seat from 1992–2012.

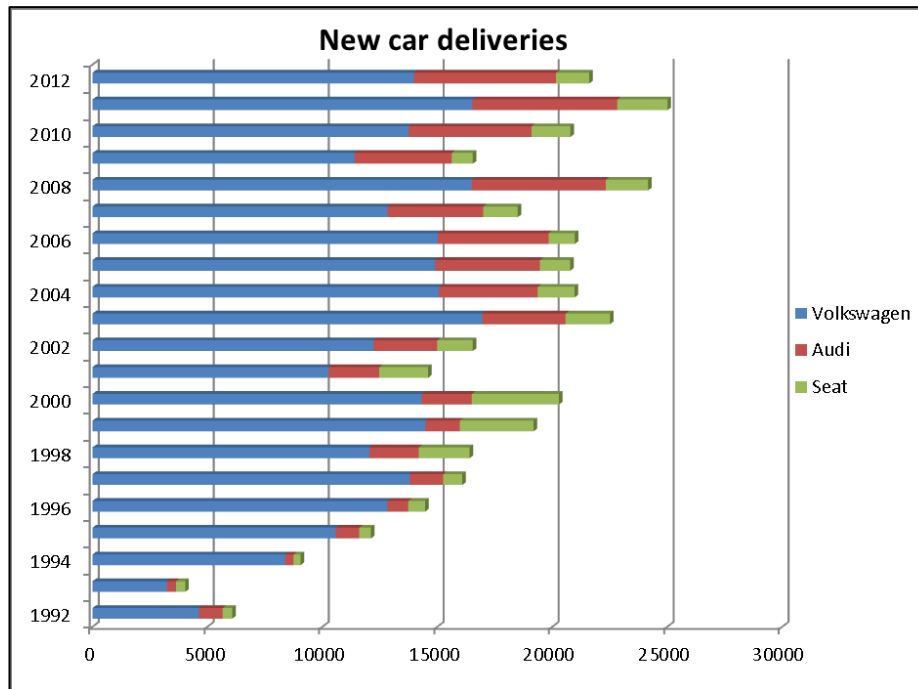


Figure 1. New car deliveries (HA rekisteröinnit ja ulosmenot 2013)

The new car deliveries of all three brands altogether have increased from 1993 when there was a severe recession in Finland. In 2009, the new crisis started in the United States and spread to Europe, also affecting car sales in Finland. 2011 was a success, 2012 was worse. 2013 the total market is estimated to be similar or slightly worse than 2012.

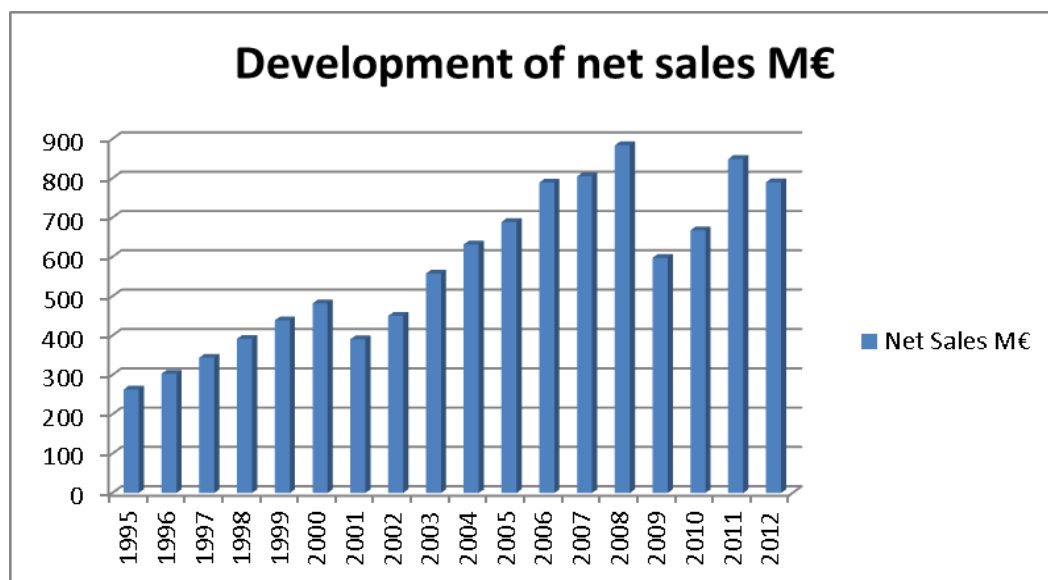


Figure 2. Development of net sales M€ (Yleisesittely 2011; Keskon vuosi 2012).

Future plans will focus more and more on improving the company's own retail trade and serving its partner dealership to give them better support and tools for strengthening their customer service satisfaction, in this way increasing the dealer's incomes which improve indirectly the company's profit level as well. Short-term investments will focus more on aftersales business with the purpose of increasing capacity even further (Yhtiömme 2013).

1.1.2 Strategy

Growth will be implemented with increasing market share and raising the sales of the company's own retail. The purpose of this study is to strengthen the processes of retailing and service and creating links between these two processes (creating CRM processes that link the two), thus improving both the importer's and the dealers' growth (Yhtiömme 2013).

Profitability will be improved by developing the productivity of the work and efficient management of capital. High desirability among the competing brands creates conditions for good profitability. Aftersales service is crucial in terms of profitability. The objective is still to strengthen the market share of brand service, to raise customer satisfaction and to reduce the number of repeat repairs (Yhtiömme 2013).

Customer loyalty will be strengthened by undertaking contact at the right time with the help of the ARMI-System. ARMI is the company's customer relationship management system which was developed only for the use of VV-Auto Group and its subsidiary companies. Furthermore, communication via the internet will be done in a simple and tempting manner. There will be concentration on strengthening the company's own brands' resale value in second-hand car sales (Yhtiömme 2013).

1.1.3 Mission and Vision

Mission: VV-Auto Group is a service company specialising in the import and retail trade of vehicles manufactured by Volkswagen Group.

Vision: VV-Auto Group is the most valued company in the car industry within its operating area and the first-choice partner for the Volkswagen Group (Yhtiömme 2013).

1.1.4 Quality statements

VV-Auto Group has ISO-9001 certification, which is a quality management standard.

- *applies to the processes that create and control the products and services an organisation supplies*
- *prescribes systematic control of activities to ensure that the needs and expectations of customers are met*
- *is designed and intended to apply to virtually any product or service, made by any process anywhere in the world*

(Source: Isoqar 2012)

Implementing ISO-9001 is a way to motivate staff by better defining their roles. With ISO-9001, a company can make cost savings through more efficient ways of working. This includes issues like less waste and fewer complaints from customers and better accuracy in filling orders. This is the only certification that the company holds, but it is even more important to fulfil it in every way to keep working at a high and professional level.

1.2 Business problem

VV-Auto Group Oy has about 60 Volkswagen partner dealers nationally in Finland and standard car dealers with a partner contract with car importer offer facilities in both car sales and car service. These two departments have historically been divided slowly from one another and occasionally this is reflected in a confusing situation from an internal point of view and from outside a perceived awkward customer service situation. This can arise from misunderstandings, lack of knowledge, wrong ideas from the hierarchy, company habits, personal chemistry or simply common ignorance. These issues will make the customer feel uncomfortable, uncertain and unsure of the dealer's ability to handle their needs in the proper way and as smoothly as possible. In the worst case, experience can lead to termination from customer's side, even changing their car brand, and other consequences. Dealers should act as partners to support and help customers and this is the reason to strengthen cooperation between these two departments with an idea of the one brand, one customer concept.

These above-mentioned symptoms are difficult to see directly from the key financial figures but easy to recognise when talking with dealership employees with different job descriptions. The common opinion is that cooperation could be in more efficient level.

The results of this level of cooperation are easy to find using qualitative questionnaires. A low level of cooperation between these departments causes obvious incomplete use of existing resources, which offers the dealer opportunities to implement better economical profit. This problem can be seen not just in Finland but all over the world, based on the researcher's discussions with other researchers from different countries.

1.2.1 Objectives

The aim of the research is to build a process to support and develop operations in two already existing processes. The built process particularly comprises different interdepartmental operations which support better customer loyalty. The developed process supports the idea of one brand: one customer.

The developed process will be formed strongly around each department's core processes, which are described in Figures 3 and 4. These processes help in understanding the kind of process needed. The developed process comprises car sales and car service processes which start with the first contact with the customer and end by evaluating the service that the customer has received.

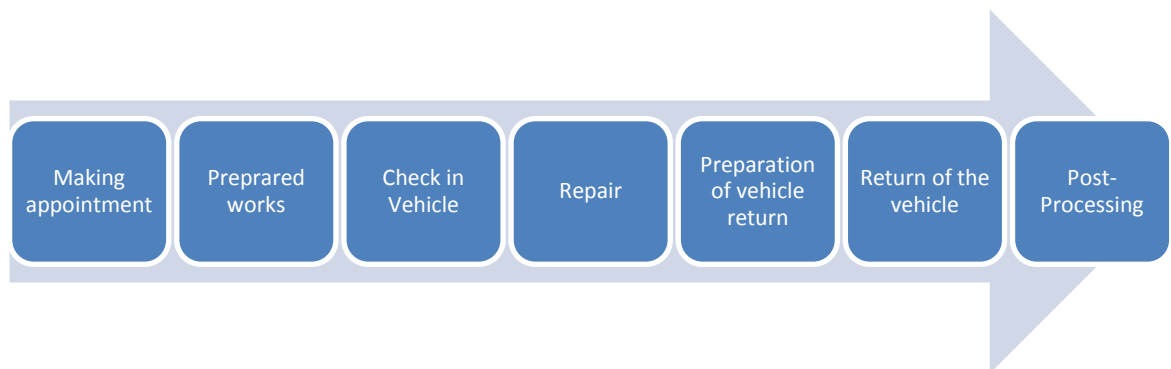


Figure 3. Car service core process (Volkswagen Training Online 2012)

With the help of these two processes, the idea is to find as many different opportunities as possible to develop interdepartmental operations at a better level and for better profitability with the help of the new process. This developed new process is a variation of the CRM process which connects the two existing processes together, because there is too much difference to integrate the existing processes into one common core process. The developed process produces guidelines for every dealer which can be adjusted to respond to their needs and resources.

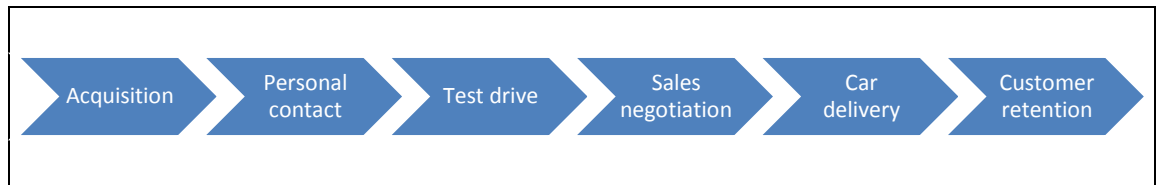


Figure 4. The Volkswagen Sales Process (VV-Auto Group 2012)

The process is finally meant to be carried forward as the model of best practice. The ideal target dealer could be the subsidiary company VV-Autotalot Helsinki, the largest single Volkswagen dealer in Finland.

1.2.2 Measurement tools

Below are listed the standard indicators used by dealers. These can vary a little depending on the individual dealer's methods and systems.

- Monthly report from financial results
- Sales each month per department
- Customer satisfaction survey (CSS) research on a rolling, results quarterly, Moments of Truth questionnaire (MOT) each month
- Personnel employee satisfaction survey once a year

Measuring with units, the main target is positive development of sales, which can be measurable and easily achievable. The objective of the implementation is to take one piece at a time from the core processes and develop them to match each other, after that evaluating this separately using the above-mentioned methods and interviewing employees and customers again. Then we move to the next problem and repeat the same procedure. Objectivities will be negotiated with the dealer's management and parties involved, one problem at a time. This will prevent solutions becoming over-optimistic and impossible to carry out.

1.3 Research process

The first step is to make a current state analysis of the level of cooperation between car sales staff and car service personnel. Relevant job descriptions for car service employees were picked out, leaving car mechanics out of this research. Relevant job descriptions comprise service advisors, service managers, spare parts sales staff and their managers. Analysis will be done with help of the qualitative survey implemented using

interviews. The survey structure is the same for both groups, with the form of some questions varying slightly because of different job descriptions. In addition, it is planned to implement a few customer interviews to obtain more depth of information on their true questions and needs.

The second phase comprises reviewing the relevant literature to build the framework around the concept. This literature will mostly be obtained from the Internet from official and respected sources, e.g. Harvard Business Review. This creates a strong basis for the study and gives reliability and credibility to its functionality.

The tools needed for the development of the final implementation model of the study are primarily opinions from dealers' employees and customers. This will be implemented by interviewing some customers and different key players at the dealers. The principal is similar to the process of qualitative analysis for the current state analysis at an earlier stage. This will prevent the researcher from bringing just their opinions to the final implementation, thus reducing the reliability of the research.

When the final proposal has been developed with help of the literature and dealer employees and customers, the ultimate implementation will be designed which will be sent for approval to aftersales directors and the Volkswagen department of VV-Auto Group Oy. This will produce comments by the directors (see Chapter 5).

A further stage will involve gathering and writing up all of the other necessary material around these chapters which relates strongly to the development of the actual concept. This will help readers to understand what has been done and why, and maintain the readers' interest throughout the entire research study.

1.3.1 Process flow

Figure 5 sets out the time frame for progressing the research. The objective is to begin writing up during the last quartile of 2012 and the research is planned to finish at the latest in December 2013. The process includes subsequent meetings with the supervisor and overseer according to the progress of the research: in practice, these will be after each phase.

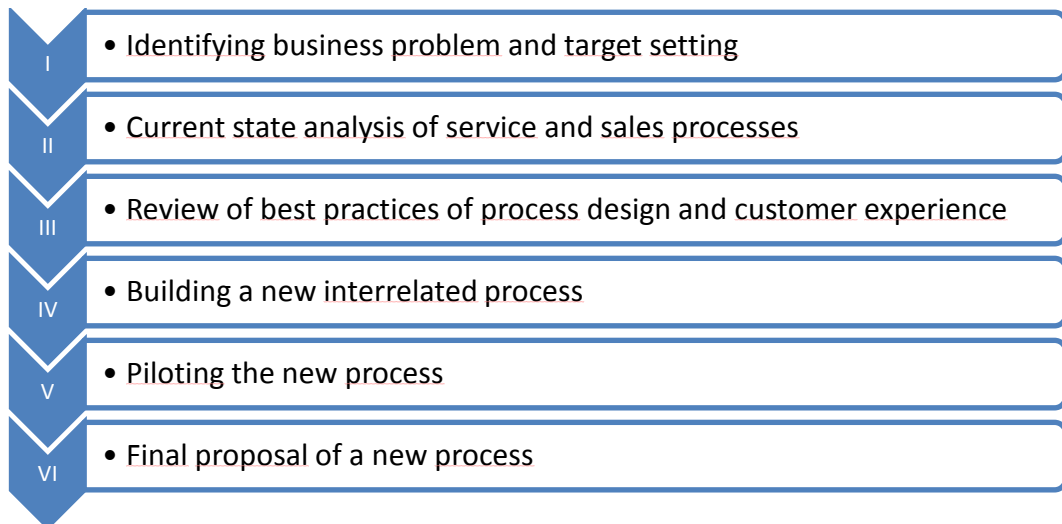


Figure 5. The process flow in each phase of the progress of research (5.1 Proposal for implementation)

The first two phases comprises identifying the existing business problem, setting the target for the research and gathering qualitative data for the current state analysis. In practice, analysis means conducting interviews in the field with dealer employees and customers. This data will be analysed and presented to explain the current situation of the problem. In addition, existing sales and service processes will be explained in order to give a comprehensive picture of the dealers' current operational models.

The third and fourth phases are around the literature review and building a new interrelated process around the existing processes. With the help of the literature, the aim is to explain the importance of customer management and create an appropriate piloting process. The literature will be used to form the framework of the research and determine the entire direction of the research. The objective is to find not only the framework for building the new operative process but to provide common knowledge for the readers as to how this conceptual framework has resulted.

The fifth and sixth phases include piloting the new operative process and creating the final proposal for that. Because of the duration of successful piloting, this process planning is developed at the theoretical level in a way which makes it possible to be a guideline for further implementation. The new operative process will be based on a framework obtained from the literature. The final proposal of a new process includes interviews, in this way obtaining the best possible ideas from the field for the final implementation. The previously developed framework will operate as a guideline in the interviews to achieve the best possible solutions. Both phases have been approved by

the most significant decision-makers related to the research in order to obtain the required validity.

1.3.2 Data collection and analysis methods

The data for the research will be collected and analysed using a qualitative research method. Qualitative refers to a way of conducting and conceiving research. In this method, the researcher is the tool for designing, collecting and analysing the research. Qualitative research differs from quantitative research in that the qualitative method does not translate aspects of the world into numbers to be analysed mathematically. Thus, the qualitative method analyses the world through the lenses which the researcher brings to bear on the data (President & Fellows Harvard University 2008).

The objective is not only to seek answers in the research to question what, but also why. The results of the search can be adapted to correspond to the dealers' demands and resources. Every interview is conducted using the qualitative method, so the research data is based on the respondents' own opinions rather than the factual truth. Hence, the analysis will not be changed into numerical values but solution models will be directed through the conclusions and opinions of the researcher and the answers received from the interviewees.

The design of this research exhibits a constructionist research model. This design starts from the assumptions that there is no absolute truth, and the researcher's task is to establish how various claims for truth and reality become constructed in everyday life (Easterby-Smith, Thorpe and Jackson 2008).

The output of the research is written as if by an external consultant, using a narrative method which is appropriate for the constructionist research design. The narrative method may involve observation where the researcher can become part of the case and transmit stories, or they might have collected data through interviews by asking people for stories that they have heard about a particular event. This method has advantages and disadvantages. The advantages include the ability to provide a holistic perspective on organisational behaviour, which is very useful in developing social histories of identity and development. It helps to examine relationships between individuals and the wider organisation and present values to the research process. The disadvantage is the lack of offering anything distinctive or additional to conventional qualitative research (Easterby-Smith, Thorpe and Jackson 2008).

Examination of the research from this aspect makes it possible to provide neutral opinions and review the situation with the eye of an outsider, which again makes it a more attractive tool for fulfilling customers' demands and needs.

2 Current state analysis

Volkswagen has set an ambitious goal for further development and global standardisation of the brand image. To achieve this goal, Volkswagen has been developed core processes. This chapter will ignore all special services which cover all process steps by the same employer, for example the Express service. It concentrates more on conventional process models.

High customer service quality as experienced by customers is formed out of a complex interaction of people, tools and systems. To achieve a high quality of customer service, core processes have been established to be used as control instruments. This has become an invaluable tool that helps to combine the needs of the customer and the requirements of the company. In this way, it can be said that core processes are the way to the customer. Figure 6 below describes the formation of customer satisfaction and the importance of core processes.



Figure 6. The formation of customer satisfaction (Volkswagen Training Online 2012)

Both the car service and car sales department have individual core processes to improve the quality of customer service at the car dealership. The entire business has been tied to these processes and this operates as the supporting leg for efficiency and

economic viability and ultimately improving customer satisfaction. The main purpose of the core process is to bind together different factors inside the process and in this way decrease misunderstandings, mistakes and inappropriately long waiting times for the customer.

These two processes are separated from each other and thus cannot be integrated into one process to cover both models of functionality, because functions inside the processes are too different at each point of each process. Each department obviously implements and develops their own core process without seeing all opportunities as properly as possible.. These service and sales core processes are explained in more detail in this chapter (Volkswagen Group Training Online, 2007)

2.1 Service core processes

The car service core process can be divided into as seven work steps which occur during a service contact over and over again in the same order. It starts from the customer arranging an appointment and ends with post-processing where the success of the implementation of the process in terms of customer satisfaction is evaluated. Figure 3 describes all of the work steps involved in the service core process.

Figure 3 shows the seven work steps in their logical order. Several employees can be involved in each work step, which can make the appropriate implementation of the core service process challenging. The responsibilities and functions involved in each work step are explained more precisely in the following sections.

2.1.1 Making appointment

One or more people create the appointment planning in the workshop which concerns all other employees in the next work steps. This is the step where preparation is made for performing the service as well as possible. An appointment can be booked by phone, in person or by email. Crucial issues when making an appointment by phone or in person are creating the correct first impression. (Volkswagen Group Training Online, 2007).

The situation can vary from a normal routine car service to difficult repair works with or without a warranty. Thus, every situation is more or less different from every other, and for this reason it is impossible to create one correct functional protocol for making an appointment. (Volkswagen Group Training Online, 2007).

2.1.2 Prepared works

When preparing the appointment, the customer was promised the exact processing of their order. In this work step all necessary preparations must be made so that this promise can be kept to the full satisfaction of the customer. Appointment preparation should be done as early as possible in order to make sure that the order is dealt with completely and reliably, thus enabling successful first repair. (Volkswagen Group Training Online, 2007).

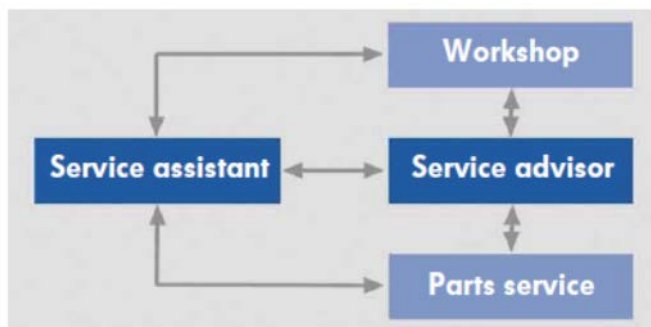


Figure 7. Information exchange for appointment preparation (Volkswagen Training Online 2012)

Figure 7 describes how different sections must be informed and the interfaces where information can easily get lost from the upcoming service / repair situation. If some information does not pass to every participant, this could have several effects and ultimately lead to an unsatisfactory service visit by the customer. When responsibilities are clear, the information flow is complete and preparation for the appointment is done in good time, the process can safely proceed to receiving the customer and their vehicle in the next work step.

2.1.3 Check-in of vehicle

At this point of the process, the customer brings their car to the workshop for repair or service. The service advisor receives the customer at the workshop and engages in deeper personal conversation about the work to be done. This appointment at the workshop is often unpleasant for the customers because it is often associated with costs and a time investment, and the biggest challenge is to conquer these prejudices. For the service advisor, the challenge is to adapt themselves ideally to each customer.

The check-in appointment involves more than receiving the vehicle and creating the order. When the customer enters the dealership premises, they will start to form their own personal image of the company. The aim here is clear: obliging, expert and excellent service quality can convince the customer of the professionalism and reliability of the workshop (Volkswagen Group Training Online, 2007).

2.1.4 Repair

The next step in the process comprises the car service work undertaken by the car mechanic. The customer is not usually present at this stage, so the focus is more on implementation than on customer service. The customer's expectations are simple. Their car must be serviced or repaired completely and carefully without any major delays (Volkswagen Group Training Online, 2007).

Complete or careful performance can be disturbed if the timetable is insufficient or the salary structure drives too urgent performance. This means that time management planning must be done well in advance, depending on the definition of the work and the age of the vehicle. Delays in the work performance can be caused by poor preparation and are usually more or less the sum of the phenomena mentioned above.

Because of the work profile of the car mechanic and status of the productivity, the company should offer best conditions of work as possible and thus ensure profitability in the name of customer service satisfaction and the prevention of expensive repeat repairs.

2.1.5 Preparation of vehicle return

Quality control and preparation of vehicle return are an important success factor for the service quality. At this stage, it will be ensured that the vehicle can be returned to the customer in the expected state after service. The aim is to avoid repeat repairs, which are non-profitable work for the company. The car servicemust avoid situations which can cause dissatisfaction, for example an improperly done car repair or the car being left dirty after its service. The quality control is obvious for every employee as well, thus avoiding additional worries and reasons for customer complaints (Volkswagen Group Training Online, 2007).

2.1.6 Return of vehicle

At this stage, the customer turns up for the pick-up appointment and they have certain expectations: the vehicle should be ready; the order has to be completed to the satisfaction of the customer and according to the agreements; and the price, quality and service are right. The service advisor should take the necessary time, giving the customer their full attention and good customer service.

The core process step vehicle return is a process stage involving the customer and is the last opportunity to impress the customer and give a positive impression of the company, especially if the customer retains any contradictory feelings from previous appointments (Volkswagen Group Training Online, 2007).

2.1.7 Post-processing

The order has been successfully completed according to the service advisor, but the employees do not necessarily know how the customer sees it. Did the company exceed the customer's expectations in every part of their visit? Because of this, post-processing is one of the most important channels to improve one's own and the entire company's working level.

Today there are many different channels for handling customer satisfaction. There can be a telephone or text message or email report by the internal staff and telephone report system by the external provider. (Volkswagen Group Training Online, 2007).

Telephone reports made by internal staff are usually based on an instinct, or it can be just a random phone call to customers who had a car service. Even if the customer does not have any complaints, they will be asked standard questions about how the service went.

Text messages and emails are more commonly used tools for internal reports. The text message will ask for a total satisfaction rating for the service on a scale of 10 to 1. Today, a report by email more commonly involves the customer choosing to write directly to somebody; usually it means poor service from start to finish.

2.2 Sales Process

The car manufacturer has determined different procedures for the vehicle sales department. This core sales process comprises twelve stages. It starts with customer

acquisition and ends with customer retention. Figure 4 describes all these process steps.

Unlike in the service core process, the sales core process is implemented mostly by one person, the salesperson, which means that it is easier to manage the entire process. There are still many different steps and tasks to remember, which are explained in more detail in the following sections.

2.2.1 Acquisition

Customer acquisition is the step which starts the process and refers to the active approaching by the salesperson of persons who are customers of other vehicle brands and do not have previous contact with the specific retail shop. Customers are not taken into account here who visit the retail shop by their own initiative. Customer acquisition comprises several important tasks for efficient acquisition and its handling.

Salespeople have to ensure getting new customers for the represented vehicle brand. Thus, it is best to avoid faceless approaches to the customer like advertising. The best way to make these contacts is still by phone.

Changing potential customers into buying customers is a normal part of the salesperson's working day (VV-Auto Group Oy 2012).

2.2.2 Personal contact

It is of primary importance to greet the customer before the customer greets the salesperson because this is the expectation of the customer. Introducing and familiarising themselves to the customer and creating a positive atmosphere are valuable points during the first conversation with the customer. (VV-Auto Group Oy 2012).

More and more customers are making contact by emails, and this must be taken into consideration. Contact should be made by email or however the customer wishes.

This phase comprises also the need analysis and is the phase where the salesperson verifies whether the customer has a will to buy or is just collecting information. After checking the customer's need, it will be appropriate to make an offer (VV-Auto Group Oy 2012).

It is very important to ensure the buying intentions with additional questions because the customer does not usually state their wishes, values, dreams or fears. Thus, asking and listening techniques are important, especially open-ended questions and alternative questions.

During car presentation, the salesperson presents their product argumentation, which was prepared during the need analysis. The customer may be familiarised with the product but rarely makes big decisions about the engine, gearbox or other additional equipment.

Arguments should be suitable for the customer so that concentration is focused more on actual needs which meet the customer's buying motivation. These real motivation factors are usually under the surface so need to be sorted out first.

The sales person's basic knowledge of car models and their additional equipment has to be obvious. The functionality of this equipment must be represented as well. Without adequate knowledge, it is impossible to convince the customer of the necessity of the equipment. The customer should have the opportunity to actively test the equipment if possible (VV-Auto Group Oy 2012).

2.2.3 Test drive

Finally, the salesperson should offer always a test drive because in the best case the customer sells the car to themselves or at least increases their desire of ownership. It has to be offered before the customer asks about it, however not be imposed on the customer. The salesperson should accompany the customer because this is usually preferred, and it is then possible for the customer to ask about the vehicle and to draw the customer's attention to the vehicle's features and equipment. (VV-Auto Group Oy 2012).

2.2.4 Sales negotiation

It is of primary importance to start price negotiations when the appropriate vehicle has been found and proper sales negotiations gone through. Price describes the vehicle's value, quality and benefits for the customer. Discounts should not be offered spontaneously by the salesperson. This can happen unconsciously if the salesperson thinks the price is too high like customer does. (VV-Auto Group Oy 2012).

Next phase comprises handling any possible car trade-in by the customer. In practice, the salesperson expresses being ready to take the customer's vehicle in exchange. As a prerequisite, a technical and visual check must be done of the customer's vehicle.

Nearly every customer wants a discount on their new vehicle or better compensation for their present vehicle, so it is important to retain the benefit perspectives of the deal.

Finally, the salesperson should offer financial services to the customer. The sales conversation will often be interrupted because the customer does not approve of the price offered or cannot afford to buy a car in cash, which can be an obstacle to the buying decision. Financial services can be highly suitable even if the customer has the necessary money in cash (VV-Auto Group Oy 2012).

If customer is unwilling to purchase, it has to implement the follow-up contact. However, the phone contact can cause a stressful situation for both parties, and many sales processes possibly end here. Still, this is necessary because potential customers can be led towards sales closure with help of follow-up contacts.

The last section of this phase is closing of the trade and its objective is to achieve a buying decision. It is unrealistic to expect every deal closure attempt to lead to success even if the salesperson does not get the deal immediately. The salesperson should make a suggestion of sales closure and remain in contact with the customer after giving a written offer. This is the procedure in particular when the customer wants to think before making their final buying decision. The salesperson has to keep in control through the entire sales process and make the customer's buying decision as easy to approach as possible (VV-Auto Group Oy 2012).

2.2.5 Car delivery

There has to be enough time for a personal car delivery event because this event is the final climax after long decision-making processes, expectation and waiting. Thus, it can be said that delivering the car is the dessert of car sales. Delivery will start an on-going potential customer relationship between the salesperson and the customer.

Car delivery should include further car orientation by the salesperson. The salesperson has to ensure that the customer uses this car properly and give them instructions for everyday use. A few days after delivery, the customer is asked about the car and ser-

vice. Maintaining contact is the only way to strengthen the customer relationship (VV-Auto Group Oy 2012).

2.2.6 Customer retention

This last phase comprises a few very important issues. One is keeping contact with every customer, especially loyal customers, who are important because they will likely buy their next car from the same place. The salesperson can exploit the different possibilities offered by the manufacturer, importer, retail shop and customer to manage customer relationships.

During every contact, the salesperson should ask the customer's opinion on their satisfaction with the manufacturer, product and retail shop and update the customer's information. All of this has to be a part of a salesperson's daily routine, so that selling is as efficient and active as possible (VV-Auto Group Oy 2012).

2.3 Analysis

To clarify the present situation from the current state, it was necessary to research the present level of cooperation between the car sales and service departments. The target was to investigate the current situation and make the necessary conclusions. This analysis is an important and necessary step for better understanding the kind of thoughts of different people in different positions. This investigation helps to give a better starting point for building a conceptual framework and concept for final implementation. Various considerations were made about implementing the analysis, and this process, along with its outcomes, is explained in more detail in the following chapters. Because of the secrecy of the interviews, material from the interviews has been preserved by the researcher.

2.3.1 Methods

The initial idea was to implement a quantitative questionnaire for employees from different job descriptions at dealers. This idea was partially started with the help of the company's learning platform, but this idea was given up because of its inadequacy in handling the obtained outcomes. Secondly, there is a great risk of interpreting the outcomes incorrectly, which would dramatically affect the final results.

Thus, a more useful and accurate method of analysis is to use qualitative questionnaires. This method gave a deeper understanding of the current situation and allowed

analysis of what should be done to develop the core problem of the thesis. In this way, it is easier to analyse opinions and development ideas, also taking into account geographical locations. Further concept development can thus be undertaken in more tailored, location-specific ways.

The targets of this questionnaire was chosen from different job descriptions of employees in different parts of Finland. Two of the interviews were conducted with directors of aftersales and the VW department of VV-Auto Group Oy. Four interviews took into consideration the geographical location and job description of the partner dealer. The main intention was to gather interviews from different job descriptions, including service advisors, car salespersons, sales managers and service managers without any deeper analysis of why these specific employees were chosen. Depth of the interviews was achieved by implementing them in different geographical locations in Finland.

The interviews were conducted during 24th January 2013 – 28th February 2013. Four interviews used the by face-to-face method; one was done by telephone; and one by email. A summary of these interviews will be found in the next chapter.

2.3.2 Summary

The following tables give summaries of the implemented interviews. Tables 1, 2 and 3 give an overview of the employee interviews and Tables 4 and 5 the separate customer interviews. This gives the opportunity to implement two different conclusions from two different aspects before examining the one big picture for further development.

The analysis of the questionnaires was implemented by analysing each group separately and summarising the most important opinions relating to the main problem of the thesis. This allows us to see the divergence in overall views and helps to keep the research focused on the customer point of view as well.

Finally, one eventual summary covered the entire questionnaire, giving final conclusions. This gave a good starting point for developing the actual concept.

2.3.3 Employee questionnaires

Many employees could imagine that today's level of cooperation between car service and car sales entities is caused by a bad atmosphere personal chemistries or among employees, but this analysis shows a different result.

A few very essential points can be mentioned which support the importance of developing this concept in this thesis. It can be concluded that personal chemistries are working well, but the inadequacy of cooperation can be recognised, which can lead to the inflammation of relationships between employees on occasion.

Table 1. First four questions of the employee questionnaire

| | What direction do you see car sales developing in in the near future? What about in the long run? | What about retail shops? What kind of retailers will be more successful than others in the future? | What changes do you believe will happen in the car retail business in the future? | At what level do you see that you are exploiting the resources of your retail shop? |
|---|---|---|---|---|
| Director of VW department | Quite stable. Total sales about 100,000- 130,000. In the long run, about 130,000 vehicles. | Dealers which can focus only on one or two brands and with a enough high market share. | Make driving easier for customers. Electrical services will be increased. | Resources could be in even more effective use |
| Director of After Sales Department | This year -10 % total sales. Trend will be more towards smaller and low consumption cars. | Importance of customer service will be high. Comprehensive services. | Utilisation of electronic services will have a big role. | Resources are utilised well. |
| Workshop Manager of VV-Auto Turku | This year recession. In the long term it will increase | Hard times if car sales struggle. Dealers which have their CRM process in a good state and thus customer service. | New technology will be a challenge. Electrical commerce will increase. The ensemble of services will come as a package. | Resources are at a good level here. |
| VV Sales Manager of VV-Autotalot Herttoniemi | Same as the previous year, about 105,000 vehicles. In the long run 10, 000 – 120,000. | Those which take business seriously. Take into account overall customer needs. Large dealers. | Employees have to be able to change their roles from conventional learned roles, bringing more services to customers. | At a good level but not efficient enough at exploiting them. |
| Service Advisor at Autotalo Antti-Roiko Oy Ylivieska | It will decrease a bit. In the long term it will be more positive. | Low sales figures will affect the aftersales market after a few years. Price competition will be tightened. Dealers which are able to respond to price competition i.e. different hourly rates depending on vehicle age. Good customer satisfaction from dealers. | The importance of customer service will increase. | Our resources are being used over 110%. |
| Volkswagen Salesperson at Pörhön Autoliike Oy, Oulu | At the same level as the previous year. Sales will be about the same for the next 5 years. | Dealers which are visible and active. | Customer relationship still has a big role. No other big changes in concept will be seen. | There are many resources still to use. |

When this inadequacy of cooperation is obvious, imbalances in job segregations can be recognised, and thus differences of opinions about the stress level of work between entities. As a result of this imbalance, aspects of employees' responses vary. The sales entity would need more cooperation for gaining good customer leads and the service entity felt mostly that resources were being exploited in a very efficient way. Still, every interviewed employee thinks that a common target is the most important issue in cooperation between entities, but this is still not common practice at dealers.

Table 2. Next five questions of the employee questionnaire

| | What could these possible unexploited resources be? | How do you experience the current level of cooperation between the car sales and car service departments? | What issues do you consider important in cooperation between car sales and car service? | In what issues do you feel that cooperation is succeeding today? | In what issues do you feel that cooperation is failing? |
|---|---|---|---|--|--|
| Director of VW department | 2/3 of the resources at the car service are unused. Longer opening times at dealers. Sales people don't spend enough time calling customers | They could be closer from each other There are lots of unexploited resources | Customers should get the feeling of one customer, one brand taking care of them and keeping them important. | The car delivery process during the sales process. | Exploiting all customers well enough from car service to car sales purposes |
| Director of After Sales Department | Remove resources for more productive operations. Role models for employees should be outside traditional models. Improvements in the flow of information between employees. | There are big differences between dealers. Management models are too conservative. | Shared targets and common management models between departments. | Car care contracts. Good overall knowledge and understanding of customer. | Lack of efficiency of operating systems and their inflexibility for both processes. Different targets. |
| Workshop Manager of VV-Auto Turku | Implementing required customer satisfaction level even when it is possible to improve it | It works well. Customer management should be much more deep for each department. | Mutual respect. Understanding of both department and customer service entity. | Personal chemistry. Employees seeing common objectives. | Effectiveness of operation. Operation models are still unprocessed. |
| VV Sales Manager of VV-Autotalot Herttoniemi | Overlap of employees roles in a controlled way. | It's working pretty well | Working together as a team and joining the same meetings. | Employees getting along well with each other. People are willing to help each other. | No large problems have come up in front of me. |
| Service Advisor at Autotalo Antti-Roiko Oy Ylivieska | There are no resources to exploit. | Very well in our dealer. | Creating a positive experience for the customer. | Equipping vehicles and arranging a replacement car for the customer | Occasionally the wrong operating model for dealing with customer complaints |
| Volkswagen Salesperson at Pörhön Autoliike Oy, Oulu | Increasing cooperation at different points in the processes | Works well but there are issues that need to be improved | Communicating with each other. Existence of operating models. | Communicating. Service advisor has a role in customer new car delivery. | No clear operating models exist. Understanding each department's needs. |

Interviewees feel that cooperation is only partly succeeding in one or two steps in the processes, depending on the dealer. The biggest failure of cooperation between entities assumed to be caused by inadequate or incorrect methods of implementation of operational models. However, every dealer has implemented it mostly as they've seen necessary, without any an official concept model. This is assumed to be particularly a result of a deficiency of leadership and management and clear enough strategy for employees.

Interviewees see development ideas in increasing the level of cooperation between the implementing teams among these two entities, in this way clarifying common invisible and unsaid targets.

Table 3. Last four questions of the employee questionnaire

| | In what steps in the processes could it be possible to implement / add cooperation between these two departments? | What issues do you believe cause the level of cooperation today? | How should the importer support the development of cooperation between the car sales and service departments? | What benefits could be achieved by increasing cooperation in the short term and long term? |
|---|--|--|---|--|
| Director of VW department | Developing teams inside the dealer among different departments. Selling more additional accessories and better visibility of the self-employed. | Lack of cooperation models inside dealer. | Increasing interdepartmental cooperation at the importer. Offering operation models for dealers. | Higher customer loyalty. Higher volumes and better profitability. Better business. |
| Director of After Sales Department | Marketing, Create shared objectives, equipping and selling car accessories. | Automotive sector is too traditional | Support job exchange between departments. Objectives come from importer. Common bonus systems. | Better customer loyalty and better customer service. In this way, better sales. |
| Workshop Manager of VV-Auto Turku | Service department better involved in the sales process. Better use of customer management system. | Unprocessed operation models | Developing operation models. Express one customer idea better on sight in training. | Better customer loyalty and thus better profit |
| VV Sales Manager of VV-Autotalot Herttoniemi | Making its own teams between departments. | People's own backgrounds in both departments. Good recruitment. | Better cooperation between departments at the importer as well, i.e. shared training, better support by importer. | Better customer service and satisfaction. Better sales. Better employee satisfaction. |
| Service Advisor at Autotalo Antti-Roiko Oy Ylivieska | From the start of the service core process when the customer makes contact with the dealer. | Lack of training focused on interdepartmental cooperation. Bigger dealers may have 'cultural differences' as well. | Arranging training. | Loyal customers (satisfied and committed). Improved common atmosphere among employees. |
| Volkswagen Salesperson at Pörhön Autoliike Oy, Oulu | Gaining more leads from service advisors. Follow-up phone calls should be more carefully planned with the help of the CRM system. | Non-existent operating models. Too frequent job changes. | Developing operation models for dealers. | Satisfied customers, which means increasing customer loyalty. |

The development of operational models would need to start from the importer. Interviewed employees see the visibility of cooperation from the importer side as important. In this way, the importer can be a better example of implementation and more credible in the eyes of the dealers.

2.3.4 Customer questionnaires

They customers were asked a few of the same questions but some questions were different or asked in a different way. There were four fewer questions than in the employee questionnaire.

Table 4. First five questions of the customer questionnaire

| | What direction do you see car sales developing in in the near future? What about in the long run? | What about retail shops? What kind of retailers will be more successful than others in the future? | At what level do you see the supply in retail shops? | How have you received fluency of service during your visit to the retail shop? | In what issues do you feel customer service succeeds between car sales and car service? |
|-------------------|---|--|---|--|--|
| Customer 1 | About the same as now. Vehicle economy will play a big role. | Dealers which have a good and updated product selection | It's at a good level. | Both departments are working properly. | Service is easy approachable, fast enough and friendly |
| Customer 2 | A more economic direction. Green values will be important to customers. | Big dealers will succeed. Dealers with good customer service. | I think it's in a really bad shape. | It has gone very well. | Level of knowledge has risen during the last ten years. |
| Customer 3 | Total sales will maybe decrease a little bit. Better technical solutions are increasing all the time and that will affect buying decisions. | Good personal customer service. | It's at a good level here. Waiting times for service are a little bit too long. | It's at a very good level. | Informing customer more quickly during car service. |
| Customer 4 | A more green direction. | Service facilities should be closer to other businesses like supermarkets. | It's at a poor level. | Personnel's reaction times to the customer are at a good level here. | Creating a new car feeling for the serviced car, thus creating extraordinary value-adding with good quality. |
| Customer 5 | Sales will be focused more on second-hand vehicles. In the long term, cars' technical specifications will be more important factor in car business. | Dealers which can offer versatile and expert services. | We have been satisfied. | It has been great. There should be waiting numbers in the waiting lobby. | Fast problem solving. Dealer is customer-orientated enough. |

Customers' opinions about the main priorities of dealers which will succeed in the future relate strongly to good customer service and a versatile service ensemble. In particular, customers appreciate large amounts of information, communication and guidance in unclear situations. More need analysis should also be undertaken on customers in both entities.

The current level of these latter issues seems to divide opinions between customers. The negative opinion is still too dominant, so it can be assumed to at too low a level, even though many interviewed customers found the visited dealer's customer service to be at a reasonable level and operating well. However, some interviewees feel that customer service in car service, and in turn, product knowledge in car sales, is at a poor level.

Table 5. Last four questions from the customer questionnaire

| | In what issues do you feel that service is failing? | What issues do you think are important in car sales? What about car service? | How / what kind of services would you like to receive from car sales or car service in the future? What issues do you feel need to be improved in current services? | How do you believe that a better level of customer service would affect you as a customer? |
|-------------------|--|--|---|--|
| Customer 1 | Car sellers' product knowledge could be better | Positive customer service experience on the whole | There are no major weaknesses in services | It would strengthen the image of the brand and its credibility. |
| Customer 2 | Car sales: could be more individual. Car service: Customer service | Guidance in using the car | Dealer could allow possible customers to network with each other in different ways | Customer relationship would be higher. |
| Customer 3 | There is no experiences about failures | Communicating and informing when necessary. Offering additional services. | Offering car delivery and collection services | It would have only a positive effect. |
| Customer 4 | The price-quality ratio is too high. Offering the right services at the right time. | Car sales: Better needs analysis by the sales person. Car service: Quality of service should correspond as much as possible to the new car. | Offering car delivery and collection services | It would be easier to close deals. |
| Customer 5 | The quality of repair and customer service at some workshops has been really bad. Here it has been OK. | Service should always be available if it is needed. Price-quality ratio should be correct. Express service is a great concept. | Existence of a queuing system. | It would ensure repeated visits to the dealer. |

Interviewees require more services in the future which relate to fluency and offering a diversity of services. Some customers would even want to network with other customers to access discussions and maybe an additional channel between customer and dealers as well.

2.3.5 Final conclusions from interviews

The summary from both questionnaires is quite explicit. The interviewed employees think that the biggest problem in the lack of cooperation is inadequacy of interdepartmental operating models, and this should be developed by the importer. These operation models should be instilled into managers' leadership and management style to achieve visible results.

Customers highly appreciate good customer service and extensive unity of service with good information, communication and guidance. Extensiveness in services comprises the idea of proper need analysis, which only strengthens customers' satisfaction with the dealer.

These customers' needs and employees opinions relate strongly to the actual problem which can be visible in many dealers. Customer service and need analysis are large packages which need investments from both entities towards the same goal, whereas

the product information needed in car sales is held in the car service side which would prevent unnecessary conflicts with the customer.

The problem is obvious and dealers would require operational models to be developed for them by the importer in order to improve dealers' service levels.

3 Best practices in process design and customer experience

The main objective of this review is to find the best possible solution and build a framework around the main problem with the help of existing theories which relate to different aspects of the customer management processes and any other information which needs to be taken into consideration for its later practical implementation. So the main target in this study process is to create a new framework which connects two separate already existing processes together in the best and most efficient way possible. This need was already clear before studying existing theories about the subject, but the developed framework was implemented by finding articles on the topic and combining the best adopted methods into one ensemble. The developed framework was formed piece by piece during the literature review and in the end it was simple to choose the path to follow for further processing.

Collected articles for the best practices were chosen and evaluated using a case study point of view. All of the necessary articles were found on the Internet and the starting point to find these articles were the most well-respected providers in the field, such as the databases of the Harvard Business Review and MIT Sloan Management Review.

3.1 Process management

Process management is a major part of businesses and a process-based approach is already a part of business routines all over the world. This should be a comprehensive system for managing and transforming organisational operations. Process management comprises the first set of new ideas about organisational performance (Hammer 2007;2010). Processes are strongly bound to representing the company's standard ISO 9001 and thus this should also be taken into consideration. The process shown in Figure 8 explains the ISO 9001 standard's main target, which is to create clear requirements for more customer satisfaction and the company's dedication to follow these.

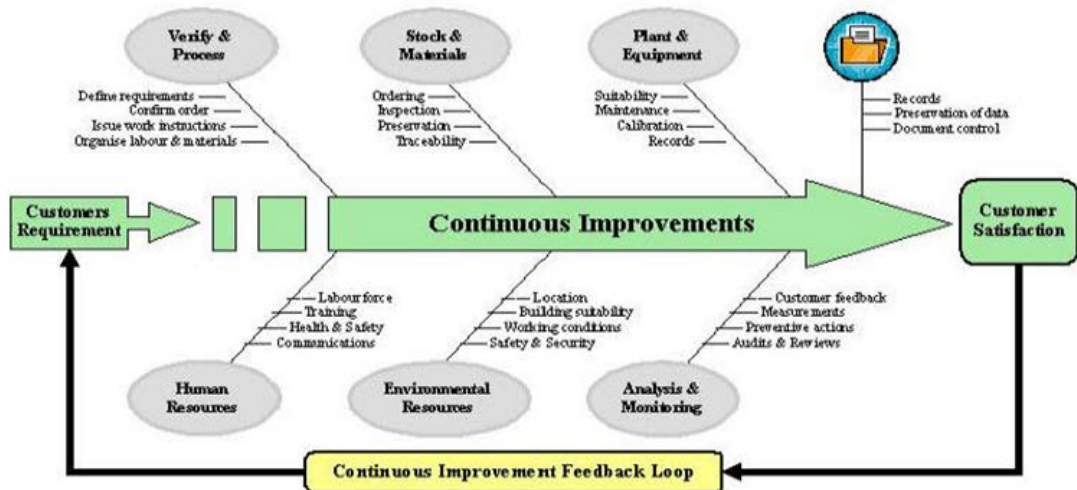


Figure 8. ISO 9001:2000 Process flow (Westcountry Quality Systems 2013)

A company can have thousands of processes from making car service appointments to applying customer satisfaction surveys to customers. Focusing too narrowly on processes can give rise to many small-scale projects without realising the bigger picture in business. Processes can operate consistently without major mistakes in execution and still be inefficient as regards the required performance for customers and the enterprise.

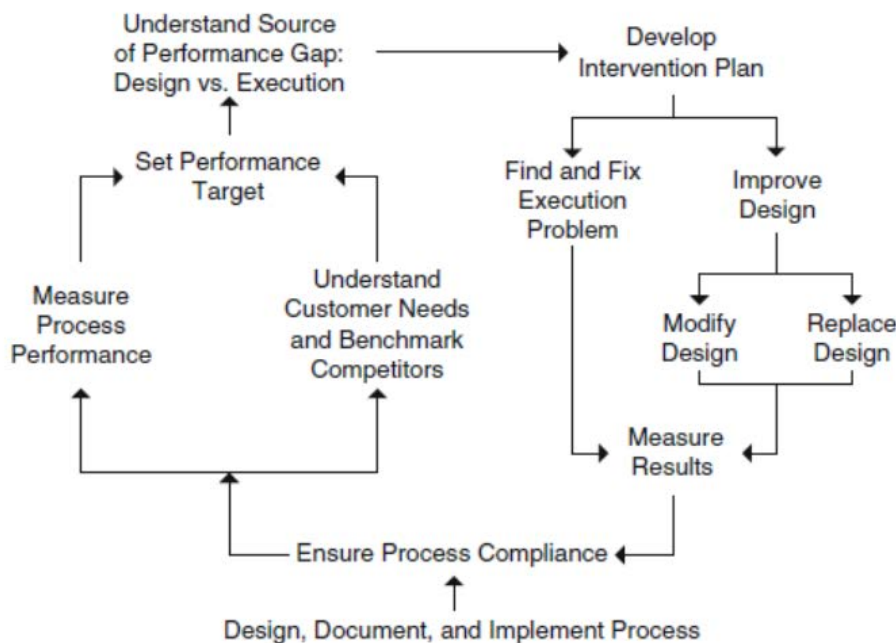


Figure 9: The essential process management cycle (Hammer 2010, 5).

Figure 9 describes the essential management cycle which starts with designing and creating an official process. Many organisations have developed processes with wide

variations, which creates too many question marks around the process, so planned process should be accurate and clear enough to be described in a sufficiently efficient way. Once a process has been put in place, it needs to be measured and targets should be based on customer expectations, competitor benchmarks, company needs and other sources. After setting targets and required measures, it is easier to recognise faults or inefficient points in the process. Broadly speaking, errors in process can be due to faulty design or executions. These errors are possible to examine using the certain pattern which is detecting inadequacy performance (Hammer 2010). Often this is viewed as being a technological challenge rather than what is really is: a process and management challenge (Hammer 2001).

3.2 People in process management (the most important features of process management)

Well implemented and especially efficient processes need two distinct groups of characteristics. The first group is process enablers who specify how possible it is to implement the process and keep performance at a high level, and the second is companies which are able to do so and possess important enterprise capabilities.

Five features of process enablers are:

Design: Good understanding of how the process should be executed.

Performers: Sufficient expertise and knowledge.

Owner: Supervisor responsible for its implementation and results.

Infrastructure: Information and management systems in line with the process.

Metrics: Appropriate measures chosen to monitor the process's performance.

Process enablers cover consensus on the process design, employees' capability to work with the processes, a designated process owner to supervise the implementation of the process, suitability to the organisation's information and management systems, and measurement tools of a enough good quality to measure process performance.

The subjects of the latter group focus more on the executive's ability to focus on processes, employees' professionalism in handling different situations in as efficient a way as possible and to cooperating like one team. This enables them to work at a good performance level over time. These four capabilities are:

Leadership: Supportive managers who support the process implementation.

Culture: Customer-orientated point of view, teamwork and willingness to change.

Expertise: Professionalism and right methods for process design.

Governance: Capability to handle complex projects and initiatives (Hammer 2007).

This chapter concentrates on the people within the process and what should be taken into consideration when preparing them for process-based change. Other subjects are presented in the following chapters.

Employees must comply with several important factors in a well-organised process. Poorly trained employees cannot carry out the process design, which means that the level and quality of training should be at a high level in a way that embraces the targets and metrics of the customer strategy. Training has to be on-going as well, so that employees are updated on every change that is made. (Hammer 2007; Berry et al. 2006; Strativity Group 2006).

Secondly, employees and process owners should have enough authority and power to make fast decisions and implementations. Decisions should be based on sufficient knowledge about the right financial data and avoid following irrelevant corporate policies. A successful process needs an efficient way to share information and enough useful resources for its implementation (Strativity Group 2006).

A successful service needs attention to the recruitment process from managers. Appropriate recruiting, ensuring hiring staff with a decent education and a good aptitude and attitude is essential. If company is seeking both aptitude and attitude, this kind of person is normally expensive to employ because of their attractiveness to the company and its competitors. Companies should avoid hiring only employees with aptitude, because employees with a better attitude will reliably deliver great service. So depending on the job description, hiring should be concentrated either more on aptitude or attitude (Frei 2008).

Managers have to invest in their employees so that they are willing and capable to perform consistently at a high level. Managers should create a strong brand image, which means teaching, selling and reinforcing the desired brand image to employees (Berry et al. 2006). Without constant reminders, the rationality of the project will dissolve slowly from every employee's mind and the project is slowly contaminated (Hammer 2001). Managers need to oversee processes rather than activities and develop people rather than supervise them (Hammer 2007).

Performance management should affect compensation. However this should not be affected in too narrow a field, and this can be seen in cases where performance measurement methods have been the same for a long time. Employees need to focus on wider aspects and the company should develop tools which measure broader common outcomes for this purpose (Hammer 2007). If incentives are too powerful, they are more likely to distort behaviour than channel it productively (Meyer and Schwager 2007).

All of the above-mentioned issues must be clear to the managers and employees responsible for process implementation. Managers must be convinced by the process execution and avoid executing it half-heartedly, otherwise staff may even openly refuse to implement the process in agreed way (Davidson and Büchel 2011).

3.3 Piloting Process

The achieved theoretical prototype is meant to put a best practice model into practice. However, this must be done using a well-planned piloting model. Firstly a global team must be built to supervise implementation outside the target dealer and then construct local pilot teams for each piloting businesses. In this way, it is possible to help business units and ensure they are not left alone with the case. This support needs to be available before, during and after implementation (Davidson and Büchel 2011).

Piloting has to be more than just an experiment, because otherwise it is difficult to convince managers of its effectiveness. Thus venue for piloting is carefully chosen, so that the next in line for implementation is possible, avoiding venues where key issues like organisation model, roles, responsibilities or systems are unusual. Secondly, high-profile business units can sometimes act in a too overweening way, hindering the piloting process excessively or insisting on many changes to the template (Davidson and Büchel 2011).

The pilot location should have strong skills, expertise and experience in the functional dimensions that are important for a strategic initiative. It can be beneficial to pilot an initiative in two or three different places which have been proved to have more commitment among managers, allowing the creation of slightly different templates for regional needs. Piloting can be thought to implement in different places at the same time. Thus, expertise is in higher level and piloting is more conducive. (Davidson and Büchel 2011). In this case, it is not maybe necessary, but still a discretionary method.

Piloting is constructing in three independent subconstructs

- Credibility
- Feasibility
- Replicability

Piloting has to have credibility among managers and in this way convince subordinates as well. In this way, it is possible to reduce the high level of uncertainty relating to any new innovation (Davidson and Büchel 2011). Observed change resistance can be noticeable between old fashioned leadership models and reform supporters within dealers and these challenges must be overcome simply by changing the leading models for rebuilding the organisation (Johnson et al. 2012). Everyone in the business has to know of its existence and preferably even advertise this new service model for customers at the piloting stage.

Another issue is time. Massimo Beccarini, head of business solutions in the global development team of KONE Corporation, estimates that successful piloting takes twice as long as a typical rollout in the piloting phase and three times more staff and management time (Davidson and Büchel 2011). Piloting can also need unexpected resources in the form of time or already existing resources that need to be moved in the direction where they are most needed. Thus, it is critical for organisations to develop new dynamic capabilities rather than relying entirely on their historic capabilities (Johnson et al. 2012).

Constructing different teams at the dealer is essential in creating strategic transformation. Building teams can be based on age or different job descriptions or both. In this way the improvement of existing possibilities or younger employees can be developed further successfully (Johnson et al. 2012). When team allocation is done based on job descriptions, the core members should be experts in the existing processes, specialist

in technology and change management. The size of team should not be too small as that risks getting anything done. Typically, from six to twelve is the right size and depending on the assigned project they should work on the project full time (Hammer 2001). A third way is to create a team structure based on products and reorganise the company around customer groups (Day 2006).

3.3.1 Objectives of piloting

Clear expectations and upcoming deliverables at the start of a pilot enable stakeholders to judge its feasibility and replicability. The piloting process can be undertaken in six different stages – initiate, analyse, design, plan, develop and implement like company Tetra Pak. The results of expectations are usually impossible to value after only a few months of the piloting stage, so it is primarily important to continue it for a longer period of time. However, the time limit cannot be too long, because this will detract from its credibility (Davidson and Büchel 2011).

Key indicators can be difficult to define but should be clear and sufficiently measurable. These targets and measurement methods must be agreed by all stakeholders and need to be as realistic as possible as well.

Other important issues in successful piloting include sufficiently fast decision-making processes in the business, coordinated learning in the global team and the local pilot team being fluent, especially in the early phases of the pilot, in particular holding regular meetings during the piloting (Davidson and Büchel 2011).

It makes sense for project leaders to plan for the worst and hope for the best and if piloting is going disastrously it may be wiser to just stop, redesign the template and repilot it in a new location. Here transparency is very important, as is admitting faults and errors which exist during the piloting phase (Davidson and Büchel 2011).

When the global team can show positive results from the pilot, it will increase commitment among dealers and attract other dealers' interest as well. The global team needs to be ready to receive positive and negative feedback and assess whether the implementation methodology is truly ready for rollout (Davidson and Büchel 2011).

3.4 Customer management

The general understanding about the concept of customer management is that it combines all of the systems, processes and applications which are needed to handle the customer relationship. These days it is primarily important to collect and process all obtained customer information with a robust IT system, and this is already a major part of company strategy, even in small companies (Customer Service Manager 2010).

Customer management systems and different applications like CRM (Customer Relationship Management) are one of the best known systems for capturing and analysing information on customer behaviour, buying preferences, social status, etc (Customer Service Manager 2010).

A well-developed customer management system ensures better customer service which in turn increases customer retention and loyalty. When customer management is implemented well it will enable companies to ensure that their services are in line with their customers' needs. These are key issues for successful companies and one of the indicators for growth opportunities.

The content of a customer database is very valuable information and thus it acts like the heart of customer management. For that reason, the database should be clear, understandably created and as precise as possible, so that it can provide good customer service and economical results (Customer Service Manager 2010).

A good customer management process has to be able to encompass customer feedback (Customer Service Manager 2010), capture and distribute what a customer thinks about a company (Meyer and Schwager 2007) and recognise and address emotional needs (Green 2012). This information is valuable and is an important tool for management. By exploring all successfully gathered customer data, a company can offer great service and learn from any mistakes which have occurred in customer service.

Software business around the customer management is a highly competitive sector in the market. The most familiar pieces of software for smaller and medium sized businesses are ACT! and Microsoft Dynamics . Software for larger businesses such as SAP and Oracle are also well known.

It can be said that successful customer management system is the key component for higher incomes, better revenue, lower costs and better customer retention and thus better loyalty (Customer Service Manager 2010).

3.4.1 Selecting the appropriate theory

There is much evidence of indifference to what should be a company's first concern in customer service: The quality of a customer's experiences. A few examples include an operator offering a confusing package of phone services in part to discourage comparison shopping and thus price wars; a company which offers complicated discounts to improve purchase amounts; or one with a target to cut the staff costs, despite making claims of 24-hour self-service availability. Unfortunately, such methods do not increase successful customer experience, but will increase their desire to do business somewhere else (Meyer and Schwager 2007).

Most companies are recognising their customers' value and admit the customer's share in developing the company's revenue, suggesting ideas for improvement and providing recommendations. Still, somehow organisations often miss the opportunity to maximise the customer's value (Strativity Group 2006).

Figure 10 is drawn from a global customer experience management study which demonstrates corporations' clear inadequacy and weak approach to customers, even when declared to be customer-orientated.

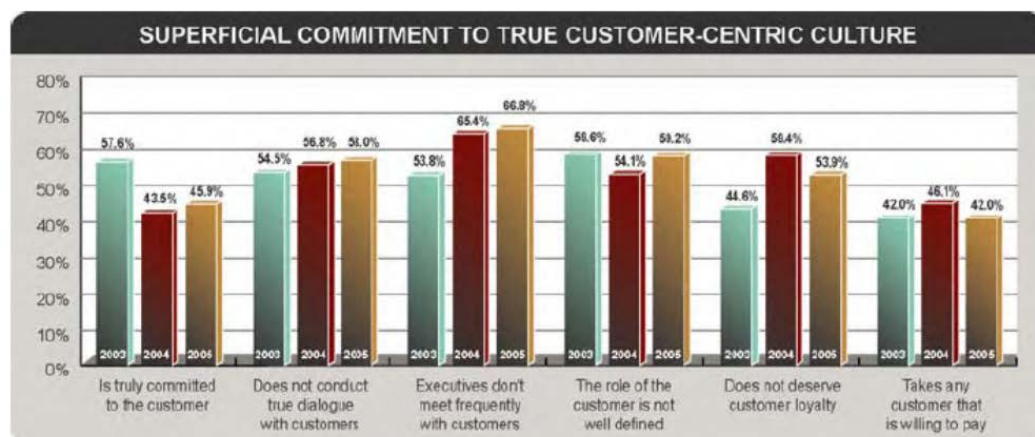


Figure 10. Global Customer Experience Management Study (Strativity Group 2006)

Figure 10 shows that only 66.8% state that their company's leaders meet with customers frequently and 59.2% state they do not define customers' role clearly, not to mention other results which are not at the best possible level either. With an inadequate

understanding of customer value, companies cannot build customer relationships to the maximum value level (Strativity Group 2006).

Operations relate mostly only to quality, timeliness and cost. Customer service employees tend to focus more on the unfolding transaction, but not connections to those preceding or following it. This is seen clearly in the question, "is there anything else I can help with you?" even though they have not even taken care of the original reason for the call or visit (Meyer and Schwager 2007).

Consumers have many different places to do business today than before, more complex choices and more different channels to implement them. In this this kind of environment, integrated solutions to different problems will win the loyalty of the busy and aware customer (Meyer and Schwager 2007).

Thus, a company's strategy should seriously take into consideration the economics of customer relationships. Failures in understanding the economics of customer relationship explain the poor execution of customer strategies. Without decent knowledge and understanding of the financial drivers behind successful profitable customer experience, execution becomes lip service (Strativity Group 2006). The following sections concentrate on essential customer management methods in terms of this project and its implementation.

3.4.2 Customer Relationship Management

Customer Relationship Management is better known as CRM, and its important aim is identifying the different types of customer and developing specific strategies for interacting with each. These strategies can be divided into three different perspectives: the concept of better relationships with profitable customers, the concept of customer value, and the perspective of business strategy.

The concept of a better relationship with profitable customers means tempting and profiling new customers, who will be profitable, and finding strategies for unprofitable customers, which could mean terminating those relationships that are losing money.

Customer value explains the economic value of the customer relationship to the company. This can be reported as a contribution margin or net profit. Using customer value, a company can evaluate effectiveness and make important decisions in terms of mar-

keting. The company can both measure and optimise its marketing efforts by attaching customer value to its decision-making process.

CRM from a customer value perspective:

CRM is the practice of analyzing and using marketing databases and leveraging communication technologies to determine corporate practices and methods that maximize the lifetime value of each customer to the firm (Kumar and Reinartz 2012).

From the perspective of business strategy, CRM's target is to gain a long-term competitive advantage by offering optimal value, satisfying the customer and collecting business value from the exchange.

Thus, from a business strategy perspective:

CRM is the strategic process of selecting customers that a firm can most profitably serve and shaping interactions between a company and these customers. The ultimate goal is to optimize the current and future value of customers for the company. (Kumar and Reinartz 2012)

One rough definition of CRM is that it captures what a company already knows about the customer – the history of the customer, product returns, enquiries, etc. (Meyer and Schwager 2007).

3.4.3 Customer experience management

CEM (Customer experience management) captures the customer's instant response to their encounters with the company. CEM is often described in process design as happening at the customer's 'touch points'.

The customer experience encompasses every aspect of a company's offering. These are quality of customer care, advertising, packaging, product and service features, ease of use and reliability. So customer experience can be described as the internal and subjective response customers have to any direct or indirect contact with a company. Customer experience data captures the customer's subjective thoughts about a particular company (Meyer and Schwager 2007).

The customer experience includes two main components: eliminating dissatisfiers and creating positive memorable experiences. The target of the former is to minimise customer confusion and overcome business obstacles between the customer and the company. The latter focuses more on creating new methods to engage and delight customers and finally creating a customer preference for the company, product or service. However, the order is important: Firstly, one must eliminate dissatisfiers, and then it is possible to build memorable experiences for customers (Strativity Group 2006).

Customer experience can be measured using three different forms of customer monitoring: past patterns, present patterns and potential patterns (Meyer and Schwager 2007). These patterns relate strongly to the measurement methods of customer experience management (see Section 3.5 Measurement tools).

In summary, a CEM system helps companies to know more about the thoughts, emotions, and state of mind caused by their customer's interactions with their products, services and brands.

3.4.4 Customer Journey Mapping

Customer Journey mapping is an anthropocentric tool which aims to design optimal customer experiences. This method does not represent conventional process design but is more of a guiding framework design for describing the customer's expectations from excellent experience.

Many companies can have difficulties managing all of their obtained customer data due to business processes, measurement agreement issues and execution. CJM is a method which has been planned for facilitating these problems and gives a more comprehensive picture of the customer's journey (Green 2012).

CJM is meant to start from the place where the customer starts and evaluate what they think is a successful outcome. Companies need to understand the real motivations and desired outcomes that their customers have.

CJM can be built on a functional approach and be investigated further by involving emotion. This is possible by starting with the question, "What do we want the customer to think, feel and say at the end of this journey?" Starting with this question, it is possi-

ble to find understand the customer's overall emotional outcome and then break each step into smaller pieces and define each one's functional outputs (Green 2012).

This method should not be attempted for every customer type or segment at every 'touch points', just for the bigger customer segments and types which are most important to the business. However, CJM should give a framework and tool for better understanding of the customer experience (Green 2012).

3.4.5 Comparing CRM, CEM and CJM

The objective of this section is to compare the above mentioned methods and explain their differences. This also promotes the final decision on the further development framework.

The major differences between CRM and CEM are that CRM captures what a company already knows about a specific customer in terms of their history, product returns, enquiries, etc., whereas CEM captures the immediate feedback of the customer to their encounters with the company and CJM captures the motivations and desired outcomes of the customer before contact with the business.

Table 6. CEM Versus CRM Versus CJM

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

Source: Meyer and Schwager (2007, 4)

Table 6 explains in detail the ways in which CRM, CEM and CJM differs. They differ in other issues as well like their subject matter, timing, monitoring, audience and purpose

(Meyer and Schwager 2007). In this light, it can be seen that they are customer management systems which review customer information in three different aspects in many ways.

CEM and CJM differs in three essential ways:

- CJM starts from the customer's start point and their motivations and desired final outcomes rather than the company's.
- Emotion is included in the design
- The design of the CJM method is described with framework and guided principles. CEM and CRM are usually described using process methods (Green, 2012)

In other ways, CEM and CJM's methods are similar, in terms of who needs the specific information and relevance to future performances. Specific information can be used for determining one particular problem or bigger ensembles. Relevance to future performances tries to narrow gaps between expectations and experiences and even tries to tempt new customers to find out their preferences and motivations.

As explained above, all three methods describe the customer's business journey in three different aspects, starting from customer expectations and motivations and ending with the customer's experiences of the service or product. When one adds up all of the obtained information during the journey and around it, there is a comprehensive totality of achieving excellent service provision and this way better economic results.

3.5 Measurement tools

Several tools exist for assessing a company's capability and performance level. Here we list the most interesting and useful. Utilisation of these tools can vary depending on company size or existing measuring methods. This is important for assessing enough sufficiently the company's current state and the starting level.

3.5.1 PEMM test (Process and Enterprise Maturity Model)

Before starting to implement the customer experience process, it is necessary to assess the enablers' strength of process and the maturity of the company using the PEMM test (Process and Enterprise Maturity Model). This test is found in Appendix 1

and 2. The strength of a process is measured on four levels (P-1, P-2, P-3 and P-4). P-1 means employees are hardly aware of the process and its metrics. At level P-2, employees can describe the process and where they fit into it. At the P-3 level, employees are able to indicate how their work affects the company's performance. At level P-4, employees know how their work is affecting customers and other suppliers. The stronger the enablers, the better the results that can be achieved on a sustained basis. To step to the next level, all enablers have to be at the same level. Otherwise they will belong to the one below.

When starting process redesign projects, organisations need basic competences in every section, and these have to improve if they progress is to be made. In the same way as it tests process enablers, four levels measure the company's capability (E-1, E-2, E-3 and E-4). E-1 describes the level where the culture has some experience with teamwork. To develop and move ahead, a company must have an E-2 level culture which means it commonly uses cross-functional project teams and the people within are familiar with teamwork. At the E-3 level, teamwork is part of the company's course of action. At level E-4, teamwork with customers and suppliers is routine (Hammer 2007).

3.5.2 Measuring methods for CEM

Companies can monitor various patterns of interaction with customers to achieve a better understanding of the customer experience they are providing. Depending on the information a company is seeking, it can choose to analyse past patterns, present patterns, potential patterns or a combination. Each of these requires its own method of generating and analysing data and in this way generates different insights.

Table 7. Tracking Customer Experience: Persistent, Periodic, Pulsed

| Pattern and Purpose | Owner | Data Collection Frequency and Scope | Collection and Analysis Methodology | Discussion and Action Forums |
|--|---|--|--|--|
| <p>Past Patterns: Captures a recent experience.</p> <ul style="list-style-type: none"> > Intended to improve transactional experiences > Tracks experience goals and trends > Assesses impact of new initiatives > Identifies emerging issues <p>Examples: Post-installation or customer service follow-up,</p> | Central group or functions | <p>Persistent:</p> <ul style="list-style-type: none"> > Electronic surveys linked to high-volume transactions or an on-going feedback system > Automatically triggered by the completion of a transaction > Focused, short-cycle, timed data collection > Feedback volunteered by users in online forums | <ul style="list-style-type: none"> > Web-based, in-person, or phone surveys > User forums and blogs | <ul style="list-style-type: none"> > Analysed within functions, central survey groups, or both > Cross-functional issues directed to general managers > Strategic analysis and actions directed by general managers |
| <p>Present Patterns: Tracks current relationships and experience issues with an eye toward identifying future opportunities.</p> <ul style="list-style-type: none"> > Keeps a consistent yet deeper watch on state of relationship and other factors > Looks forward as well as backward > Used with more critical populations and issues <p>Examples: Biannual account reviews, "follow them home" user studies</p> | Central group, business units, or functions | <p>Periodic:</p> <ul style="list-style-type: none"> > Quarterly account reviews > Relationship studies > User experience studies > User-group polling | <ul style="list-style-type: none"> > Web-based surveys preceded by preparation in person > Direct contact in person or by phone > Moderated user forums > Focus groups and other regularly scheduled formats | <ul style="list-style-type: none"> > Initial analysis by sponsoring group > Broader trends and issues forwarded to general managers' strategic and operating forums > Deeper analysis of emerging issues at the corporate, business unit, or local level |
| <p>Potential Patterns: Targets inquiries to unveil and test future opportunities.</p> <p>Examples: Ethnographic design studies, special-purpose market studies, focus groups</p> | General management or functions | <p>Pulsed:</p> <ul style="list-style-type: none"> > One-off, special purpose driven > Interim readings of trends | <ul style="list-style-type: none"> > Driven by specific customers or unique problems > Very focused > Incorporates existing knowledge of customer relationship | <ul style="list-style-type: none"> > Centred within sponsoring group, with coordination by and support from central group |

Source: Meyer and Schwager (2007)

In the persistent pattern, the company is monitoring transactions which appear in large numbers and are completed by individual customers. The company is gathering an uninterrupted flow of information, which it can use for analysing and communicate internally.

The present pattern does not just try to evaluate the meaning and success of previous customer visits but envisions the existing relationship with the customer. It may seek answers to new features which customers might desire, customers' awareness of alternative suppliers or other issues which the customer sees as challenging in the business.

The potential pattern tries to uncover different opportunities to read customer data and observe customer behaviour. One method is follow-them-home, which can be used more with B2B clients. A company representative visits customers where they live or work and observes how they are using the product (Meyer and Schwager 2007).

3.5.3 Economics of experience

The economics of the customer relationship can be divided into two main components:

- Economics of long-term relationships
- Economics of the customer experience

Table 8. Essential measurement values.

| Economics of long-term relationships | Economics of the customer experience |
|--|---|
| <ul style="list-style-type: none"> • Customer attrition rate • Annual customer value • Lifetime customer value • Portion of customer's budget captured • Cost of unprofitable customers | <ul style="list-style-type: none"> • Cost of complaint • Cost of resolution • Cost of escalation • Cost of lack of empowerment for first call resolution • The real cost of customer service • The real value of customer service |

Source: Strativity Group (2006, 3)

Economics of long term relationships measures the impact of the long-term profitability of the customer relationship and short-term customer profitability. The most important factors and measurement values are listed in Table 8. These values are only indicative and must be modified according to the target business or systems within the business.

Creating a measurement baseline is important because it helps to realise the potential of customer experience strategies. Thus, it is critical to agree a starting point in financial drivers even though these estimations may need to be adapted later (Strativity Group 2006). When a company can measure customer experience in terms of customer satisfaction and economical drivers using clear and efficient methods, this gives strong support for further implementations and improvements.

3.6 Conceptual framework

Great customer experiences changes the competitive setting by separating the company from the competition. By implementing a customer-centric strategy, it is possible to exploit the emotions and wishes of customers. This makes it possible to create a personal and long-lasting connection with them (Strativity Group 2006).

The desired result arrived at by comparing already existing systems in the partner dealers VV-Autotalot Oy and obtained conclusions were obvious. VV-Autotalot Oy already has a tailored CRM system in use, and thus it does not make sense to start de-

veloping a totally new system. A better objective is the develop a new system within the already existing system and take advantage of resources that are already used, in a more efficient way. It is only necessary to create a database for CEM data in the CRM system for collection, analysis and distribution purposes.

In this way it was decided that the main method which will be used as a framework is CEM, partially taking advantage of CJM methods as well. CEM is the chosen method because CRM is already in wide use at the target company. To understand how to achieve satisfaction, a company must deconstruct it into experiences. Customers have very wide ranging and multi-dimensional realities in their prior experiences, which is why these expectations have to be raised, monitored and screened (Meyer and Schwager 2007).

| | | | | |
|--|--|--|--|--|
| Service Process Touch points | | | | |
| Feelings | | | | |
|  | | | | |
| Service solution | | | | |
| Service process touch points | | | | |

Figure 11. Framework for customer experience process.

Figure 11 can describe every ‘touch points’ which occurs during each process and the customer’s feelings in specific situation. ‘Touch points’ are direct contacts with the product or service itself or with representations of it by the company or some third party. The term ‘customer corridor’ refers to the series of touch points that a customer experiences.

Not all touch points are necessarily of equivalent value. Thus, the company must map the series of touch points and monitor for mistakes. The gap between customer expectations and experience at each touch point tells us the difference between customer

delight and something less. This mapping of touch points can be done using CJM, the framework for which is described in Figure 12 and Table 7, because the existing CRM cannot implement this in its current form.

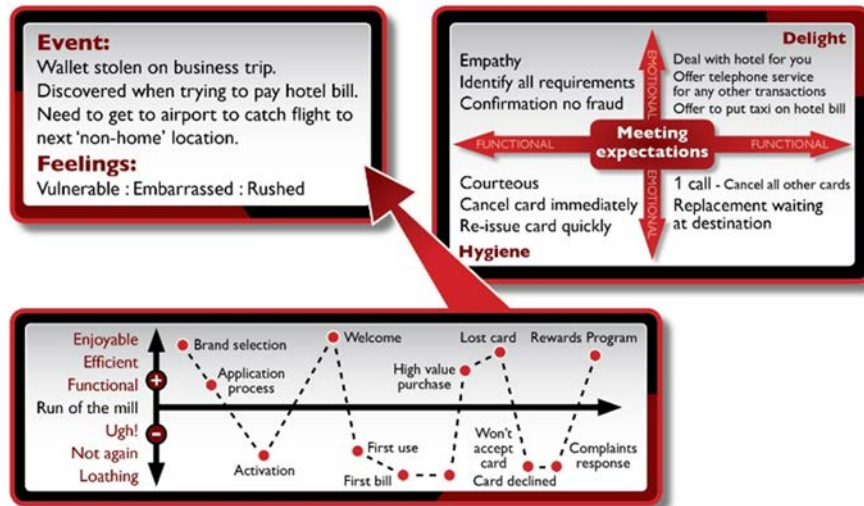


Figure 12. Describing the mapping method (Source: Green 2012)

With this example of a difficult situation we see that emotional and functional issues for the customer and expectations can be difficult. In this way it is possible to delight customer as a result of brainstorming and the prioritisation of the most important steps in the series of touch points (Green 2012).

Table 9. Customer’s feelings about the situation

| | |
|--|---|
| | Wallet stolen on a business trip. Discovered when trying to pay hotel bill. Next destination not 'home' |
| What’s going on in the customer’s mind? | Feeling embarrassed that they won’t be able to pay the bill. Rushed, got a flight to catch. Worried they’ll have to cancel the rest of their trip as they won’t have a card to check in at the next hotel. Pretty sure it will all be a hassle! |
| What outcome does the customer want? | To be able to get the airport and continue their trip without money worries. |
| How easy is it for the customer to achieve this now? | Not very. Sorting the hotel bill will be hard enough. Persuading them also add a taxi fare to the airport to the bill won’t be easy. Not having any cash or cards at the next destination will make it pretty impossible. |
| What are the top things that would make it easier? | 1. Be able to settle the hotel bill (including taxi to airport) 2. Be able to check in to hotel at next destination (with no means of payment) 3. Have emergency cash available for the rest of the trip |
| What are the worst things that could happen? | 1. Have to cancel the next destination (and its implication on the business) 2. Miss the onward flight 3. Be stranded without any cash |

Source: Green (2012)

After implementing the CEM process, CJM can be produced to supporting the CEM process for describing extraordinary situations. Because every touch point for every customer has its own story, a CJM framework can be developed for each case which represents the same category issues to make it easier understand and attitudes towards customer. In this way, CJM provides the necessary operational models for difficult situations concerning customer's emotions and prioritisation. All these data should be saved in the already existing CRM system.

4 Building the new operative process

The case involves the development of a new CEM process around the two existing processes at the dealers by linking them together, because currently these two existing processes working too independently without using the exploitable possibilities of each process. In practice, this means finding the most important touch points and assessing customers' emotional factors at each point. The objective of the final result is to find solutions which make better resource utilisation possible in each department, for better economic results and customer retention.

An examination is also introduced of how each touch point or difficult situation within each department can be effectively evaluated using customer journey mapping (CJM). The main objective of this method is to give a better understanding of customers' experiences in different situations and thus a new effective tool for better customer service. Although this method has been introduced only for reflecting on one difficult situation, it is easy to replicate in other situations as well.

Based on identifying where best ideas and practices are already at least in partial use, it was the natural and best choice to gather existing ideas among the dealer's employees. It can be said the most important objective of this chapter was to gather all of the best practice ideas from the employee and customer point of view for the final implementation. The interviewees were decided by their job descriptions and their abilities and willingness to contribute in the final implementation. All interviewees were gathered from the largest car dealers in Finland, excluding a couple who were chosen according to their represented company rather than dealer size.

This research was implemented using a qualitative method and the questions built in an open way which gives interviewees enough space for answering without guiding

them too much in the direction of the researcher's opinions about the final implementation or result. In this way it is substantially possible to improve the quality of the final execution.

The main issue in creating a CEM process which must be taken into consideration is the importance of focusing on existing unexploited resources and identifying these. That is why the interviews focused on specific main themes:

1. Identifying as many existing touch points as possible.
2. Assessing how customers experience each touch point.
3. Prioritising and assessing the most important touch points which need development and where there are many unexploited resources.
4. Assessing what kind of feelings it is desirable to produce and what present or hidden wishes customers could have at these touch points.
5. Creating final suggestions for different touch points.

In conclusion, the objective is to assess and obtain these ideas for the final implementation and explore how they should be put into practice. Those interviewees in a key position for implementation were also questioned on the timetable and process of implementation.

The customer questionnaire was slightly different because of their difference from employees. However, questions were formed to find solutions for the same objectives as the employee questionnaire. This makes it possible to achieve deeper analysis for the final implementation. Because of the secrecy of the interviews, material from the interviews has been preserved by the researcher.

In order to make the CEM process more understandable, different processes were designed for each department. In this way, the final implementation is clearer for end users. Feelings and service solutions have been designed in a manner which explains how each department has the opportunity to solve existing problems and create a great customer experience.

4.1 Sales process touch points

Figure 13 gathered all of the service solution ideas and feelings which became apparent in questionnaires. As with every existing touch point, it does not necessarily need actual support from the other department but should be implemented within the department. The figure describes the best gathered solution ideas based on the respondents' thoughts and the researcher's own ideas. The following sections explain more specifically the ideas and experienced feelings which exist or are hidden by the customer at every potential touch point of the sales process. Touch points are described in the order of performance, and irrelevant touch points between the processes are not taken into consideration if they do not affect the final implementation.

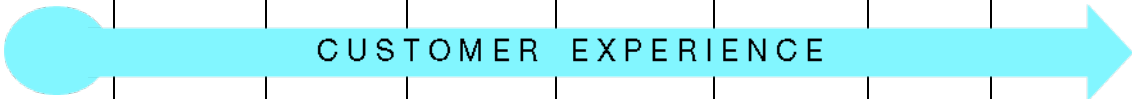
| Sales Process Touch points | Acquisition | First personal contact | New car offer | Trade-in offer | Sales closure | Follow up | Car delivery |
|--|---|--|--|--|---|--|---|
| Feelings | * frustrated at making a contact * appreciate personal customer service * not expecting to get contact * need a change | * Receive appreciation * Expecting individual and great customer service * Expecting to get something useful, either information or services | *Wants the best solution for their needs and salesperson taking a real interest in their needs * Expecting to be offered a large enough selection of accessories. | * Appreciates transparency * Too optimistic expectations about the price they will receive for their car * Wants explanation of how the price is composed * Ashamed | * Uncertain * Expecting to obtain some discount on the price * Confirmation of their thoughts and/or choice * The best possible expertise. | * Expectant * Customers have 'new car fever' * Excited * Wants to be up to date | * Excited * Expecting to know all relevant issues about the car and services * Obtaining personal customer service |
|  | | | | | | | |
| Service solution of service department | * Asking for customer leads from the service department | * Giving gifts at the end of the conversation like car wash or other value-added services from the service department. | * Planning with service department about accessories which could increase desirability among customers and which could be offered during new car offering. | * Asking for a report of faults which have been diagnosed during previous services or repairs to achieve a better and more accurate price estimate. | * Spare parts salesperson actively offering accessories to the customer * Large enough selection of different attractive accessories on sale and displayed in the dealer's service department and assurance about the appropriateness of these accessories for different car models. * Customer leads from salesperson about accessories or spare parts to service department * Offering services despite pure monetary discount like some discounts which relate strongly to services offered in the service department | * Better marketing of accessories by the spare part salesperson to the customer while this is still possible before the vehicle is on order. | * Service advisor introduces themselves and service facilities. Service advisor can offer service care contract again to the customer if necessary and tell them more about the benefits of their services and procedures, and about the warranty and other feedback cases. |

Figure 13. Customer experience management of a sales process

Feelings are gathered to describe the feelings customers can have during each touch point and which service solutions are designed to correspond as well as possible to the customer experience. Some touch points may include many solution suggestions with small nuanced differences and may include only one solution.

4.1.1 Acquisition

Acquisition is the first phase in the sales process. Customers' feelings during this touch point or before it can vary depending on the customer's profile, but the most common relate strongly about to easiness. The customer may have an actual need for a car change or a certain vehicle, but be challenging contact with the dealer because they must find the correct telephone number or enquire via the Internet. The customer can even create their own conclusions according to the previous reputation or pictures of salespeople on the dealer's website if the sales department is previously unknown.

The customer wants to be remembered and appreciates personalised customer service. That is why the suggested service solution is to ask for leads from the service department. When a customer is bringing their car for a service, it is possible that there are debates with the service employee about changing the car or other conversations or data in the customer profile that give such a clue about car changing. The gathering methods for this kind of data should be planned by both departments so as to obtain the most useful customer database for leads as possible.

The customer does not expect any contact to occur from the sales department and thus, the salesperson's contact is mostly only a positive experience for the customer and makes customer feel easy, carefree and taken care of. Making these contacts should not always be related to changing their current car, but for other reasons such as an invitation for a test drive or just for coffee. This gives a reliable feeling and a great experience of more personalised customer service without feeling that the salesperson is only interested in the customer's money.

4.1.2 First personal contact

The next phase is the one where the customer is gaining their first impression of the dealer. That is why the customer's strongest feelings relate to specific expectations of the entire business and/or the dealer. The customer is expecting to receive appreciation to counterbalance his spare time spent coming to discuss with the salesperson. In today's busy world every customer places a high value on their own spare time and therefore demands more and more personal and individual customer service, which means tailored customer service from the dealer. Secondly, because of the customer's valuable spare time, they are expecting to get useful information or services from the dealer during their visit.

Many of these feelings can be fulfilled with the attitude and professional skills of the salesperson but there is one concrete service idea which can be performed by the service department. Customers who already have a car appreciating much more services which give them some concrete benefit. That is why the service department could offer a car wash or other value-added gift certificate to the customer in appreciation of their time spent at the dealer. Preventing unnecessary confusion, these gift cards should be handed over by the salesperson instead of the service department, especially if the customer has come to the dealer just to meet the salesperson.

4.1.3 New car offer

Fulfilling customers' needs are the most relevant feelings which relates to the other department's capability to offer additional value to customer during this phase. More precisely, the salesperson can find the best solution for the customer's needs when deciding on a car and other services around it. This means making the best tailored offer so that the customer does not have to make any compromises.

One service solution which could help the salesperson is developing and planning together which accessories could increase desirability among customers and in this way make a better and more efficient offering to customers. This not only fulfils customer needs better but generates carefree and easiness to the customer, because every service can be done at the same time. When the dealer can offer a comprehensive package of accessories for the car, the customer feels that they are being taken into account and thus the timing for selling accessories is more favourable. Better cooperation can reduce misunderstandings about the suitability of accessories for different cars which also contributes better transparency for customers.

4.1.4 Trade-in offer

The trade-in offer also comprises cooperative opportunities between the sales and service department. In this phase, the customer is offering their old car in exchange for a new car and thus their feelings can be suspicious about the salesperson's offer. because of the specific situation, the customer appreciates real transparency from the salesperson because the customer's expectations of the value of their old car can be highly over-optimistic. In this situation, the salesperson has to be ready to explain to the customer how the final price has been reached. A situation where the customer leaves the dealer without accepting the salesperson's offer in the belief that he can

obtain a better offer somewhere else can make it too embarrassing for the customer to call again if they are not successful elsewhere.

The main objective is to offer as accurate and justified a car offer as possible to the customer. If possible, the salesperson should ask for report of the faults which have been diagnosed during previous services or repairs from the service department. With a repair history, it is possible to create a justified basis for the presented offer for the customer's old car. If the salesperson is able to present justifiable arguments to support the given price, customer finds it easier to understand and accept why the offered price is lower than they expected. Secondly, the service department could even estimate upcoming service costs relating to vehicle's repair history in order to offer a more accurate and reliable exchange offer.

4.1.5 Sales closure

This phase comprises negotiating the final price of the new vehicle and the implementation of final vehicle ordering. The customer has been already accepted the salesperson's offer for financial services and trade-in. Many customers expect to obtain at least some kind of discount on the price because of the popular assumption that the price includes a big margin.

Even when the customer has accepted this offer with some kind of discount, they can have major doubts about the contract. The salesperson should be able to create a convincing environment to confirm the customer's choice and thoughts with the best possible expertise. This expertise can be exploited by the service department.

Customers asking for discounts are a common issue faced by the salesperson during this phase. Giving a discount is a relatively large concept which can be turned to benefit for the dealer. Pure monetary discounts are the worst way to handle this, but if the discount relates strongly to services offered by the service department, this gives a win-win situation. A good example is offering a discount on a care contract which binds in a totally different way to a pure monetary discount, without disappointments.

The second opportunity relates to the additional sales of accessories. The customer is excited and does not necessarily know to ask about all additional accessories, even if they need them. The best expertise of additional accessories is held by the spare parts salesperson from the service department, and this should be exploited with better effi-

ciency during this phase. The salesperson can lead the customer to spare parts to talk about all of the accessories that are available. Thus, the customer can experience best possible expertise and obtain more confidence. However, all of these accessories should already be known to the salesperson, to avoid unnecessary hassle during this phase if a particular accessory is not available for some reason. Depending on the dealer's resources, these accessories should be displayed as comprehensively as possible at the showroom and/or service lobby to arouse customer interest as well.

4.1.6 Time between sales closure and car delivery

This phase lies between two existing phases in the sales process but is however very remarkable and important. After successful sales closure, the customer normally has to wait for delivery of their new car for two or three months. At this point customer is expectant and excited about their upcoming vehicle and wants to be updated regularly during this process. These latter mentioned feelings can relate to strong 'car fever', which must be taken into consideration by the dealer.

It is necessary to take an advantage of this customer 'car fever', which is why better marketing of accessories to the customer should be implemented during this phase to feed the customer's 'hunger'. Every accessory sold during this time makes it easier to handle than afterwards and avoids unnecessary operations for the customer. The management of different accessories is done by the spare parts section of the service department, but the final offering could depend on the previous situation. In situations where the salesperson has done the accessory selling from the start, they should do it during this phase as well, and if the spare parts salesperson did it before, this could be done very well by them to avoid unnecessary misunderstandings.

4.1.7 Car delivery

After order processing, when the customer's vehicle has arrived and all other necessary works have been done, the vehicle is ready for delivery to the customer. The customer's feelings during this point are especially excited. They may have been waiting for their new car for a very long time and finally this day has come. Because of the customer's excitement, they expect to obtain personal customer service with enough time reserved for them. The customer expects everything to be ready for their arrival and everything agreed to have been carried out. They expect to go through all relevant issues about the car and service. It is possible that some customers do not want a long

lecture about these issues: then it is primarily important to ask the customer which issues are most important and emphasise those.

Emphasising more efficient ways to achieve the one customer concept, it is primarily important to personally introduce the service advisor and service facilities. If possible, this should be done by the service advisor to give a 'faces' to their operation, making them more easily approachable for future services. At the same time, the service advisor can try to sell a car care contract to the customer if necessary and tell them more about other benefits of their services and procedures with warranty and other complaint cases. This also creates trust when the service department is presenting their own facilities, cleanliness and professional operation.

4.2 Service process touch points

There are six customer touch points in the service process where cooperation could be implemented (see Figure 14). The greatest opportunities relate to when the customer is making the appointment and implementing the actual repair or service work. As in the previous analysis of sales process touch points, touch points or process phases where cooperation is too minor for deeper analysis or would be a waste of the other department's resources are not taken into consideration here. Touch points are represented in a logical order according to the service core process.


| Service Process Touch points | Making appointment | Check in vehicle | Repair | Return of the vehicle |
|--|---|---|---|---|
| Feelings | <ul style="list-style-type: none"> * Slow response time * Frustrating * Complicated * Feels undervalued * Easiness * Personal customer service * The service can be implemented within the short term | <ul style="list-style-type: none"> * Wants to be taken into account * Friendliness * Neutral or negative feelings * Personal customer service | <ul style="list-style-type: none"> * Worried * Annoyed * Strong desire for a solution * Expecting staff to be genuinely interested in their worries * Expecting compensation in repair cases. | <ul style="list-style-type: none"> * Dejected * Expecting not to have any negative surprises * Easiness * Individual customer service |
|  | | | | |
| Service solution of sales department | <ul style="list-style-type: none"> * Giving business card of a specific service advisor to the customer and greeting the customer personally and introducing facilities during the car delivery stage of the sales process (concept of 'own service advisor') * Service advisor introduces customer to car salesperson taking contact to him if necessary. * Gradation in service appointments which gives a better opportunity for the salesperson to make contact. * Report of cars sold from the sales department can predict need for certain spare parts to warehouse. * Exploiting possible electronic appointment system in the future. | <ul style="list-style-type: none"> * Offering test drive opportunities to customer in the form of campaigns * Receptionist taking customer into account and guiding them to the right place.. | <ul style="list-style-type: none"> * Dividing possible costs between both departments depending on the situation and customer profile. * Creating different choices for customer if repair costs are relatively high compared to the resale value of the car * Better exploiting waiting customers for car sales purposes. | <ul style="list-style-type: none"> * Giving a tailored gift card or test drive voucher for the weekend which is picked up from the salesperson. |

Figure 14. Customer experience management of service core process

Feelings are gathered to describe the feelings customers can have during each touch point and which service solutions are designed to correspond as well as possible to the customer experience. Some touch points may include many solution suggestions with small nuanced differences and may include only one solution.

4.2.1 Making appointment

This phase starts the service core process and it can be said to be perhaps the most important phase in the entire process. For this reason, this is the phase which should be taken carefully and watched closely. The customer's feelings can vary depending on the specific situation. Usually, pure car service appointments are more neutral than repair cases, where feelings can be very negative. Some general feelings can occur whatever the customer's situation. These can include frustration about the dealer's slow response time or worry at the complexity of implementing the entire service appointment.

Customers' expectations relate highly to feelings about being undervalued but at the same time they expect easiness, speed and personal customer service while making the appointment. In other words, the customer wants to make the appointment in as easy and personal a way as possible within a suitable timeframe.

Several different service solutions can be carried out to improve customer service and increase selling possibilities. The most important service solution is paving the way before the first service. Related to the car delivery phase of the sales process (see Section 4.1.7 Car delivery), the service advisor could give their business card to the customer and introduce the service facilities. This in turn would increase trust and make it easier to approach the service department before the first need for service, giving an impression of a much more personal customer point of view. At the same time, the customer's feelings about being carefree increase, which further improve customer retention.

Other opportunities are for a salesperson to deal with the customer's contact request and make it more possible to exploit the customer's visit to the dealer by staggering appointments smoothly throughout the day. All of this prevents customers from feeling frustrated or that contact is too complicated. One action which is invisible to the customer but helps the service department to prevent unnecessary waiting time during car service or repair is asking for a regular report of cars sold to plan to add the necessary spare parts to inventory in advance. In repair cases, this can be irrelevant but it can help the spare part team to plan their inventory cycle more efficiently and relevantly.

Electronic appointment system can bring many possibilities to the exploiting of interdepartmental co-operation and resource usability. Even if it may not give a great individual experience, the customers are beginning to more and more appreciate the easiness and availability which can both be create using an electronic appointment system.

4.2.2 Check in vehicle

The next concrete touch point in the service core process is when the customer brings their car for the service or repair. Customers' feelings in this situation can be strongly negative in the case of repairs and mostly neutral in service cases. Whatever the customer profile, the customer expects and appreciates friendliness and the service department taking account of them. The service that they receive should be tailored to their needs and more personal.

Suggested service solutions should be implemented using a so-called eye for the game. The most important point is to listen to the customer and truly be interested in their worries and wishes. One service solution is to offer test drive opportunities to the customer, especially if they are taking a rental car during the service period or have expressed interest in a specific model. This could be implemented in the form of a campaign or the above-mentioned listening method regarding the customer's needs or wishes.

Another suggestion relates strongly to taking the customer into account in such a way as to exceed their expectations. When the customer enters the department, an employee should make eye contact, greet, guide, offer refreshments, keep the customer up to date, etc. This could be the receptionist from the sales department in busy times when service advisors and other service department employees are occupied. Taking the customer into comprehensive account is primary and absolutely necessary in the toughening competitive environment.

4.2.3 Repair

A repair situation can be very worrying and annoying for the customer, especially if something is found which will cost the customer a great deal of extra money. Such a situation can relate to sudden breakdown, and the customer is not prepared for paying such money unexpectedly. Service situations are more cost controlled by the customer, because they have more opportunity to prepare for the costs beforehand. However, in repair situations, the customer expects the service department to be genuinely interested in their worries and wishes to obtain some kind of compensation over the final repair costs, especially if they are excessively over customer's budget. The customer does not necessarily have a realistic picture of the overall costs of labour and spare parts, which can give them a feeling of disappointment.

Because of the sensitivity of the repair situation, the service solution must be tailored to reflect the customer profile. Depending on the depth of the customer relationship, certain types of solution can be offered. One idea is to negotiate sharing the incurred costs between the sales and service departments to a reasonable extent to maintain the customer relationship. This needs good relationships between the managers of both departments and understanding of the common goal.

Another solution relates to surprising the customer in a positive way. It is of great benefit if the dealer can create different choices for the customer when repair costs are relatively high compared to the resale value of the customer's vehicle. In practice, this can mean offering a new car with a competitive total price, which can give a win-win situation. However, this should be done with special caution, because thanks to the situation, the customer can have very strong negative feelings about the situation and against the product.

The third service solution does not relate directly to this situation but more to the situation where the customer remains at the dealer during their car service. The customer should be given consideration during their stay by offering them refreshments or other sales department services like the opportunity to go on a test drive, an invitation to some event or gift cards, or just offering small talk with the salesperson. This, among other things, involves a much better exploitation of CRM with CEM.

4.2.4 Return of the vehicle

This touch point comprises car retrieval after the service or repair. The customer's feelings can vary as at the point when they bring the car to the dealer, but the most common feelings relate strongly to the same issues. The customer expects easy, carefree and personal customer service. The customer can be a little dejected, especially if upcoming costs mean they must cancel other plans.

Because of the customer's feelings, the dealer should be able to delight the customer in some unexpected way. This does not mean giving the customer a straight discount on their invoice, but delighting them with a tailored gift card or test drive opportunity for the weekend. It should be tailored because the customer's negative feelings can be caused by bad customer service, malfunctions of his car, too high costs or other factors. Done properly, this is a value-added improving factor to alleviate the customer's negative feelings or even give an experience of exceeding expectations.

4.3 Other service solutions

The following service solutions are common or come between the end and start of both processes. Thus, the customer cannot expect any customer service and feelings can be neutral or based strongly on their previous experiences. Customers expect to have contact with the salesperson if they are currently replacing their car. A dealer which can create personal and positively surprising experiences for the customer has higher pri-

ority when the customer contacts dealers, decides to replace their car or makes a service appointment.

The most important solution for this phase is to create unexpected touch points for the customer. This entirely new touch point could be a phone call reminding them about the upcoming service or just inviting them to visit for a coffee. This creates a business opportunity for additional selling. Information can be obtained from the database and based on evaluation of service times. This can be done either by the service or sales department. This service solution also relates to extra easiness regarding upcoming needs.

Another solution relates to creating more personal, caring and appreciated customer service. The dealer could arrange with the service department car exhibitions with different themes or a weekend exhibition to obtain leads for salespeople.

4.4 Using the Customer Journey Mapping method (CJM)

The main purpose of the customer journey mapping in this thesis is to represent it as an additional tool for dealers to make them better prepared for difficult situations rather than to describe it as a customer experience management tool for linking two processes. It can be used to increase interdepartmental cooperation and improving the operating methods of each process, especially in difficult situations where there is a risk of losing a customer entirely.

Figure 15 represents one challenging case which could occur at the workshop and where interdepartmental cooperation could be exploited. However, similar challenging situations should be analysed separately to better understand the customer's feelings.

In this situation, the customer's car has broken down and the main point of this mapping is recognising the feelings that the customer could experience and think of not more than three different top solutions. CJM comprises evaluation of the three worst cases and three best cases that could happen to the customer in this situation as well.

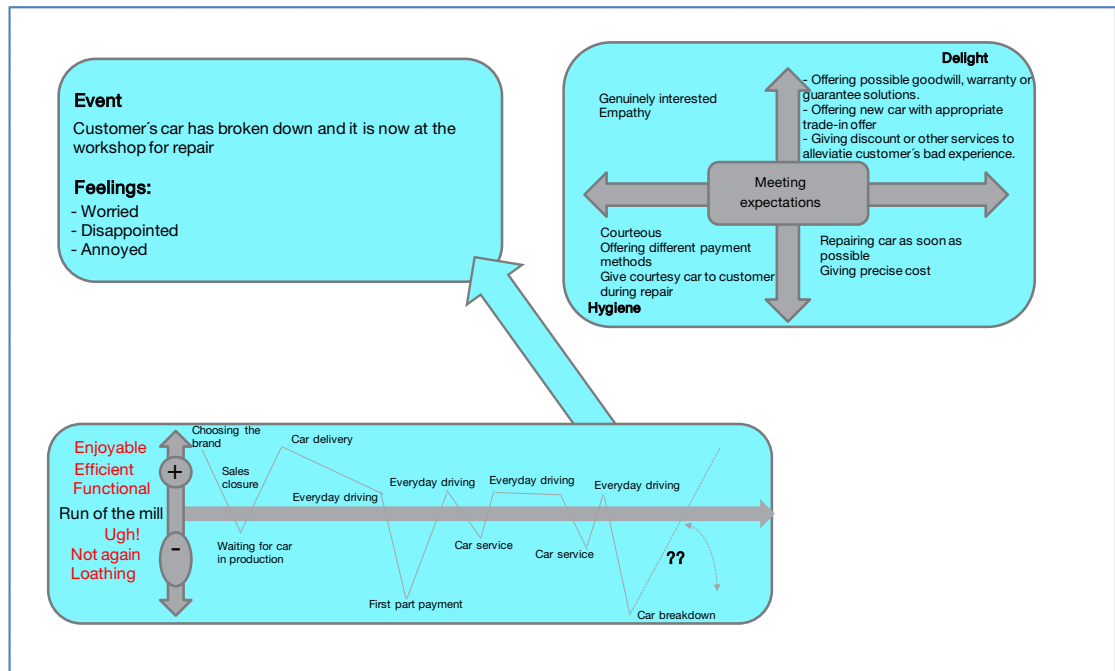


Figure 15. Description of using customer journey mapping

This diagram (Figure 15) gives a good view of the customer's feelings during their journey and it has been described roughly from the customer's buying decision to car breakdown to clarify it in a more understandable way. The main objective here is to find how the dealer can delight the customer in a situation where their feelings are at their lowest. In this case, the final level of the customer's feelings depends on the solution the dealer offers. The objective is to find the solution where the customer's feelings are at a positive level. Of course, other decisions can give the customer the same experience but it could be worse. The question mark on the right side of the Figure 15 reminds us to take note of the significance of the ultimate solution.

The upper left of Figure 15 describes functionality in relation to feelings. With this diagram, it is easier to evaluate where different actions are located and determine whether it is a truly delighting action or just a functional action. The aim is to delight the customer, and these suggested actions are gathered in the upper left box in Figure 15.

Table 10. Conclusions on customer's feelings

| | |
|---|--|
| What is going on in the customer's mind? | Customer feels worried about their car and possible costs they might have to pay. Customer can be disappointed about the car and annoyed, especially if the breakdown has taken a lot of time. |
| What outcome does the customer want? | Customer wants their trust back in their car and to survive with the smallest costs possible. |
| How easy is it for the customer to achieve this now? | Not very easy. The customer's trust in the car has experienced a hard knock and it is hard to gain it back to the same level as before. The customer does not believe they will get a big cost advantage regarding the repair. |
| What are the top 3 things that would make it easier? | <ol style="list-style-type: none"> 1. Make an offer for a new car with appropriate trade-in offer. 2. Find out every goodwill, warranty or guarantee possibility which could be used to reduce the customer's costs. 3. Give a discount by splitting costs between departments or the gift card for the next service etc. |
| What are the worst 3 things that could happen? | <ol style="list-style-type: none"> 1. Customer doesn't accept costs because of disagreements about product quality. 2. Customer will pay the invoice but never come back to the dealer 3. Customer will change their car brand |

Table 10 outlines questions which are primarily important to find solutions, which helps to understand how different operations affect the situation in regard to delighting the customer and understanding what is important for the customer and the risks in certain situations. In Figure 15 it can be seen that purely functional operations do not delight the customer, but when customer service is more personal and caring, this gives a much better opportunity to achieve great customer experience and strengthen customer loyalty.

4.5 Conclusions

The interviews exposed customers' need for certain types of experiences at all touch points whatever the process. The customer especially expects and appreciates an experience of carefree feelings, easiness, appreciation and more personal and tailored customer service. To improve these experiences, the dealer should concentrate its resources in a more efficient way to obtain better customer satisfaction and loyalty.

All of the above-mentioned service solutions relate more or less to creating great experiences for the customer which are not necessary common in the automotive retail business. Basic suggestions of service implementations have led to the need to create unforgettable customer experiences and the need to understand better which experiences customer truly appreciate. Service solutions based on fulfilling the above-mentioned feelings and these achieved solutions have been developed together with customers and professionals in the sales and aftersales market.

5 Proposal for implementation and approval by the subscriber

Every new or adapted process needs to have full support from managers and be piloted in a well-designed way on a planned time schedule. Determination and a controlled process is essential for achieving successful results for long-lasting change. Thus, a proposal has been introduced for piloting the process step by step with a rough time schedule, gathering comments about the designed process and its implementation from essential directors of the research. This will confirm the validity of the research and allow recommendations to be made for the final implementation.

5.1 Proposal for implementation

Ensuring efficient enforcement of the solution suggestions, a simple implementation proposal was designed (Figure 16). This chart takes the form of a theoretical template model without detailed clarifications, but gives still very useful tools for the implementation and enough space to further tailor content to correspond to each dealer's needs. However, it must be remembered that this piloting is still part of the development stage and the form of the solution suggestions can be varied during the piloting process.

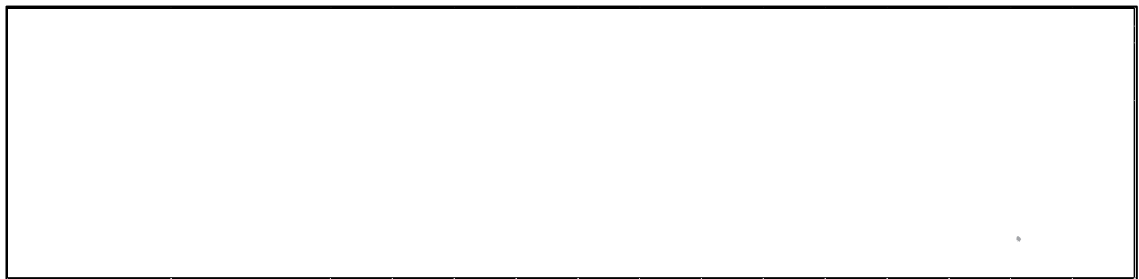


Figure 16. Proposal for the process of implementation

The duration of the piloting process should be determined by the size of the piloted dealer and current state analysis at the dealer. Thus, it is difficult to determine an accu-

rate time table for implementation within the scope of this thesis, but it can be estimated to last at least one and half a years from the start to the first results of piloting. The following sections explain the content of each step of implementation in more detail.

5.1.1 Gathering the project team

The first step in implementation is gathering a team on the importer side which supervises implementation outside the target dealer. Later, local team members will be added after choosing the pilot location. The main objective of this team is to build a well-planned piloting model with all details to convince decision-makers of its importance and usefulness. Planning design also comprises the timetable for implementation.

5.1.2 Choosing the pilot location

A pilot location should be chosen which has strong skills, expertise and experience, because these dimensions strongly determine successful implementation. Still, the most important factor for successful implementation is managers' willingness and commitment to the strategic initiative. Due to the nature of process design, it can be easier to pilot this first in one location, but, it can be divided over different places where expertise is at a high level. This can make change more conducive than using one place. During this phase the local team is chosen in order to commit the dealer to piloting: they are responsible for the implementation and its supervision.

5.1.3 Kick-off events

Awareness of the piloting process should be raised in every employee on the importer side before announcing it forward. After an internal kick-off event, a kick-off event should be arranged for all employees at the chosen dealer. This comprises a general overview of the project including the importance, purpose, visions, clear objectives and a timetable for successful implementation.

5.1.4 Dealer analysis

The objectives at this point are to observe current existing operational models in each process and analyses the current level of cooperation. During this observation one must determine all possible hindrances or obstacles to the implementation of piloting. This phase comprises an employee questionnaire (see Appendix 1 and 2). This questionnaire promotes an understanding of the current situation and determines where more resources should be located. All of this information is gathered and analysed for

subsequent stages. A customer inquiry could also be put in place at this stage to find out the expectations of customers in relation to specific suggested dealer solutions.

5.1.5 Workshops for dealer managers

Workshops ensure the knowledge and level demanded of each manager for successful piloting. The piloting process should be as transparent as possible for managers, to remove all existing obstacles and/or disturbances which could cause unnecessary delays in the piloting.

The main objectives of workshops are to clarify:

- How has the cooperation been implemented so far
- Advantages of the process
- Specific employees' roles
- How managers can support subordinates
- How managers can work together to improve interdepartmental cooperation
- Where to get help and support from the importer side

To increase managers' commitment, written agreements should be made on piloting compliance and individual management measures for efficient implementation. It is vital that every manager agrees to the necessary changes and operational models which are primarily important for successful implementation.

5.1.6 Training for employees

With the help of training, it is possible to teach employees to internalise the core target of implementation. This should be done at the same time for both departments, so that the necessary cooperation starts at the required level as soon as possible.

Training should comprise the following themes:

- Principles of current customer expectations
- Presentation of each process to the other department with strengths and weaknesses
- Working out activities at touch points
- Working out individual implementation possibilities

The main objectives of this training are increasing the awareness of piloting and transferring knowledge into everyday working on the interdepartmental level. However, the

most important target is promoting the importance of cooperation and its influence on the dealer's total revenue.

5.1.7 Monitoring and support

After employee training, we can proceed to implement learning outcomes. This means the importer observing and supporting employees in their everyday work. Without coaching, employees cannot obtain immediate support and help in embracing new operational functions. The observer or coach should gather all possible feedback from managers or employees to progress development in the right direction in the most sustainable way. The piloting progress should be documented for later analysis and also work as a reporting tool to management. Development should be done at a predetermined stage and time to ensure as efficient an implementation as possible.

5.1.8 Subsequent meetings

A date for subsequent meetings should be arranged within a suitable time period. Too short a time period causes trouble in evaluating results accurately and can even make it impossible to evaluate piloting effectiveness. However, too long a time period erodes the credibility of piloting too much among employees.

The content of the meetings should relate to where the dealer stands on the implementation of the piloting and agreement of further measurement methods and targets. The target of these meetings is to give managers assistance and support and promote sustainable piloting progress. Subsequent training and workshops for employees can be carried out if the situation so requires.

5.2 Comments from importer's director of aftersales department

Obtaining these comments was essential because another part of the research comprises the service core process of the aftersales market. Comments in this regard were requested from the importer's director of the aftersales department and the most relevant comments gathered. In summary, the comments were very recognisable and useful. It was unfortunately not possible to implement or add all of the changes, but some comments have been added to the final implementation.

One of the most essential notifications was the absence of the used car sales process which can include many relevant opportunities to increase sales and customer satisfac-

tion and loyalty. This is a business area which would actually need intensive work to develop a process from the beginning because the unfamiliar process for used cars, can have so much different exploitable opportunities.. Thus, this part of the dealer's development of processes has been left out of the implementation because of the limiting on the extent of the research.

Another comment related to how this process would work in the case of dealers which do not have their own sales business operation. This should be taken into consideration in the bigger picture, but in this research it has been ignored due to the minimal number of such dealers in Finland and demarcation of the research to comprise only dealers which include both businesses.

Other comments related to the exploitation of an electronic appointment system in car service and highlighting service solutions which could be implemented at a higher priority. These suggestions were taken into consideration in the final implementation as presented. However, higher priorities represent the researcher's own opinions and operate more as just a suggestion to dealers.

5.3 Comments from importer's director of Volkswagen passenger car department

Comments from the sales process point of view were also essential, and thus comments were requested from the director of the Volkswagen passenger car department. Opinions and comments were asked on developed CRM and piloting processes, as to the director of the aftersales department.

The comments on the developed CRM process were positively encouraging and promising for further implementation. The developed CRM process was clear and explained step by step, which makes it consistent. The content of the research was comprehensive enough and do not need any changes to take into consideration the extent of the research. The comments related more to specific details about the outlook of Appendices 10 and 11, which are in separate appendix which is available by the researcher. . The comments on the piloting process were obtained more on a general level than in detail. The piloting process was consistent and it was remarkable that this side was planned as well. Although this section obtained less attention in both interviews, it can be considered to be a clear and acceptable framework for further development.

6 Conclusions

To conclude the study, it can be reliably stated that the developed concept will play a bigger and bigger role in the success of dealers. This study helps dealers to find long-lasting guideline for permanent change, thus changing the conventional business making ideology which currently prevails. Taking employees attitudes and abilities to adopt the change into consideration may prolong the deployment of the concept but this does not greatly affect the costs, if piloting has been given enough resources in the first place. In fact, running the piloting as an organisational change may even lower the costs, as employees are committed to making the most of the work themselves as self-organising bodies and thus the need for outside consultants is reduced. The framework can be used in any dealer in Finland or even in other countries, taking into account cultural and legal matters, and it is specially designed to take employees into consideration as they are and with the abilities that they have.

The trick is to identify what is changing and why. In this case, the changes affect mostly employees who work directly with customers, because of their ability to affect customer needs and their satisfaction. Making observations and detecting subtle hints in employees' behaviour and operations is difficult and time consuming. Thus, it can be recommended to pay more attention to changing operational models on the larger scale with the help of better exploitation of the CEM system. This can achieve sustainable development for better customer satisfaction and loyalty.

6.1 Summary

Companies fighting their way through the productivity wars of the past ten years have achieved good results in their operations. They have revamped their processes, reducing overheads and cutting out redundant activities. Companies have enhanced the quality of their products and services, ridding their organisations of mistakes and miscommunications, and they have broken down the walls between units, getting people to work together and share information. *"Companies have created a truly efficient business. Guess what? They have only just begun"* (Hammer, 2001, pp. 1). Many companies and ideologies have described most of the above-mentioned operational improvement points as being part of their vision and strategy but unfortunately without any deeper understanding of what these mean at the employee level.

It is the conclusion of this study that building a clear interdepartmental operational framework for both units gives employees a tool which gives them better understanding of customers' needs and the power to adjust to the change themselves to correspond to the dealer's needs. The framework of what can be done interdepartmentally to promote better customer loyalty is essential and thus, acts like a core for other ensembles. Before piloting for final implementation, existing processes need to be clear and understood before a tool is given with which to perform them.

In any project, developed concept implementation or other business development project, the human approach and taking employees into consideration from the very beginning is a crucial element in the success of the project. The suggested framework which has been developed together with employees is one way of doing it, and it suggests that everything starts with a clear vision of one customer ideology and employees' genuine motivation to work with this concept. After this piloting, the process of implementation and possibly adopting the suggested framework to correspond with dealers' needs should be implemented. The dealer should be chosen based on the organisational readiness for change.

On top of the implementation process, employees need to be engaged by managing expectations, maintaining trust and authority, mobilising energy and sharing the same vision. The resources assigned to the implementation should be secure and piloting should be implemented to achieve efficient results. After this, implementation is also easier to sell to and create in other dealers. Every success should be notified and the staff should be able to monitor progress in as real time as possible. If something goes wrong, the problems should be isolated and processes readapting to avoid this in the future, so that these misfortunes do not affect the overall atmosphere surrounding the project.

The existing framework should be implemented in the progress described in Table 11. This framework is explained in more detail in Section 5.1.

Table 11. Implementation process

| | |
|---------|-------------------------------|
| Phase 1 | Gathering the project team |
| Phase 2 | Choosing the pilot location |
| Phase 3 | Kick-off events |
| Phase 4 | Dealer analysis |
| Phase 5 | Workshops for dealer managers |
| Phase 6 | Training for employees |
| Phase 7 | Monitoring and support |
| Phase 8 | Subsequent meetings |

The results of the suggested framework for the "One Customer"- concept is more appreciated and efficient when time is not too constrained or can be mitigated and where the staff remain relatively stable throughout the duration of the implementation.

6.2 Evaluation

The following section comprises core issues which have been noticed as successes and failures during the project. The list below gives a clearer picture of these.

The study stayed on the postulated framework and schedule and was a success due to the following:

1. A business case made using a qualitative method and used to arouse interest among the importer and the employees of partner dealers from the very beginning.
2. Careful selection of change agents based on literature by well-regarded researchers around the world.
3. Created framework aroused questions about the efficiency and development possibilities of the existing CRM system.
4. Project planning made from the business development point of view.
5. Usage diversity of the obtained framework for each unit separately or together.
6. Strong emphasis on employee engagement, developing a shared vision and celebrating success together.
7. Minor resources need for successful implementation. Exploitation of existing dealer management systems.
8. Full support by directors of the aftersales and Volkswagen passenger car department.

The points of failure were related to the following:

1. The actual implementation of project remains to the future.
2. The lesser authority and resources of the researcher for final implementation
3. Uncertainty about the adaptability of different dealers' management systems to correspond with the final suggestion of the project.
4. Lack of perspective on the possible solutions for other countries.

In a summary of the evaluation, it can be said that the outcome of this project is clearly positive and useful for forthcoming possible implementation. The study gives plenty of ideas for further development and improvements which can be adapted to correspond to each dealer's demands and the resources they have available. However, the nature of this project needs a clear project leader to take charge of the entire project. Without a named employee and reserved resources for this person, there is a great risk of failure which can destroy the entire project from the beginning or even prevent the creation of the entire project.

6.2.1 Objective vs. Outcome

The main objective was to develop an operational concept between the car service and car sales department of the aftersales business in different sections of service and sales processes around the developed concept. Using the concept, existing resources could be exploited more efficiently and customer needs fulfilled more comprehensively. The concept should be able to fulfil customers' needs and thus improve customer satisfaction and loyalty, which was the ultimate hidden objective. This concept was meant to be evaluated by creating a best practice model in some dealerships which will be a basic model for other dealers as well.

The evaluation of the final outcome is that it was successful, even though not all of the objectives were fully met. Success was achieved in developing a concept in which the outcome is different and unique from existing models of thinking. The framework of the concept is flexible and clear and different ideas have been created for developing actual improvements between the two processes. The only failure was the lack of time in testing this concept in practice, which will hopefully be piloted sometime in the near future. With this piloting phase, it would have been possible to make adaptations to the original concept to the necessary extent.

Table 12. Overview of success and failures

| | |
|--------------------------------|---|
| Concept framework | ✓ |
| Suggestions for implementation | ✓ |
| Piloting | ✗ |
| Other additional ideas | ✓ |

The study not only brought the framework of one customer concept but introduced an additional tool for challenging situations. This tool is Customer Journey Mapping (CJM), the objective of which is to help dealers to understand the customer better in challenging situations and weigh up the best solution for the customer. However, this tool has been introduced as a framework without being the main objective in the development of the 'one customer' concept.

6.2.2 Reliability and validity

Reliability is a definition of whether the findings are independent of accidental circumstances of the research. In ethnographic research, this means that the ethnographer would expect to gain the same finding if they tried the study again in the same way. All recordings and transcriptions which are the 'raw materials' have to be comparable to an ethnographer's field notes. Accordingly, the quality of findings has a very important significance for the reliability of research (Silverman 2004).

This thesis has been carried out using qualitative based research and in practice, this means the implementation of face-to-face interviews with different professionals and customers. Most interviews were recorded for deeper analysis and others which could not be recorded were noted in detail during the interviews. Hence, the reliability requirement of the thesis is met because different aspects of interviewees, quality of recordings and easy repeatability of interviews has been met.

Validity of research relates to the interpretation of observations. The researcher explains what is measured and how. In conversation analysis, the core aim is to investigate talk-in-interaction as a phenomenon in its own right. This naturalistic description of the interaction order and social action within that order gives a distinctive shape of validation in conversation analysis (Silverman, 2004).

The researcher is a professional in the presented business field. This means that they have a very good understanding and basic knowledge about the problem. The re-

search exploited other professionals in different job descriptions from different dealers which gives the necessary reliability for implementation. Customer interviews were done to give a valuable aspect to thesis which makes the thesis even more comprehensive. Interviews with professionals and customers were implemented in the current state analysis and for final implementation. In addition, literature was exploited for the framework of the implementation and to give the necessary support around the problem of the thesis. In conclusion, the thesis has been subjected to the comments of the most relevant directors who can influence further implementation. This gives the ultimate assurance about the rationality and transparency and correctness of the thesis.

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To be used in conjunction with "The Process Audit" by Michael Hammer (HBR April 2007, Reprint R0704H1).

How Mature Are Your PROCESSES?

You can evaluate the maturity of a business process and determine how to improve its performance by using this table. Decide how the statements defining the strength levels, from P-1 to P-4, for each enabler apply to the process that you

are assessing. If a statement is largely true (at least 80% correct), color the cell green; if it is somewhat true (between 20% and 80% correct), shade the cell yellow; and if it is largely untrue (less than 20% correct), mark the cell red.

GREEN: largely true
 YELLOW: somewhat true
 RED: largely untrue

| | P-1 | P-2 | P-3 | P-4 | |
|-----------------------|-------------------------------|--|--|--|--|
| Design | Purpose | The process has not been designed on an end-to-end basis. Functional managers use the legacy design primarily as a context for functional performance improvement. | The process has been redesigned from end to end in order to optimize its performance. | The process has been designed to fit with other enterprise processes and with the enterprise's IT systems in order to optimize the enterprise's performance. | The process has been designed to fit with customer and supplier processes in order to optimize interenterprise performance. |
| | Context | The process's inputs, outputs, suppliers, and customers have been identified. | The needs of the process's customers are known and agreed upon. | The process owner and the owners of the other processes with which the process interfaces have established mutual performance expectations. | The process owner and the owners of customer and supplier processes with which the process interfaces have established mutual performance expectations. |
| | Documentation | The documentation of the process is primarily functional, but it identifies the interconnections among the organizations involved in executing the process. | There is end-to-end documentation of the process design. | The process documentation describes the process's interfaces with, and expectations of, other processes and links the process to the enterprise's system and data architecture. | An electronic representation of the process design supports its performance and management and allows analysis of environmental changes and process reconfigurations. |
| | Performers | Performers can name the process, they execute and identify the key metrics of its performance. | Performers can describe the process's overall flow, how their work affects customers, other employees in the process, and the process's performance, and they request and actual performance levels. | Performers are familiar both with fundamental business concepts and with the drivers of enterprise performance and can describe how their work affects other processes and the enterprise's performance. | Performers are familiar with the enterprise's industry and its trends and can describe how their work affects interenterprise performance. |
| Owner | Skills | Performers are skilled in problem solving and process improvement techniques. | Performers are skilled in teamwork and self-management. | Performers are skilled at business decision making. | Performers are skilled at change management and change implementation. |
| | Behavior | Performers have some allegiance to the process, but owe primary allegiance to their function. | Performers try to follow the process design, perform it correctly, and work in ways that will enable other people who execute the process to do their work effectively. | Performers strive to ensure that the process delivers the results needed to achieve the enterprise's goals. | Performers look for signs that the process should change, and they propose improvements to the process. |
| | Identity | The process owner is an individual or a group informally charged with improving the process's performance. | Enterprise leadership has created an official process owner role and has filled the position with a senior manager who has clout and credibility. | The process owner first for the owner, in terms of time allocation, mind share, and personal goals. | The process owner is a member of the enterprise's senior-most decision-making body. |
| Infrastructure | Activities | The process owner identifies and documents the process, communicates it to all performers, and sponsors small-scale change projects. | The process owner articulates the process's performance goals and a vision of its future, sponsors redesign and improvement efforts, plans their implementation, and ensures compliance with the process design. | The process owner works with other process owners to integrate processes to achieve the enterprise's goals. | The process owner develops a rolling strategic plan for the process, participates in enterprise-level strategic planning, and collaborates with his or her counterparts working for customers and suppliers to sponsor interenterprise process redesign initiatives. |
| | Authority | The process owner advises for the process but can only encourage functional managers to make changes. | The process owner can convene a process redesign team and implement the new design and has some control over the technology budget for the process. | The process owner controls the IT systems that support the process and any projects that change the process and has some influence over personnel assignments and evaluations as well as the process's budget. | The process owner controls the process's budget and exerts strong influence over personnel assignments and evaluations. |
| | Information Systems | Fragmented legacy IT systems support the process. | An IT system constructed from functional components supports the process. | An integrated IT system, designed with the process in mind and adhering to enterprise standards, supports the process. | An IT system with a modular architecture that adheres to industry standards for interenterprise communication supports the process. |
| Metrics | Human Resource Systems | Functional managers reward the attainment of functional excellence and the resolution of functional problems in a process context. | The process's design drives role definitions, job descriptions, and competency profiles. Job training is based on process documentation. | Hiring, development, reward, and recognition systems emphasize the process's needs and results and balance them against the enterprise's needs. | Hiring, development, reward, and recognition systems reinforce the importance of intra- and interenterprise collaboration, personal learning, and organizational change. |
| | Uses | Managers use the process's metrics to track its performance, identify root causes of faulty performance, and drive functional improvements. | Managers use the process's metrics to compare its performance to benchmarks, best-in-class performance, and customer needs and to set performance targets. | Managers present the metrics to process performers to awaken awareness and motivation. They use dashboards based on the metrics for day-to-day management of the process. | Managers regularly review and reinvent the process's metrics and targets and use them in strategic planning. |

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How Mature Is Your ENTERPRISE?

To determine if your organization is ready to support a process-based transformation, evaluate the statements in this table. They show the strength levels, from E-1 to E-4, of the capabilities that enterprises need in order to develop their business processes. If a statement is at least 80% correct, color the cell green; if it is between 20% and 80% correct, shade it yellow; and if it is less than 20% correct, make it red.

E-1

E-2

E-3

E-4

| | E-1 | E-2 | E-3 | E-4 |
|--------------------|--|--|--|--|
| Leadership | Awareness The enterprise's senior executive team recognizes the need to improve operational performance but has only a limited understanding of the power of business processes. | At least one senior executive deeply understands the business process concept, how the enterprise can use it to improve performance, and what is involved in implementing it. | The senior executive team views the enterprise in process terms and has developed a vision of the enterprise and its processes. | The senior executive team sees its own work in process terms and practices process management not as a project but as a way of managing the business. |
| | Alignment The leadership of the process program lies in the middle management ranks. | A senior executive has taken leadership of, and responsibility for, the process program. | There is strong alignment in the senior executive team regarding the process program. There is also a network of people throughout the enterprise helping to promote process efforts. | People throughout the enterprise exhibit enthusiasm for process management and play leadership roles in process efforts. |
| | Behavior A senior executive endorses and invests in operational improvement. | A senior executive has publicly set stretch performance goals in customer terms and is prepared to commit resources, make deep changes, and remove roadblocks in order to achieve those goals. | Senior executives operate as a team, manage the enterprise through its processes, and are actively engaged in the process program. | The members of the senior executive team perform their own work as processes, create strategic planning on the basis of high-performance processes. |
| | Style The senior executive team has started shifting from a top-down, hierarchical style to an open, collaborative style. | The senior executive team leading the process program is passionate about the need to change and about process as the key tool for change. | The senior executive team has delegated control and authority to process owners and process performers. | The senior executive team exercises leadership through vision and influence rather than command and control. |
| Culture | Teamwork Teamwork is project focused, occasional, and ad-hoc. | The enterprise commonly uses cross-functional project teams for improvement efforts. | Teamwork is the norm among process performers and is commonplace among managers. | Teamwork with customers and suppliers is commonplace. |
| | Customer Focus There is a widespread belief that customer focus is important, but there is limited appreciation of what that means. There is also uncertainty and conflict about how to meet customers' needs. | Employees realize that the purpose of their work is to deliver extraordinary customer value. | Employees understand that customers demand uniform excellence and a seamless experience. | Employees focus on collaborating with trading partners to meet the needs of final customers. |
| | Responsibility Accountability for results rests with managers. | Frontline personnel begin to take ownership of results. | Employees feel accountable for enterprise results. | Employees feel a sense of mission in serving customers and achieving ever better performance. |
| | Attitude Toward Change There is growing acceptance in the enterprise about the need to make modest change. | Employees are prepared for significant change in how work is performed. | Employees are ready for major multidimensional change. | Employees recognize change as inevitable and embrace it as a regular phenomenon. |
| Expertise | People A small group of people has a deep appreciation for the power of processes. | A cadre of experts has skills in process redesign and implementation, project management, communications, and change management. | A cadre of experts has skills in large-scale change management and enterprise transformation. | Substantial numbers of people with skills in process redesign and implementation, project management, program management, and change management are present across the enterprise. A formal process for developing and maintaining that skill base is also in place. |
| | Methodology The enterprise uses one or more methodologies for solving execution problems and making incremental process improvements. | Process redesign teams have access to a basic methodology for process redesign. | The enterprise has developed and standardized a formal process for process redesign and has integrated it with a standard process for process improvement. | Process management and redesign have become core competencies and are embedded in a formal system that includes environment scanning, change planning, implementation, and process-oriented innovation. |
| | Governance Model The enterprise has identified some business processes. | The enterprise has developed a complete enterprise process model, and the senior executive team has accepted it. | The enterprise process model has been communicated throughout the enterprise, is used to drive project prioritization, and is linked to enterprise-level technologies and data architectures. | The enterprise has extended its process model to connect with those of customers and suppliers. It also uses the model in strategy development. |
| Integration | Accountability Functional managers are responsible for performance; project managers for improvement projects. | Process owners have accountability for individual processes, and a steering committee is responsible for the enterprise's overall progress with processes. | Process owners share accountability for the enterprise's performance. | A process council operates as the senior-most management body; performers share accountability for enterprise performance, and the enterprise has established steering committees with customers and suppliers to drive interenterprise process change. |
| | Integration One or more groups advocate and support possibly different operational improvement techniques. | An informal coordinating body provides needed program management while a steering committee allocates resources for process redesign projects. | A formal program management office, headed by a chief process officer, coordinates and integrates all process projects, and a process council manages interenterprise integration issues. The enterprise nurtures and develops all process improvement techniques and tools in an integrated manner. | Process owners work with their counterparts in customer and supplier enterprises to drive interenterprise process integration. |

GREEN: largely true
YELLOW: somewhat true
RED: largely untrue

Process of implementation

