Customer experience analysis at a small Café

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In the twentieth century, the experience economy has challenged the companies of creating the unique experience to the customers. It is a key factor to distinguish the company in the competitive industry and to create satisfaction as well as loyalty. An event is considered a strategic marketing tool to highlight the evoke sensations and feelings of an individual. The thesis aims to analyse the customer experience during the exhibition at a Café.

The thesis was conducted during the autumn 2018 and due to the company’s wish, their brand name will not be revealed. They are mentioned as Company X throughout the entire thesis. The study covers a research on the influence of the event and the Company X’s offerings on customer experience and the importance of customer experience in the entire business.

The theoretical framework contains theories of event marketing and customer experience, which are utilized to support the customer journey mapping process and the discussion on the result. The qualitative research method was chosen to collect data from customers. The author conducted four interviews to understand the customer experience throughout their holistic journey at Company X.

The outcome of this thesis is to figure out Company X’s value creators and weaknesses based on the customers’ positive and negative experience, leading to their satisfaction and dissatisfaction. There are also several recommendations for further development.

With the support from this study, Company X might consider methods, including adopting event as a strategic marketing tool, to design distinctive customers’ experience. The thesis also identifies issues for future research.

Keywords
Customer experience, service design, service story, customer journey map, touchpoints, event marketing
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1 Introduction

The introduction presents an overview of the thesis, starting with the explanation of background of the study, followed by the introduction to the commissioner and the establishment of the research objectives for both the thesis and the writer. It ends with the brief description of the thesis structure.

1.1 Background of the study

This thesis is a part of Haaga-Helia University of Applied Sciences study, commissioned by Company X, a Café and Design Showroom located in Helsinki. Since the commissioner wishes to secure all the confidential information, their company name will not be revealed. The thesis is a research-based study, which aims to examine the stories of customer experience, particularly during an event organized at Company X.

Traditionally, companies’ marketing activities have focused on the physical aspects of products such as quantity, quality, functionality, availability, accessibility, delivery, and price. (Mascarenhas, Kesavan, Bernacchi 2006, 397). Nowadays, companies try to manage and structure business activities around customers as they recognize advantageous values which the customers bring to them (Schmitt 2003, 1). Most notably, they have shifted their focus to creating engaging and lasting experiences for customers (Mascarenhas & al. 2006, 397).

A research on customer experience has still been a new concept to many companies since it is quite difficult to simply defined as other marketing concepts, such as choices, attitudes, customer satisfaction or brand equity (Schmitt 2010, 57). However, in the economy that the experience matters most, the companies are aware of the importance of understanding customer experience and their journeys (Lemon & Verhoef 2016, 69). That is a way to retain, engage and recruit new customers (Schmitt 2003, 1).

Nevertheless, the customer journey has become more and more complex as customers are interacting with the company through multiple channels and myriad touchpoints nowadays. It requires more company’s focusses on details across the journey that change the customer experience. Providing a strong experience is currently the main objective for the company that wants to stand out in a competitive industry (Lemon & Verhoef 2016, 69).

Nowadays, more and more companies utilize the event as a communication tool to transport a company’s message to the customers’ mind. In other words, it is a carrier of the message. The event happens continuously in daily lives and is considered as an experience. Besides,
the event can be employed as a strategic marketing tool to promote their brand through appropriate communication (Gerritsen & Olderen, 2011, 44).

1.2 Research objective

Company X is a start-up company, thus increasing customer base has been their main concern so far. They have put much effort into satisfying their current customers and promoting their distinctive traits. However, their lack of understanding of customers’ feelings, sensations and thinking about their offerings have challenged them to create appropriate communication with their customers. In other words, they are encountering with an issue of how to gain an insight of customer experience, particularly during an event at their company.

The main objective of this thesis is to assist Company X discovering positive and negative customer experience by examining each interaction between Company X and their customers during the event. To achieve that target, the thesis writer utilizes service design as a storytelling tool to map customer journey to define effective and ineffective touchpoints. Those touchpoints are value creators and shortcomings that Company X needs to maintain and improve in the future.

Specifically, the thesis focuses on the following research questions, which are essential for seeking solutions to Company X’s research problem.

1) Which are the determinants of an experience?
2) Which are the interactions that lead to satisfaction and dissatisfaction across the holistic customer journey?
3) How does the event as an experience influence customers’ feelings?
4) Which are Company X’s value creators and weaknesses?

Based on the data, Company X is able to develop their offerings to deliver the better experience and satisfaction to customers, thereby engaging more customers.

For the author’s personal goal, the objective of this thesis is to apply the theory of customer experience to map customers’ journey and identify crucial touchpoints along their journeys. The second objective is to improve interpersonal skill, such as interview, listening skill, etc. The final goal is to acquire the knowledge of the event, event marketing and customer experience from a new perspective.
1.3 Thesis structure

The thesis focuses on the experience designed and created by Company X – as an event venue and as a coffee shop. In other words, it discusses customer experience based on customer journey to figure out the factors that lead to satisfaction and dissatisfaction.

First of all, a general picture of the commissioner – Company X is described through their vision and mission statement and situational analysis. The thesis is structured into a theoretical part and research part. The first chapter of the theoretical framework presents the idea of a Café as an event venue and the importance of event marketing in recent business. The second chapter discusses several aspects of customer experience and its characteristics. Besides, the notion of the customer journey, usual customer behaviours along the journey and touchpoints will be clarified. The research part consists of the research methodology, data interpretation and several discussions on findings. The final chapter includes several suggestions for Company X’s further development. It also contains the author’s self-evaluation of this study and reflection of the entire writing process.
2 The commissioner

This chapter represents a general view of the commissioner, Company X, through their vision and mission statement and situational analysis. The analysis includes PESTEL, PORTER five forces and SWOT.

2.1 Vision and mission

Company X was founded in 2018 and is still new in the industry. Their vision is to create a beautiful place where customers can enjoy coffees, arts, and designs. Their mission is to support young designers and artists by offering them a small space for showcasing their products. They expect to create a cosy and modern forum for customers who fancy creativeness in art, design, and food by exhibiting creative art installations with different cultural themes and concept designs (Company X).

2.2 PESTEL analysis

The below table shows PESTEL analysis in general.

<table>
<thead>
<tr>
<th>Political</th>
<th>Government food policies</th>
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<tbody>
<tr>
<td></td>
<td>Buyers’ consciousness of food purchase</td>
</tr>
<tr>
<td>Economic</td>
<td>The recovery of Finnish economy after Eurozone crisis</td>
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<tr>
<td>Social</td>
<td>Fusion food trend</td>
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<td></td>
<td>The significance of art and design in Finnish culture and lifestyle</td>
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<tr>
<td>Technological</td>
<td>The rapid growth of the Internet, social media channels and review pages</td>
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<tr>
<td>Environmental</td>
<td>The importance of environmental and ecological sustainability</td>
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<tr>
<td>Legal</td>
<td>EU laws regarding commercial treatment</td>
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</table>

Figure 1. PESTEL analysis

Government food policies have a huge influence on the cost of foods, its appearance and individual’s choice of food. Besides, customers are becoming conscious when buying foods. Such those matters would affect the purchase of food.

The Finnish economy is increasingly growing after a financial and Eurozone crisis. The GDP is forecasted to grow 2.9% by the end of 2018 (Finnish Economy booming 2018). Those positive figures allow Company X to raise a belief in profit generation.
Fusion food has been around for centuries though the concept is relatively new (Helmstetler 2016). More and more restaurants in Helsinki have combined Asian cooking style with the European flavour. The presence of the vegetable types of sushi and the usage of mint leaves in the Vietnamese noodles cooking process are typical examples which can be effortlessly detected in several restaurants in Helsinki. This trend creates a valuable opportunity for Company X to approach new customers of different backgrounds. Furthermore, art and design have become an integral part of the Finnish national identity (Purdy 2010). It has also been an intrinsic part of the Finnish lifestyle. It is reported that 70% of Finnish people want to see works of art in everyday contexts, for example, residential areas, schools, libraries and workplaces (Artists’ Association of Finland 2018). It might encourage more customers to come to Company X. However, it is challenging dealing with a new culture and custom.

The internet has empowered customers to search for a variety of alternatives, to give online reviews and to order a product in advance, etc (Domingo, 2017). It might impact on customers’ choices, that they prefer high rating, good reviews, and feedbacks. The increasing growth of social media channels also enables the companies to reach customer easily, leading to the increase in online marketing in every business. Such a competitive environment causes a difficulty to approach potential customers.

The importance of being environmental and ecological sustainability is stressed throughout Finland. People are acting in their own ways to preserve the environment they are living in (Poussa 2017). Besides, season changes in Finland is a huge issue that might affect customers’ choices.

EU laws regarding unfair commercial treatment, which are misleading and aggressive practices might be an information for start-up companies to bear in mind. In other words, they should ensure all the information provided is accurate, not misleading nor aggressive (Unfair commercial practices 2018).

2.3 PORTER five forces

The threat of new entrants is high since their business idea is unique and their products are distinctive. The quality is also ensured as all the ingredients are homemade. Furthermore, there are not many competitors in this business and the barrier to exit is low.

The bargaining of suppliers is powerful. Most of their serving kinds of stuff are unique in Helsinki and could not be easily found in Finland. Besides, Asian cuisine requires a variety
of ingredients, yet there are only a few suppliers in Helsinki. It is also quite difficult to find new substitutes at more affordable prices.

The bargaining of buyers is obviously powerful. As mentioned above, the Internet has empowered customers in recent business. Consequently, they can search for the company, check the reviews and make decisions without a notice from the company.

The threat of substitute products is high. Even though Company X's business model is unique, the food and drink industry they are currently working in contain many competitors. For example, Thai Orchid, Onam, Asian Aroma, etc. There are various substitute products in this market, leading to low switching costs for buyers.

Rivalry among existing competitors is not intense. Every business has their own target customers, some of them are strongly engaged. As a result, the switching cost for loyalty customers is extremely high. Furthermore, each business has their own remarkable products and services, which clearly present their concept idea to the customers.

2.4 SWOT analysis

Figure 1 contains the strengths, weaknesses, opportunities and threats of Company X, which is a result of the PESTEL and PORTER analysis. Company X's strengths include passion for art, creative designs of products, unique art of flower cakes and homemade products. Their weaknesses are the local language proficiency and non-professional skills. As mentioned above, fusion food has become a trend in Helsinki. Since Company X's focus is the combination between Finnish and Asian cuisine, the trend has given them an opportunity to attract potential customers from both cultures. The interest in art and exhibition also creates a chance to approach more customers with art-related background. Besides, their category of coffee, which is not popular among the coffee shops in Helsinki, can be a huge advantage. As explained above, the rivalry is not intense among all the competitors since they all have their target customers and strategies to maintain brand loyalty. Their business is the first in Helsinki, thus it can create many challenges and unknown risks. Customers choices, which change depends on time and season, can be listed as one threat. Finally, the economic crisis might have a significant impact on the sales, followed by the total revenue of Company X (Company X).
<table>
<thead>
<tr>
<th>Strengths</th>
<th>Weaknesses</th>
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<tbody>
<tr>
<td>- Homemade and special coffee</td>
<td>- Non – professional coffee artist</td>
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<tr>
<td>- Creative designs of products</td>
<td>- Finnish language proficiency</td>
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<tr>
<td>- Unique art of flower cakes</td>
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<tr>
<td>- Passion for art</td>
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<td>- Environmental - friendly</td>
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<table>
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<th>Opportunities</th>
<th>Threats</th>
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<tr>
<td>- Fusion food trend</td>
<td>- Economy crisis</td>
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<tr>
<td>- Unique category of coffee</td>
<td>- Customer choices</td>
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<tr>
<td>- Unique business model</td>
<td>- Challenges and unknown risks</td>
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<tr>
<td>- Rivalry is not intense</td>
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Figure 2. SWOT analysis (Company X)
3 Café as an event venue

This chapter covers the explanation of different concepts of “event” and its classification, where the exhibition is considered as one type. Besides, it emphasizes the importance of event marketing in the recent marketing mix.

3.1 Definition of event

The definition of an event is vast. According to Collins Dictionary, an event is something that happens unusually or importantly. The event can also be defined as “everything from small-scale gatherings to mass happenings that engage consumers and generate media for brands” (Preston & Hoyle 2012, viii). The event is “about excitement, creativity, enthusiasm and the generation of experience and memories” (Preston & Hoyle 2012, 2).

Other professionals use a term of “special event” to specify the notion of the event. Goldblatt and Nelson (2002, 6) define a special event “as a unique moment in time celebrated with ceremony and ritual to satisfy special needs”. To support that statement, Matthews conceptualize a special event is “a gathering of human beings, generally lasting from a few hours to a few days, and designed to celebrate, honour, sell, tach about, or observe human endeavours” (Matthews 2008, 2).

However, it is impossible to identify both the definition and type of events classified as special since it depends on an individual’s perspective and preference. Under different context, the organizers and customers do not have the same viewpoints on the speciality of the event (Getz 2005, 16). Consequently, two explanations are necessary to clarify this definition (Getz 2005, 16):

1. A special event is a one – time, or infrequently occurring event outside the normal program or activities of the sponsoring or organizing body
2. To the customer of guest, a special event is an opportunity for an experience outside the normal range of choices or beyond everyday experience.

All the above definitions emphasize and involve the unique and memorable times for customers. The events are various in dimension, they can be simple as a birthday party or a more complex one that requires the participation of many people (Matthews 2008, 2). Most importantly, the event created has to meet the needs of the customers to attract sufficient attendance and involvement (Preston & Hoyle 2012, 2).
3.2 The exhibition as an event

Goldblatt classifies events into ten subfields based on the profession of event management, civic events, exposition, fair and festival, hallmark event, hospitality, meeting and conference, retail event, social life – cycle event, sports event and tourism (Goldblatt 2002, 9 - 14). The exhibition is not specifically categorized, yet it can be listed in exposition since it works as a place to showcase the company’s products to buyers.

On the other hand, Getz (2005) gives a typology of planned events based on their forms and purpose. It contains eight main categories, cultural and celebrations, political and state, arts and entertainment which includes exhibition, educational and scientific, sports competition, recreational and private events.

Later on, Matthews (2008, 7) suggests three broad categories based also on specializations of an event manager. Each category has various types of events. For example, meeting and conferences include not only meetings and conferences but also congresses, seminars, symposia, workshops, and retreats. The expositions and Trade shows include industrial, scientific and consumer show. The exhibition can also be listed in this category. The celebrations, Ceremonies, and Spectacles are divided into two subcategories, public and private events. They include carnivals, parades, sporting events, concerts as well as private reunions, corporate dinner, opening, and closing ceremonies, etc.

3.3 Event marketing

This subchapter explains the event marketing definition and the importance of event marketing as a strategic marketing tool.

3.3.1 Definition of event marketing

Event marketing is a mode of marketing utilizing an event to bring the company’s brands, products, and services to customers’ attention. It involves marketing, events, and communication activities. The organizations are using more and more events in recent businesses since they have recognized the strength of the event as an effective means of communication, (Gerritsen & Olderen, 2011, 30).

On the contrary, Preston & Hoyle (2012, 2) uses another term of “strategic event marketing” to specify its application to the company. It is primarily to design the event and to manage the communication in a way that meets its objective (Preston & Hoyle 2012, 2). Strategic event marketing helps position the company’s event precisely in the competitive market and
promote the event to the target audiences by appropriate communications (Preston & Hoyle 2012, 3).

### 3.3.2 Event as a marketing tool

“Using an event as a strategic marketing tool involves planning a unique event or series of events for one or more target groups where people come together, at the invitation and initiation of a company/business, government body or non-profit organization.” (Gerritsen & Olderen, 2011, 5).

Many traditional marketing communication tools, such as newspaper, radio and television advertising, have no longer captured much of customers’ attention as they used to do in the past. That situation has forced marketers to look for new and brilliant methods to approach customers. As a result, events have become one of alternative means of communication recently (Gerritsen & Olderen, 2011, 4). More and more companies currently use the events as a strategic marketing tool as its importance in the marketing mix is undeniable. In 2010, according to a blogger on event marketing, as much as 27% of the corporate community’s marketing budget went to organizing events (eventementenmarketing.blogspot.com, June 2010, in Gerritsen & Olderen, 2011, 4).

There are two perspectives for the terms event marketing, marketing for events and marketing through events. The first one, marketing for events means that the event is a product that is marketed. In this case, the event is a core business, which can be marketed by branding, marketing, and communication, relationship marketing, etc. Several of channels, such as the Internet, social networks, commercials, and advertisements can be utilized to bring the product “event” to the customers. The second perspective is marketing through events, which involves using events as a marketing and communication tool to promote brands, products or services. In this type of approach, event marketing focuses on developing, strengthening and expanding relationships with customers, in which emotions and experience are brought together. A clear and measurable objective should be defined beforehand to convey the company’s message effectively to the customers (Gerritsen & Olderen, 2011, 35).

The event itself is an effective tool to transfer a company’s message to customers’ mind. Experience, resulting from sensations and emotions evoked during the entire journey, will become lasting memories of customers. It is a key element for firms to differentiate themselves from other competitors when more and more companies produce similar products and services (Gerritsen & Olderen, 2011, 5).
The discipline matrix below is an expanded version of the traditional marketing mix. It shows that the event, apart from sponsoring, marketing PR, advertising, Internet, sales promotion and direct marketing, is one of marketing communication tools. In event marketing, the event is the main point, and other means are used to support and add strength to the event. (Gerritsen & Olderen, 2011, 39).

Figure 3. Discipline matrix (Gerritsen & Olderen, 2011, 39)
4 Customer experience

This chapter describes the multiple definitions of customer experience, types of experience and determinants of experience. Besides, the relationship between customer experience and customer satisfaction as well as loyalty is discussed. Finally, the importance of understanding the customer experience, across the customer journey, particularly through customer behaviours and touchpoints is emphasized.

4.1 Definition of experience

The history of economic progress can be summarized in four stages. It started from the agrarian economy when customers extracted commodities from the natural world. It then came to the industrial economy in which customers, instead of making everything from scratch, paid for tangible products. Later on, tangible products were gradually replaced by intangible products and offering products was changed to delivering services. Recently, the economy has advanced towards the experience economy in which memorable experience is considered a competitive advantage of the company (Pine & Gilmore 1998, 97).

A definition of experience, which has been used diversely in psychology, philosophy, consumer behaviour field, is still new to the marketing perspective. Understanding the importance of customer experience, thereby creating a memorable experience to the customers is an essential way to stand out in a competitive market (Schmitt 2010, 57).

There are multiple definitions of customer experience in the literature. Early on, an experience is referred to as a memorable event using the company’s products as stage and goods as props. It is a real offering apart from goods, services, and commodity (Pine & Gilmore 1998, 98). Similar to goods and services, the experience has to meet customers’ needs and it results from a repeated process of exploration, scripting, and staging (Pine & Gilmore 1998, 102).

To specify, Schmitt (1999) defines an experience in a multidimensional view, which includes sensory (sense), affective (feel), cognitive (think), physical (act) and social identity (relate) experience on the events and activities (in Lemon & Verhoef 2016, 70). In response to that, Gentile, Spiller & Noci (2007) broadly defines experience as “a set of interactions between a customer and a product, a company or part of its organization” (in Schmitt 2010, 63).

However, Brakus, Schmitt & Zarantonello (2009, 53) state that a research on experience should also focus on brand – related stimuli. Therefore, they add a broader view to the
concept of experience. It is a subjective and internal customer response, consisting of sensations, feelings, cognitions, and behaviours evoked by brand’s design and identity, packaging, communications, and environments. Further on this path, Meyer & Schwager (2007, 2) conceptualize experience as the internal and subjective customer response to direct and indirect interaction with the company. Direct interaction can happen during the purchase, usage and customer service. Indirect interaction can be word – of – mouth, advertising, reviews, etc.

4.2 Types of experience

According to Schmitt (1999), an experience has five dimensions, sensory, affective, cognitive, physical and identity. The sensory experience refers to a human’s five senses, which are touch, taste, smell, hearing, sight for which the company’s products and services create. Secondly, the affective experience is about the emotional experience of customers. They are customers’ inner feelings and moods about the products and services of a company. Thirdly, the cognitive experience is related to customers’ convergent and divergent thinking about the specific product or service, such as surprise, intrigue, and provocation. Then, physical or act experience is related to behaviour experience, lifestyles, and interactions brought by the company. Finally, social identity experience goes far beyond a customer’s aspect of sense, feel, think and act. It is relative experience value towards the company’s products and services (in Mashingaidze 2015, 55 - 56).

Besides, the experience lies across two dimensions, shown in Figure 2 (Pine & Gilmore 1998, 101). The horizontal correlates with the customers’ participation, whether they actively or passively participate. When the customers participate actively, they play key roles in creating performances that produce experience. On the other hands, when they passively participate, they do not affect specific performance at all. They can be listeners or observers, for example. The vertical correlates with the connection, whether the customers are immersed or absorbed by the activities. For example, watching movies at the theatre is more immersing with other audiences, real sound and large screen than watching them at home; scribbling notes while listening to lecturer is more absorbing than reading a book (Pine & Gilmore 1998, 101).

Based on two dimensions explained, the experience can be classified into four categories (Figure 2). The “entertainment” experience, such as watching television and joining a concert is likely to be those that the customers participate passively and absorb the activity than immerse in it. Meanwhile, “educational” experience tend to involve active student participation, yet students’ connection are more absorbed than immersed. The “esthetic” experience immerse the customers, yet their involvement is passive. For example, a visitor to an art
gallery is immersed in the drawings, yet they have little or no effect on it. The “escapist” experience involves as much active participation as the educational experience and as much as immersion as esthetic experience. Acting in a play or playing an orchestra is considered to have escapist experience. The richest experience can be found as going to Disney World or similar amusement park, where the customers can participate actively and tend to be immersed into whole entertaining activities. However, the experience is expansive. (Pine & Gilmore 1998, 102).

The Four Realms of an Experience

![The Four Realms of an Experience](image)

Figure 4. The Four Realms of an Experience (Pine & Gilmore 1998, 102)

The model suggests that determining the experience offered to the customers is extremely crucial as it as defines the company in customers’ mind (Pine & Gilmore 1998, 102).

### 4.3 Determinants of experience

Based on the existing literature, a conceptual model which includes the determinants of customer experience is proposed. The model displays a customer experience formation from a holistic view. (Verhoef, Lemon, Parasuraman, Roggeveen, Tsiros & Schlesinger, 2009, 31). As in the model, the core factors that affect customer experience are customer experience management strategy, social environment, service interface, retail atmosphere, assortment, price, customer experience in alternative channels, retail brand, and preceding experience. The situation and consumer moderators also control those determinants of customer experience. In other words, the determinants are differently shaped by different moderators. For example, task – oriented customers might value the assortment more than experientially – oriented ones; different personalities and demographics, different locations
(mall or city center), different channels (store or Internet), different type of store (speciality or general), different season (regular or holiday), etc. also cause changes in determinants (Verhoef & al. 2009, 32).

Social environment refers to people around a customer. They can be other multiple customers or family members and friends who visit the store with the customer. For example, a customer requests for sales person’s support can take away the experience of another customer who also needs help. Family members and friends can also affect the customer’s own experience or fellow customers’. Crowding or standing too close to others can cause anxiety, eye – contact between strangers might be negatively discerned or a customer’s appearance might be considered a threat (Verhoef & al. 2009, 34 - 35).

Figure 5. Conceptual model of customer experience creation (Verhoef & al. 2009, 32)

Technology has dramatically changed the world, thereby shifting customer experience to a new level. It results in the emergence of various technology – based systems and technology – enabled shopping mode. Technology – based systems have become a crucial part of the shopping experience of customers nowadays (Verhoef & al. 2009, 35).

Verhoef & al (2009, 37) also examine the interaction between the customer and a retail brand. Fitzsimons, Chartrand, and Fitzsimons (2008) point out that the type of brand and customers’ perceptions of the brand can affect the behaviour (in Verhoef & al. 2009, 37). For example, customers tend to think of Apple behave more creatively than IBM. It suggests that brand perceptions might have a significant impact on customer experience. On the other hands, customer experience also affects the overall brand perception of the customer (Verhoef & al. 2009, 37).
Through a holistic view of experience, the one-time interaction between the customer and the store cannot evaluate the entire customer experience. It is a process, combining the experience which evolves over time. It consists of search, purchase, usage and after-purchase. It might also refer to past experience of the same channel (Verhoef & al. 2009, 37).

Customer experience management is a company’s strategy in which manage the experience of the customers in a way to bring the value for both customers and firm. Customer experience management (CEM) is completely different from customer relationship management (CRM). While CEM focuses on the experience of the customer, CRM examines the customer’s recorded history. The definition of customer experience management comes into being when Pine & Gilmore (in Mashingaidze 2014, 55) emphasize the significance of ineradicable points on customer experience in 1998. Furthering this path, Schmitt (in Lemon & Verhoef 2016, 82) clarifies customer experience management as a process that the company manages the holistic experience between customers and the company’s product. In customer experience management in Schmitt’s framework, the customers’ touchpoints are not noticeable. To argue with that, Rawson, Duncan & Jones (2014, 4) state that touchpoints are important, emphasizing customer experience management across multiple touchpoints in an entire journey.

The remaining factors are not discussed in their study. However, they will be discussed more in 5.3.1.

4.4 Customer satisfaction and loyalty

Customer satisfaction happens “when a product meets or exceeds a customer’s expectations” (Gerson 1993, 7). According to Schmitt (2003, 13), satisfaction is “an outcome—oriented attitude deriving from customers who compare the performance of the product with their expectations of it”. Specifically, satisfaction or dissatisfaction is described as an individual’s subjective feeling as a result of the experience of perceptions and emotions. It connects with fulfilled or unfulfilled expectations towards a product (Wrobel & Biesok 2011, 25). Experience is completely different from satisfaction. While experience is a process—oriented, satisfaction is an outcome—oriented. Satisfaction is a result of the entire process of experience (Schmitt 2003, 15).

Satisfaction is also different from loyalty. Satisfaction is a feeling, meanwhile, loyalty is defined as a behaviour based on satisfaction and willingness to repurchase consistently and to recommend (Goldstein 2009, xi). To argue with that, Gurski (2013, 11) indicated that
customer loyalty could be examined behaviourally and psychologically. Gupta & Zeithaml (2006, in Gurski 2013, 11) referred to the loyalty – related behaviour as repurchase frequency. Nevertheless, Jacoby and Chestnut (1978, in Gurski 2013, 11) pointed out that the repeat purchase might come from the convenience or high switching costs. Regarding the psychology side, customer loyalty can be understood as customer’s intentions to behave a specific activity, such as the intention to repurchase and to recommend to others (Gurski 2013, 12). To sum up, a loyalty customer usually makes regular purchases, uses the company’s products, gives good comments and engages in its promotions (Wrobel & Biesok 2011, 29). Maintaining customer satisfaction plays an important role in bringing long – term success and profitability for the company (Wrobel & Biesok 2011, 28).

Though customer experience has been highlighted as a key element in generating satisfaction, preceding literature has not completely shown the connection between customer satisfaction and five types of customer experience (Pozza, 2014). One of the most impactful attributes of customer satisfaction is the positive emotions, which resulted from the positive experience and feeling after a purchase (Wrobel & Biesok 2011, 28). Chandra (2014, 8) also shows that emotional experience significantly influences customer satisfaction, individually or simultaneously with sensory experience. Pozza (2014), instead, argues that the five types of experience, which are sensory, affective, cognitive, physical and identity, are important elements in forming customer satisfaction. In conclusion, customer experience should be considered as one driver of customer satisfaction (Pozza, 2014).

Customer satisfaction is closely connected to customer loyalty. People believe that customer loyalty is a result of high customer satisfaction. In fact, satisfaction contributes to loyalty, yet it does not determine it (Wrobel & Biesok 2011, 8). Jones (1996) and Reichheld (1993) report that more than 60% of customers who are satisfied switch to a new brand (in Gurski 2013, 1). Furthermore, Schmitt (2003, 14) states that the model of satisfaction equals loyalty is not always working well. Instead, the experience is a factor that leads to satisfaction since it guides the company to add more values to the customers (Schmitt 2003, 15). Supporting that statement, Gurski (2003,1) shows that there are more factors contributing to customer loyalty, including customer experience.

The customers can be loyal to the organization, the brand, product category, store’s location or staffs and community around the brand. Loyal customers bring many long - term benefits for a company. They help generate profits, spread information, give advocate and recommendations, which are extremely valuable to the company’s success. Moreover, the company is able to reduce costs since acquiring a new customer is more expensive than maintaining the current one. Therefore, many companies are using strategies or methods, for
example, contest, awards, discounts or promotions for loyal customers, for retaining loyal customers. One typical method is a loyalty program, which is popular throughout the world. It not only ensures the loyalty but also provides information of purchase frequency, lifestyle, the favourite product, etc to build the customer database. Besides, loyalty is coming from not only the customers but also the company. The company’s dedication to satisfying customers can enable them to generate profits. In conclusion, loyalty is a strong relationship to which both parties, the company, and their customers, should contribute simultaneously (Wrobel & Biesok, 2011, 29-30).

All the above statements evidently support the focus in understanding and managing experience. It is crucial to clarify customers’ feeling in every touchpoint happening between companies and customers, thereby, improving companies’ products and services to provide a better experience (Rodriguez 2018). When the companies understand customers’ experience, satisfaction happens naturally (Schmitt 2003, 15), followed by consistent loyalty.

4.5 Customer journey mapping

Service design is an activity of utilizing different practical design, design research methods, design thinking, and various visualization techniques, linking them with different stakeholders’ views to develop the company’s services. The purpose of service design is to provide customer-centered solutions that make the experience logical, desired, competitive and unique for the users. One of service design frameworks that help the companies improve their ability to offer customers better serve is designing journey maps (Miettinen, 2017, 4, 27).

The concept of customer journey has been developed since the 1960s. The idea is about multiple time periods and phases in a leisure experience (Sharples, Crowther, May & Orifice, 2014, 136). Clawson and Knetisch (in Sharples & al. 2014, 136) define this phenomenon as a “multi-phasic dimension of experience”. Their research also points out that satisfaction and dissatisfaction change in each experience phase (Sharples & al. 2014, 136).

Since customer experience changes, more or less, in each phase, the journey is necessary to illustrate all the micro and macro aspects of the experience. The notion of a journey is related to multiple time periods, which visually represents all the stages in customer experience (Sharples & al, 2014, 136).

In this study, service design is utilized as a tool to find out the customers’ experience at Company X during the exhibition. The first step is to understand customers’ thinking and
feeling by using private interviews. The following step is to map experience journey, which reflects all satisfaction and dissatisfaction phases.

4.5.1 Customer behaviours

Customer experience can be conceptualized in three phases: pre-purchase, purchase and post-purchase (Lemon & Verhoef 2016, 76). Since a journey is used to map customer experience, all these phases are extremely critical to the experience design (Sharples & al, 2014, 136).

Pre-purchase is the first phase that happens before a purchase is made. It involves all the customers’ interactions with the brand, category, and environment, which are need recognition, search and consideration. (Lemon & Verhoef 2016, 76). The recognition of need happens when a customer realizes a difference between the actual state and the desired state, meaning that they need to change to be in the desired state. The next behaviour is the customer search, which can be categorized into personal or impersonal information sources (Schiffman, Kanuk & Hansen 2012, 70).

<table>
<thead>
<tr>
<th>Personal</th>
<th>Impersonal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Friends</td>
<td>Newspaper articles</td>
</tr>
<tr>
<td>Neighbours</td>
<td>Magazine articles</td>
</tr>
<tr>
<td>Relatives</td>
<td>Internal websites</td>
</tr>
<tr>
<td>Colleagues</td>
<td>Direct – mail brochures</td>
</tr>
<tr>
<td>Computer salespeople</td>
<td>Information from product advertisements</td>
</tr>
</tbody>
</table>

Figure 6. Alternative pre – purchase information sources (Schiffman & al. 2012, 73)

As shown in Figure 5, the customer can seek information from surrounding people apart from their own experience. The impersonal category includes information on an external source. Finally, during the consideration period, the customer will make a decision after evaluating the criteria of all brands they search for (Schiffman & al. 2012, 72).

The second phase is the purchase, which encompasses all the customer’s interactions with the brand and its environment during the purchase. It is characterized by behaviours, for example, choice, ordering, and payment, etc. (Lemon & Verhoef 2016, 76). There are three types of purchase that the customer can make. The first one is a trial purchase, which refers to the first time the customer purchases a product. It is considered as an explanatory approach since the customer is able to use and assess afterwards. The customer will start the repeat purchase when satisfaction is shaped. The difference between this type and the first
one is that, at the repeat purchase, the products acquire credibility, thus the customer is willing to buy it more (Schiffman & al. 2012, 72). The final type is a long-term commitment purchase, which is closely related to brand-loyalty. At this stage, the customer becomes the loyal customer (Schiffman & al. 2012, 72), as discussed in Figure 4.4.

<table>
<thead>
<tr>
<th>Environment</th>
<th>Mood</th>
<th>Behaviour</th>
</tr>
</thead>
<tbody>
<tr>
<td>Music</td>
<td>Pleasure – Displeasure</td>
<td>Time in store</td>
</tr>
<tr>
<td>Light</td>
<td>High arousal – Low arousal</td>
<td>Money spent</td>
</tr>
<tr>
<td>Temperature</td>
<td></td>
<td>Decision process</td>
</tr>
<tr>
<td>Crowd</td>
<td></td>
<td>Exploration</td>
</tr>
<tr>
<td>Odour</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 7. Retail environment, mood and behaviour (Schiffman & al. 2008, 469)

Figure 6 describes a relationship between physical environment, mood, and behaviour, suggesting that customer’s mood and surrounding factors, such as light, music, temperature, crowd and odour can lead to changes in behaviours during purchase phase (Schiffman & al. 2008, 469).

Post-purchase is the final phase, which includes all the customer’s interactions with the brand and its environment after the purchase. Several behaviours, such as consumption, reflection, evaluations, engagement, etc. usually arise in this phase. There are three possible outcomes in this phase. When the company’s performance meets expectations, it will result in a neutral feeling. Another case is when the company’s performance exceeds the expectations, it will lead to the customer’s satisfaction. On the other hands, when its performance is below the expectations, it will cause dissatisfaction. In this case, the customer can choose to complain or to seek more appropriate alternatives. In all three outcomes, customer’ experience plays an important role in evaluating whether or not the performance meets the expectations, thereby affecting the customers’ satisfaction (Schiffman & al. 2008, 470).

4.5.2 Touchpoints

A touchpoint refers to a point at which the company interacts with their customers. The touchpoints go beyond communication and sometimes are not under the company’s control. The interactions can happen in many different circumstances, for example, websites, entrance, product usage, means of communication, personnel, locations, etc (Gerritsen & Olderen, 2011, 187).
Touchpoints can influence customers’ perceptions, satisfaction, and engagement towards a company. It can lead to a positive or negative experience, thus the company needs to pay attention to every moment that the company has interaction with their customers (Gerritsen & Olderen, 2011, 187).

The touchpoints can be identified in four categories, brand-owned, partner-owned, customer-owned, and external points. Their strengths vary in each stage of a journey and they are also different in different journeys (Lemon & Verhoef 2016, 76).

Brand-owned touchpoints are brand-related interactions between a company and their customers. These touchpoints relate to elements of the marketing mix, such as price, product, promotion and other media channels, for example, advertising, website, loyalty program (Lemon & Verhoef 2016, 77). A recent study by Baxendale, Macdonald & Wilson (2015, 249) demonstrates the importance of in-store communications and advertising to brand consideration. Simultaneously, customers’ attitudes are also affected by loyalty programs, though the effects are different among different markets and customer segmentation (Dorotic & al 2012, 231).

Partner - owned touchpoints are contacts between the company and its partners with their customers. Several partners are marketing agencies, distribution partners, communication channel partners, and multivendor loyalty programs, etc. This type of touchpoints is shown to have more effects on sales than on experience. Ataman, Mela and Van Heerde (2008, in Lemon & Verhoef 2016) state that distribution channels create strong effects on the sales of the products. In some cases, the company’s partners might affect brand-owned touchpoints and vice versa. For example, a company designs an application that both works well on iOS and Android platform. However, any updates in the system might require the company’s changes in the application to ensure its function (Lemon & Verhoef 2016, 77).

Customer – owned touchpoints refer to customer actions across their journey. Those touchpoints can occur in the pre-purchase phase when customers recognize their needs and consider ways to satisfy those needs. During the purchase phase, they can be expressed when customers choose the payment methods. Finally, in the post-purchase stage, these touchpoints are customers’ reflection of the whole buying process (Lemon & Verhoef 2016, 78).

External touchpoints refer to social and surrounding effects on customers along their journey. Those effects can involve other customers, peer influences, environment, information sources, etc. Baxendale & al (2015, 249) point out that peer observation, meaning seeing
other customers, is the second influential touchpoint, and even larger than advertising touchpoint. As mentioned in 4.5.1, customers tend to search for brand information in the pre-purchase phase. Word–of–mouth, which is one type of information sources, is demonstrated to influence customers’ attitude (Baxendale & al 2015, 249). Online reviews are also shown to have an impact on customers purchasing decisions, when they are reliable enough (Constantinides & Holleschovsky 2016, 276). Preceding research states that social environment affects the sensory experience of customers (Adajani 2015, 35).

Touchpoints can also be categorised into satisfiers and dissatisfiers. Satisfiers are the good points that customers are not expecting to be included (Gerritsen & Olderen, 2011, 196). They are additional requirements that can impress customers and exceed their expectations (Smeby 2011). On the other hand, dissatisfiers are fundamental requirements that are naturally included in the package (Smeby 2011). They are also good points, yet they will not create more appreciation for the company (Gerritsen & Olderen, 2011, 196). However, dissatisfiers’ absence can make customers dissatisfied (Smeby 2011). Assuming customers are satisfied at the price–quality ratio of a catering service at one trade fair. In this case, the price-quality ratio is considered as a dissatisfier as it will not add more value to the trade fair organizer. However, if customers feel dissatisfied at the price-quality ratio, they will send a complaint and even bad reviews to the trade fairs organizer (Gerritsen & Olderen, 2011, 196).

4.6 Event as an experience

As the economy in the twentieth-first century has transformed to experience, as stated in 4.1, people are willing to pay and spend more time to have a good experience (Preston & Hoyle 2012, 12). Reading a book can generate feelings and memories. In other words, an individual’s psychology, particularly emotions and thinking, changes particularly in different context. The main idea is that an event firmly links to every aspect of lives and it happens whenever the transformation in an individual’s psychology occurs (Preston & Hoyle 2012, 13).

As discussed in 4.1, Pine & Gilmore (1998, 102) refers to the experience as an event using the products as stage and goods as props. Later on, Getz (2007, 414) state that the event involves, “conative” dimension, suggesting what the customers are doing and behaving, “affective” dimension, referring to their emotions, moods and attitudes and “cognition”, which is awareness, perception, and understanding. His definition of event experience gets along with the multidimensional view of experience (see 4.1). He also confirms that the planned event is an essential part of the experience (2007, 414).
Besides, the event also has three phases as experience. Firstly, it exposes to the customer’s sensory impressions. Then, similar to types of experience in 4.2, the customers can utilize all five senses to undergo all sort of activities. They can choose to participate either actively or passively and be either absorbed or immersed in the event. Those impressions result in an emotion. Finally, the customer can reflect the event as pleasant or terrible. In such cases, “the event as a whole has become an experience” (Gerritsen & Olderen, 2011, 44).
5 Research process

This chapter contains the general information of the case event and finalizes the discussion of research method, process, and results based on the theoretical framework.

5.1 Introduction to the case event: Exhibition X

Exhibition X, organized by Company X and one artist, explores the story of building details in Helsinki. These building details are based on Finnish tales and though they have lasted for 100 years, those images have something fresh. The artist used ink brush techniques, which have been endured for thousands of years as well. The exhibition started on 28.09 and ended on 27.10 (Company X).

Since Company X’s main focus is food and drink, most customers come there to experience their offerings. In other words, Company X’s social environment, products, and services are their main requirements that are expected to be in the entire package.

5.2 Research method

The qualitative research was utilized to collect data from customers. It is known as an social science research that enables the researcher to conduct in-depth studies about broad topics (Yin 2011, 6). Qualitative research involves working, collecting and interpreting non-numeric data to understand targeted populations’ perceptions. A variety of this methods are observation, in-depth interviews, ethnographic observations, etc. (Crossman 2018)

To be more specific, the in-depth interview was the first method conducted to collect data in order to find the answers to the research questions mentioned above. The reason for selecting interviews was, first of all, to understand deeply customers’ feelings and thinking about Company X’s offerings. The second reason was to uncover distinctive details that created values for Company X. The customers who visited Company X during October were randomly requested for the interviews and there were four of them agreed to participate. Each interview was conducted based mainly on the individual’s own story that captured their feelings, understandings towards Company X. The interviewer’s participation was minimized to enable the interviewees to dig into their own stories and to pick out remarkable interactions between them and Company X. Besides, the thesis writer prepared a list of guiding questions (Appendix 1) to support the customers when they were stuck describing their ideas. Each interview lasted for 30 minutes.
Furthermore, the thesis writer utilized observations as the second method. They were unstructured observations, which aimed to note customers’ behaviours, expressions and responses to the staffs to support the discussion on the final results. They were conducted on the opening date of the exhibition 28.09.

As mentioned above, each interview explores a customer’s own story, which is similar to the customer journey. They both contain a complex process with multiple emotions (Catalanotto, D. 2017). As a consequence, the thesis writer decided to illustrate each story with a customer journey map using a narrative representation. As customers underwent the same phases and similar activities, the common framework was built based on that. It has three stages, pre – purchase, purchase, and post – purchase, following the theoretical framework and the information given in those service stories.

5.3 Results and discussion

This subchapter contains the result of four interviews and discussion on those results. The result is divided into two sections, customer journey map, and touchpoints, following the theoretical framework in 4.3, 4.4 and 4.5.

5.3.1 Customer journey map

Most of the people coming on an opening day were the artist’ relatives and acquaintances. They were in different ages and obviously, they had a connection with the artist as well as the exhibition. They were all warmly welcomed and the shop’s owners instructed them where to hang their coats. Some of them, who came earlier, went straight to the coat rack, yet those who were late, did not go since they did not want to interrupt the conversation. They chose a big table with a long sofa in front of the front door. All of them ordered tea and cake since their needs for dinner was not high. Another explanation is that they would like to entirely focus on the discussion rather than having dinner. They stayed there for one hour, discussing and talking. Only one visitor said that she liked the lotus tea and would like to drink more. In general, all of them looked happy with the Café’s offerings.

Besides, there was one guest coming there alone and did not know about the exhibition. It was also the first time he has been to Company X. He wanted to have a cup of coffee and something sweet. He did not participate in the exhibition during his time staying at Company X. He did not feel bothered by the crowd from the other side as well. He focused on his coffee and cake and he did not go around to take a look at the drawings. Overall, he could be satisfied with the coffee shop’s offerings, yet the exhibition did not impress him at all.
After the interviews, each customer journey was mapped based on touchpoints that customers had indicated. Each map involves three stages and customer behaviours as stated in 4.5.1.

Figure 7 shows the first interviewee’s journey at Company X. During the pre – purchase, company X was recommended to him by his friends. He mentioned his interest in Vietnamese cuisine, yet he had never heard of Company X before. His consideration was quite fast as he trusted his friend’s recommendations and desired to “try new experience”.

During the purchase phase, firstly, he was impressed by the Company X’s environment, that was “cosy”, “nice decorations” and “quiet and peaceful”. Specifically, the interior design, as he said, “closely linked with the local area”, the temperature was warm enough and the ambience was fresh. The staffs were nice and friendly as they greeted and smiled at him when he walked inside. He came on a crowded day of the shop, thus he had to wait in line for around five minutes. After that, he was told to go straight to a table and to wait for them to bring him a menu. He noticed that the tablecloth was not clean, which bothered him slightly. It took around ten more minutes for the staffs to take his order. He was unsatisfied since he was extremely hungry. The price of noodle soup on that day was €15.9, which he thought that was “not a competitive price” compared to other places. However, he was satisfied with the food quality, which he thought could make up for the previous dissatisfaction. Another complement he gave was “hospitable attitude”, and that “they carefully explained to me how to use the sauce”. Regarding the exhibition, he did not know about it, he guessed the drawings on the walls were their decorations. He suggested that the drawings should be covered by a frame or added several indications to let people know they are not decorations. He also took a look at their drink menu but he did not find special or unique coffee. He then concluded that the Company X should create their uniqueness to differentiate themselves from other competitors by citing several unique coffee shops in Helsinki.

During his post – purchase phase, he evaluated his experience at Company X that day was not fully satisfied, yet above the baseline. He would prefer to go to a nearer place with much
affordable price since he did not find out the uniqueness of Company X. However, he said that he might come back to try their cakes since it looked attractive to him.

As stated in 4.3, there are several determinants of experience. Throughout the first journey, it can be concluded that the social environment, assortment, retail atmosphere, and price literally affect the customer’s experience. Specifically, the social environment, which involves another customer's payment process, and the assortment, which are the variety and uniqueness, and the price affect the cognitive and affective experience. The retail atmosphere, which includes atmosphere, decorations, ambience, peace and quiet, influence the sensory and affective experience. All the determinants are moderated by his attitude towards quality. Though there are several negative feelings during his journey, the overall experience is above the baseline.

Figure 9. The second customer journey map

Since the second and the third interviewee went together, they were interviewed concurrently. Their results showed similarities, thus their journeys were added as one (Figure 8). During their pre-purchase phase, they were seeking a place to have lunch since they did not meet with each other for a long time. Company X was recommended to them by their mutual friends, and because they were also interested in Asian cuisine, they chose to come here. They did not look for Company X on the Internet, moreover, they had never seen any advertisements or promotion of Company X on online channels before. They did not expect that their experience would be good since they thought that Company X was similar to many Vietnamese restaurants they had been to.

Their purchase phase had a fluent progress. Similar to the first interviewee, they were impressed by the cosy and peaceful atmosphere once they came inside. The staffs were “hospitable since they asked us whether we would like to be served in English or Finnish”. Because they came there on a day when the customers’ flow was not high, they did not have to wait in a queue. The order and payment were smoothly done. The food quality was also fine for them. One of them also mentioned that Company X’s location is more convenient for him than other places. He also said “With the price of €11,9, we could have a bow of
salad, noodle soup, and bread, which is really good" and “I like their combination of Finnish and Asian features”. Furthermore, he stressed on the fresh ambience, which "was not the same as in other Asian restaurants", meaning “the ambience was fresh, there was no heat or food odour coming out from the kitchen” and “it was not so crowded and people did not talk so loudly”. The other interviewee added their instrumental music help relaxing his mood, which was also “different trait from other Asian restaurants”. They both agreed that Company X’s design and decorations were nice combinations between Helsinki and Asia. However, they did not recognize the on-going exhibition. Similar to the first interviewee, they thought that “there should be indications, for example, frame, label, banners or posters to let people know about the exhibition,”.

During the final phase, they both agreed that they were satisfied with the coffee shop’s offerings. One even mentioned that the experience that day exceeded his expectations. They both confirmed that they would definitely go there again with friends thanks to the cosy atmosphere. However, when they knew that Company X only opened from 10 am to 6 pm, they were slightly dissatisfied.

Throughout the second journey, both customers are influenced by the retail atmosphere, price, and assortment. Among all, the retail atmosphere seems to be the most influential one since both of them emphasize their impression of cosy atmosphere, fresh ambience, peace and quiet, nice decorations, and music. This determinant definitely affects their cognitive, sensory and affective experience. The price, which they think affordable, affects their cognitive and affective experience. The assortment, which refers to the unique combinations between Finland and Vietnamese culture, has an effect on their senses and thinking.

![Customer Journey Map](image)

**Figure 10. The third customer journey map**

Figure 9 indicates the last interviewee’s journey. In his pre – purchase stage, he explained that he missed noodle soup and he wanted to fulfill this need instantly. He knew about Company X a long time ago through an event organized there, still, he had no chance to try
their food or drink. After that, he had never seen any information, advertisements or promotions from Company X. This time, one of his friend recommended him to visit there, so he decided to go.

His purchase stage was similar to the second and third interviewee’s journey, started with the impression on the fresh ambience and cosy atmosphere. He did not have to be in the queue and his order, as well as payment, were done well. He mentioned that his table was located in front of the cashier. Though he said the table itself was fine and comfortable, he merely did not like the feeling of sitting in front of the cashier. Because all the tables were taken, he had no choice but sitting there. He thought that the coffee shop was well – organized, yet he believed that if they arrange several tables and chairs, they could create more spaces. For example, a long sofa with a low table was only comfortable for customers who came there for coffee. For those who came there to eat, they had to hold the bowl in their hands since the table was low, which he thought might be a concern. Regarding the food quality, he said: “It did not go with the price because the broth was not strong enough”. He also compared it to other brands, which were “cheaper and nearer”. The waiting time, in his opinion, was fine, yet it should be faster since “they served only salad and noodles and everything should be prepared before the guests came”. Similar to the first interviewee, he misunderstood the drawings on the walls, and he was confused about the decorations. He stated, “The art for decorating was too much, some are from Asian, some are from Finland, some are from Hawaii, etc.” He also agreed that if those paintings were from the exhibition, there should be posters, banners, advertisements or informative labels. One more thing that bothered him was the music. He said that there was no music in the restaurant or its volume might be too small to recognize.

Since he put the quality at first, his reflection on Company X was neutral, suggesting that he was not either satisfied or dissatisfied with the offerings from Company X. He explained that if he came to eat noodle soup someday, he would prefer to go to “cheaper and nearer place”, since “all of them had the same taste” and “there was no difference between Company X and other brands, except a higher price and a farther location”.

Throughout the final journey, the retail atmosphere, price, and assortment are shown to determine his experience. Similar to three interviewees, the retail atmosphere impact on his sensory, affective and cognitive experience. The price causes his divergent thinking. The assortment, which involves the differences between Company X and its rivals, affects his cognitive and affective experience. Most notably, all the determinants are moderated by his attitudes towards quality. Though most of the experience was positive, his evaluation of the entire journey was merely at the baseline due to his bad experience on quality.


5.3.2 **Touchpoints explained**

As mentioned in 4.5.2, touchpoints can influence customers’ experience, satisfaction, and loyalty. It is essential identifying touchpoints that the company owns or can impact on and those that they have no or minimal influence on for an appropriate management (Lemon & Verhoef 2016, 78). Therefore, this part discusses brand – owned and customer - owned touchpoints that Company X controls and affects directly so that they could be able to manage. The discussion on touchpoints in other categories is omitted. The below table shows all the touchpoints of the brand – owned and partner – owned categories.

<table>
<thead>
<tr>
<th>Category/Phase</th>
<th>Brand - owned</th>
<th>Partner - owned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pre - purchase</td>
<td>Online advertisements and promotions</td>
<td>Social media channels</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Review pages</td>
</tr>
<tr>
<td>Purchase</td>
<td>Atmosphere</td>
<td>Exhibition’s indicators</td>
</tr>
<tr>
<td></td>
<td>Ambience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Customer service</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Table</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Price – quality ratio</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Decorations</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Waiting time</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Music</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Exhibition’s indicators</td>
<td></td>
</tr>
<tr>
<td>Post - purchase</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 11. The brand – owned and partner – owned touchpoints

Online advertisements and promotions can be considered a satisfier. Both of them are strategic tools to enhance the company’s presence, to make their brand appealing to customers and to gain more loyal customers. On customers’ point of views, they play important roles in motivating them to come to a specific store. Since Company X is a start-up, raising brand awareness is one of their main targets. However, based on the information given by the interviewees, none of them had seen Company X via online or other channels before their visits. It is relatively difficult for customers to follow or engage if they are not aware of the brand’s presence. Therefore, the ineffectiveness online advertisements and promotions can be concluded as one of Company X’s weaknesses.

The atmosphere and ambience are positive touchpoints that Company X created. All the interviewees complimented the Café on cosy, peace and quiet atmosphere as well as fresh ambience. It also includes the non-existence of food odour, which is inevitable for several
small cafés or restaurants. Those traits are considered satisfiers, which make customers more satisfied and impact on their decision whether to visit a restaurant or not. To sum up, they are satisfactory points that Company X should develop to attract more customers.

Similar to the atmosphere and ambience, customer service is also a positive touchpoint. Company X’s staffs are commented to be friendly and hospitable. However, employees’ hospitality is a fundamental requirement in every business. Therefore, it is considered a dissatisfier. As indicated in 4.5.2, dissatisfier can become counterproductive when the interaction is not handled well. Therefore, one of the prerequisites is to maintain good customer service in every situation.

Tables’ cleanliness and comfortability are must-have requirements for every company in the food and drink industry, thus this touchpoint is a dissatisfier. As stated in the interviews in 5.3.1, the tablecloth was not clean and the table was not well-arranged, causing a negative experience for customers. It can be concluded that they are Company X’s shortcomings that need to be improved in the future.

The price – quality ratio is also a dissatisfier since it is a primary offering of Company X. If the price is not balanced with the quality, it can lead to dissatisfaction and possible bad reviews. From the data collected, two interviewees were not completely satisfied with the quality. They would prefer to go to different restaurants that have the same taste and more competitive price. In other words, customers are not persuaded by Company X’s price – quality ratio and they are willing to switch to another brand. It brings about a significant disadvantage for Company X, that is, a decrease in customer base. It would be more beneficial for Company X to either improve their quality or adjust their pricing strategy in a way that ensures the equality.

Decorations are necessary for all café and restaurants, thus it is a dissatisfier. While one interviewee felt confused about them, the rest thought they were meaningful. It could be understandable as the attitude towards decorations differs between two individuals. As long as the decorations connect with the social environment as well as the business idea that Company X pursues and contain appropriate content, they will not become a negative experience for customers. In fact, the confusion did not affect much on the interviewee’s overall experience. As a consequence, it is not a huge concern for Company X.

An acceptable waiting time is, obviously, a dissatisfier since it comes from a primary demand of customers, reducing hunger. In other words, the waiting time of restaurants or Café is expected not to exceed customers’ patient. In Company X’s case, this touchpoint
was not controlled well, which caused a negative experience, leading to a dissatisfaction. If Company X does not improve it, it will definitely create a huge disadvantage for them.

Music is considered a satisfier as it is not popular in many restaurants. It is expected to be additional features that might increase customers' satisfaction. Based on the data collected, music was not managed well at Company X. While one interviewee praised the relaxing music, another complained that there was no music. This touchpoint also needs to be taken into consideration.

The exhibition is a satisfier since it is a additional offering that represents Company X’s business idea. It is a unique trait of Company X, that distinguishes themselves from their rivals. However, all the interviewees visited the Café without precognizing the ongoing exhibition, thus its importance was not clarified across four journeys. There was merely one touchpoint, the exhibition’s indicators, mentioned by all the interviewees. They could also be categorized into partner – owned touchpoints (Figure 11) as there should be an agreement between the artist and the host on how to amplify the exhibition. This touchpoint was not executed effectively because none of the interviewees learned that the drawings belonged to the exhibition. Overall, it would bring more benefits if both the Café and the artist pay full attention to the event promotion.

In addition to the brand – owned touchpoints that Company X has a direct influence on, there is several partner – owned touchpoints that Company X is able to control. They are social media channels, for example, Facebook or Instagram and review pages, such as TripAdvisor. Those touchpoints are closely connected with the Café’s online presence. From the results of four interviews, it can be stated that Company X has not conducted effective branding via online channels. Therefore, it would be more advantageous for Company X to enhance their online presence. Firstly, it helps approach more potential customers. Secondly, it would be a fast and convenient tool to spread promotions to customers. Finally, only by increasing their customer base, can Company X receive more reviews from customers on social pages. Besides, they can consider making a partnership with delivery services such as Foodora or Wolt and online table booking website, for example, tableonline.fi to provide a different experience to customers. In conclusion, as a first step, Company X should figure out how to strengthen their existence on online channels, thereby connecting with customers more efficiently and retaining a long lasting relationship with customers.
Figure 12. Effective and ineffective satisfiers and dissatisfiers

The above figure displays all the effective and ineffective satisfiers and dissatisfiers. The left side shows the effective satisfiers and dissatisfiers while the right side shows the ineffective ones. As mentioned above, all the interviewees agreed that atmosphere, ambience and customer service were interactions that had satisfied them and exceeded their expectation. Though the Café’s decorations confused one interviewee, it did not create a negative feeling or any dissatisfaction. Therefore, this touchpoint is listed in the effective side.

On the ineffective touchpoints side, it is critical for Company X to gain an insight into those touchpoints, particularly ineffective dissatisfiers. As all the interviews have found out that negative feelings came mainly from ineffective dissatisfiers, which are the inappropriate arrangement of tables, the cleanliness of tablecloth, the imbalance in price – quality ratio and long waiting time. They are also main factors that lead to dissatisfaction across all the journeys. Therefore, before considering improving ineffective satisfiers, Company X would perfect their dissatisfiers. They are fundamental requirements, that if Company X handles carelessly, will result in most likely dissatisfaction and complaint. Regarding ineffective satisfiers, Company X can make their customers satisfied without their existence. However, they also need to be improved if Company X would like to impress customers, create a more memorable experience and exceed customers’ expectation.

Based on the data analysed, the outcome of the study is finalized. It includes Company X’s value creators and shortcomings, as shown in Figure 13. Their value creators include cosy, peace and quiet atmosphere, fresh ambience, and hospitable customer service. On the other hand, the weaknesses contain ineffective dissatisfiers explained above, such as unequal price – quality ratio, the inappropriate arrangement of tables, long waiting time and lack of online presence. Company X’s lack of online presence consists of not only their
presence on social media channels and review pages but also the advertisements and promotions that can be done across those means of communication. In other words, Company X’s weakness is also their ineffectiveness communication with their customers.

<table>
<thead>
<tr>
<th>Value creators</th>
<th>Shortcomings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cosy, peace and quiet atmosphere</td>
<td>Unequal price – quality ratio</td>
</tr>
<tr>
<td>Fresh ambience</td>
<td>Inappropriate arrangement of tables</td>
</tr>
<tr>
<td>Friendly and hospitable customer service</td>
<td>Long waiting time</td>
</tr>
<tr>
<td></td>
<td>Lack of online presence</td>
</tr>
</tbody>
</table>

Figure 12. Value creators and weaknesses of Company X

In conclusion, the thesis writer suggested that Company X take their weaknesses into consideration to improve their offerings and deliver a better experience to customers.
6 Summary and conclusion

This chapter covers recommendations for both the commissioner and possible research in the future. It also contains the reflection of the thesis writer on the writing process as well as own learning.

6.1 Recommendations

The recommendation of this study is divided into two sections, one targets to the commissioner and the other presents possible future research on how to develop and expand the topic.

6.1.1 For the commissioner

As stated in 3.3, the event can be utilized as a strategic marketing tool to evoke sensations and emotions from customers. Most notably, marketing through events focuses on the relationship with customers in a way that creates positive feelings and memorable experience. In the company X’s case, as mentioned in the vision and mission part, they did not aim to employ the event as a marketing tool at the first place. However, it would be more beneficial for the company if they adopt the event as a communication tool to spread their unique business concept to customers. In SWOT analysis, it is stated that they have a distinctive category of homemade and special coffee. Nevertheless, two of the interviewees indicated that they did not discover the Café’s uniqueness, pointing to the fact of their unsuccessful attempt to communicate with customers. The event, in this case, is an ideal opportunity for Company X to showcase their products, to introduce their unique traits and to approach more customers. Furthermore, as mentioned in 4.6, the event is considered an experience. Therefore, it would bring more benefits if Company X pay a full attention to every event they have organized, in a way that generates a memorable experience.

Through the analysis of four customers in Chapter 5, Company X can see their company from customers’ perspective, thereby understanding which touchpoints have a positive impact on customers’ experience. As discussed in 5.2.2, cosy, peace and quiet atmosphere, fresh ambience and hospitable customer service are the value creators for Company X. Indeed, they evoke pleasing emotions and memorable experience that result in a satisfaction and possibly engagement in the future. They are competitive advantages that distinguish Company X from their competitors.

On the contrary, the exhibition has not shown an influence on customer experience. One reason might be the four customers did not intentionally go there because of the exhibition.
The other reason could link to the online presence of Company X that is mentioned in 5.2.2. As the customers become more and more powerful, retaining them is a challenging task for every company. Company X might design special promotion or offer to customers on social media channels. They might also organize several small contests to raise their brand awareness. It would bring more benefits for Company X if they build their website as soon as possible since it is one channel that, apart from Facebook and Instagram, would impress the customers the most and provide accurate information that customers want to look for. Thanks to the establishment of the website, they might conduct several email marketing campaign effectively and efficiently. Besides, Company X might adopt a loyalty program to maintain relationships with customers surrounding their company. It also encourages customers, who hesitate to go to their place, to make decisions faster and easier in several cases. In conclusion, the thesis writer suggests that Company X might consider enhancing their presence throughout online channels, particularly social media channels. It is an approach to attract potential customers’ attention, to emphasize their specialities, to retain current customers and to inform them of events organized at their company.

6.1.2 For future research

The study is able to answer three out of four research questions declared at the beginning. The determinants of experience has been analysed in 4.3 and 5.3. The interactions which were represented by touchpoints were classified into effective and ineffective categories. All of them has been examined to discover the final outcomes, which are the value creators and weaknesses of Company X. Unfortunately, the impact of the exhibition on customer experience is not clarified. The reason might come from the selection of interviewees, Company X’s lack of online presence and promotions for the exhibition.

Furthermore, there are shortcomings that need to be improved in future research. First of all, the customers who came to interviews do have the background of art and they did not intentionally come there because of the exhibition. Therefore, their perspectives are merely normal feedbacks on products and services. It would be better if there are multiple views from different perspectives. As a result, the customer experience will be clarified effectively. Secondly, all the customers came to Company X thanks to friends’ recommendations. Therefore, their experience during the pre – purchase phase was not clearly examined. It would be better if there are customers who follow the pre – purchase phase step by step. For example, they might be resident or workers who live and work near Company X. They might search for the basic Information, reviews and feedbacks of Company X, then think of other alternatives and finally make the decision. Other circumstances are visitors who read the online reviews and choose to go there or customers who visit intentionally because of
the exhibition, etc. It would create a broader view of the customer’s experience during pre-purchase phase. Based on that, there should be an appropriate suggestion for Company X on how to develop their indirect interaction with the customers.

6.2 Personal learning

The thesis offered me a great opportunity to expand my knowledge as well as my skills. I have gained a new perspective on the experience economy, in which the customers’ experience is put in the center of the company’s business activities. Providing customers with unique experience might be easy to suggest, yet it requires much effort to do the research, to interpret data and to design a framework that provides a positive experience. However, it is an extremely important step to distinguish the company from its rivals. In fact, the study, particularly the theory supported what I did during my previous internship in the car industry. We designed events, along with exciting experience exclusively for children, women and loyal customers. It obviously resulted in satisfaction and much engagement in the future. Throughout the study, I could be able to take back old examples, view them differently and entirely understand the importance of designing a memorable experience.

Though the study is research-based, I was able to conduct four interviews with the customers. I was motivated witnessing my improvements across all of them. I have learned how to put myself in customers’ situation to understand their viewpoints, how to evoke their experience and emotions without talking too much and how to handle the silence, which sometimes seems awkward for both parties. Overall, I believe that I achieve my own learning objective I have mentioned at the beginning of this study.

Nevertheless, there are some difficulties while I am doing this thesis. First of all, I had to change the topic when I was about halfway through the study. It created several difficulties, yet the effect on the final result is minor. Secondly, due to a misunderstanding of information related to graduation, I did not prepare a clear timeline for the thesis in the beginning. What I would do differently is to clarify the information or ask for understandable pieces of advice, after that, to arrange an appropriate schedule. The good point was that I managed to follow the timeline suggested.
References


Appendices

Appendix 1. List of guiding questions

1. Can you introduce a little bit about yourself?
   a. Are you studying or working?
   b. Are you living in Helsinki or other cities?
   c. Is your background related to art?
2. Have you been to Company X before?
   a. If yes, then what makes you like most at Company X? And what you think they need to improve to offer a better service?
   b. If no, continue to question 3.
3. What did you come here today for? (food/drink/cake or anything else?)
4. How do you know about Company X?
   a. At the point you were recommended, what was your expectation for Fly Fusion?
5. Do you drive car or use public transportation today? If you use a car, then was it difficult for you to find a parking lot?
6. What was your first impression on the Café?
   a. How about ambience? (warm or cold)
   b. How about aroma?
   c. How about atmosphere? (peaceful or loud)
   d. How about their greeting? (nice or fake)
7. Did you need to wait in a queue to order? Did it bother you?
8. How did they take your order?
   a. Is the menu informative and attractive to you?
   b. How did they answer your questions? (polite or not)
   c. Did they do politely?
   d. Were they friendly and nice to you?
9. How about your payment? Was it convenient and fast? Was there any problem happened? How did they solve that problem? Were you satisfied with the solution, why or why not?
10. How do you think about your table?
    a. Is the path narrowed or wide enough for you?
    b. Is the table comfortable for you?
    c. How do you think about their design and decorations? (well-designed, well-arranged, well-decorated, modern, etc)
    d. Is the temperature inside the Café too hot or too cold for you?
11. How about your food/drink quality today?
a. How about your waiting time? (long or enough)
b. Are you satisfied with the quality?
c. If not, is there anything needs to be improved?

12. Do you know that there is an exhibition today at Company X?
   a. If yes, go to question 13
   b. If no, go to question 14

13. How do you know about Exhibition X?

14. How do you feel about the Exhibition’s content?
   a. Is it interesting to you?
   b. Have you seen any building details before?
   c. Is it related to your experience before?

15. How do you feel about the Exhibition’s atmosphere?
   a. Quiet or uproarious?

16. How different is the exhibition at Café and in museum/art gallery?

17. How do you think about Company X as an venue for exhibition?
   a. Does it create a new and interesting experience for you?
   b. Is that one of their strengths?
   c. Anything good?
   d. Anything needs to be considered in the future?

18. How do you think about your experience today?
   a. Does it meet up with your expectations before?
### Appendix 2. Classification of all touchpoints

<table>
<thead>
<tr>
<th>Phases/Touchpoints</th>
<th>Pre - purchase</th>
<th>Purchase</th>
<th>Post - purchase</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand – owned</strong></td>
<td>Online presence</td>
<td>Cosy atmosphere&lt;br&gt;Fresh ambience&lt;br&gt;Peace and quiet&lt;br&gt;Nice, friendly and hospitable staffs&lt;br&gt;Table cloth&lt;br&gt;Price&lt;br&gt;Quality&lt;br&gt;Decorations&lt;br&gt;Music&lt;br&gt;Exhibition’s indicators</td>
<td></td>
</tr>
<tr>
<td><strong>Customer – owned</strong></td>
<td>Information seeking</td>
<td></td>
<td>Recommendations&lt;br&gt;Reviews&lt;br&gt;Word – of - mouth&lt;br&gt;Engagement</td>
</tr>
<tr>
<td><strong>Partner – owned</strong></td>
<td>Social media channels&lt;br&gt;Review pages</td>
<td>Exhibition’s indicators</td>
<td></td>
</tr>
<tr>
<td><strong>External</strong></td>
<td>Friends’ recommendations</td>
<td>Waiting time</td>
<td></td>
</tr>
</tbody>
</table>

1 All the touchpoints were collected throughout all interviews and classified into four categories. Since the company should pay more attention to the touchpoints they have influence on, there are brand – owned and partner – owned touchpoints discussed in the study. Other categories are omitted.