Enni Peltola

MANAGING THE STRATEGICAL COMPONENTS OF CUSTOMER EXPERIENCE IN B2C CONTEXT

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Experq Oy

Supervisor

Sara Czabai-Leppänen

Abstract

Customer experience is seen as the next big industrial trend, and it has been integrated into companies' agendas and strategies. On top of the relevancy of the concept from a managerial perspective, customer experience research is also considered a top priority in marketing research. Although it is widely essential, the idea is still relevantly new: as the epistemological background was only introduced a year prior to this research.

The objective of this thesis was to combine the academic background and the expertise of customer experience professionals operating in different industries in Finland, both in the private and the public sectors. Results work as a basis for future development projects of the commissioning company Experq.

Semi-structural interviews were used to gather the information from the customer experience professionals. In conclusion, six consistent categories of the transcriptions of the recorded interviews were formed.

The main conclusion of this research is that customer experience is an individual's subjective, context-specific and spontaneous response to an offering related stimuli that occur along the customer journey. While companies cannot directly create customer experiences, companies can manage components resulting in intended customer experience. Ways to drive customer experience discussed in the interviews were done by considering internal and external factors. Various different designing tools to visualise, evaluate and analyse customer journey were used, additionally to different touchpoints. The main point was to focus resources on the relevant touchpoints, designing intentional stimuli causing a desired response, measuring and reporting, and achieving bigger goals.

Keywords

customer experience, customer experience management, customer experience measurement, customer journey, strategy

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1 INTRODUCTION

1.1 Research background

The concept of experience economy emerged already in the early 2000s (Maklan & Klaus 2011). Having a customer-centric strategy has been the new corporation mantra that has lost its edge by being constantly repeated on strategy level but not implemented to practise as companies executives have struggles implementing shareholders vision of customer experience as a strategy to operational levels of the companies (Puustinen & Saarijärvi, 2020). The market evolution is rapidly evolving and shifting away from production orientation to customer orientation (Puustinen & Saarijärvi, 2020). This has caused companies competition to shift from price competition to focus on customer needs. As companies have already differentiated by branding, personalisation and relationship marketing, offering memorable experiences seems to be the next industrial trend that gives companies a new way to determine and seek out competitive advantage (Puustinen & Saarijärvi, 2020; Grønholdt, 2015).

Although the importance of customer experience and managerial aspects of customer experience is well established, the strategical framework for implementing customer experience in practice is still in its early stages (Puustinen & Saarijärvi, 2020). Shareholders have a huge monetary incentive to invest in customer experience strategies because researchers estimate an excellent potential for revenue growth (Deloitte, 2017; Walker, 2020; PWC, 2020) and creating customer experiences can offer companies a way to differentiate and seek competitive advantages (Grønholdt, 2015). Simply said, significant value can be found where individuals experiences and organisations offerings intersect (Kalbach, 2016).

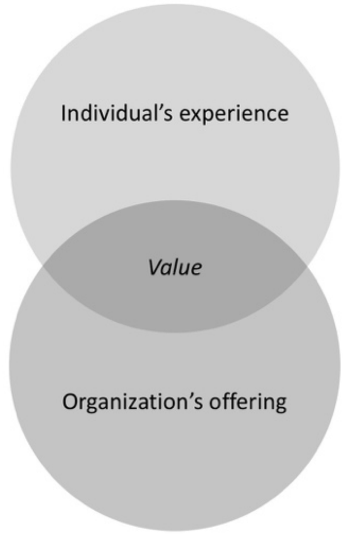

Figure 1. The intersection of an individual's experience and the organisation's offering (Kalbach, 2016).

The problem seems to be that previously introduced metrics and simple KPIs to measure customer experience cannot describe customer experience to its full extent because of the multidimensional aspects of customer experience and many provided solutions seem to leave many nuances out (Hwang & Seo 2015; Palmer 2010). On a practical example measuring customer experience with only using NPS has faced critique since it lacks an academic background, and the core idea faces few problems. It is already established that intention to recommend does not actually signify customer loyalty (Stahlkopf 2019). Also, the core idea of NPS does not acknowledge the complexity of customer behaviour by pre-assuming that customers cannot be both promotors and detractors while at the same time it is understandable that recommendation depends on the context (Stahlkopf 2019).

Hwang and Seo (2015) listed four main challenges in customer experience measuring. The first challenge is the lack of a clear definition of customer experience. The second challenge focuses on the temporal nature of customer experience and how it should be measured during the experience itself and not post-phase. The third discussed problem of measuring customer experience is its subjective trait and the irrational emotional aspects of customer experience. The fourth raised challenge states the context-specific aspect of customer experience.

The scope of how customer experience has been discussed in different literature fields has changed from narrow by focusing on a more positivist metatheoretical assumption to a broader scope with a more interpretive assumption (Becker & Jaakkola 2020). As Hwang and Seo (2015) discuss the unclear definition of customer experience other academics have noted fragmentation in the theoretical background of customer experience (Becker & Jaakkola, 2020). A more recent definition of customer experience states that it should be seen as an individual intentional and spontaneous response or reaction to a specific stimulus that's intensity can vary from weak to strong (Becker & Jaakkola 2020; Brakus 2009). The weaker responses to stimuli in the customer experience context are seen as more ordinary as more strong ones are interpreted as more extraordinary (Becker & Jaakkola 2020).

The commissioning company of this research Experq Oy was founded in 2011. Experq provides a solution for companies to measure customer experience in real-time and combine already available company data from existing information systems to new customer-driven metrics. The core idea of the company is to provide high-quality data by combining information from multiple data sources so that companies can make a-thought-out business decisions based on the best available information that is available. Experq focuses on providing highly automated solutions so that individuals do not have to spend time analysing data and creating reports but can focus on developing their businesses based on their received information. With automated reports, notifications and alerts companies can increase transparency into their processes and service quality. Transparency in organisations is seen to increase employee happiness, create better customer relationships and increase profitability (Craig 2018).

Experq gathers information directly from customers after an interaction with the company has occurred. The core idea behind this is that the memory of the experience is still fresh, and customers are then able to provide more accurate information. As the customers provide information it is combined with all available background attributes available for deeper analytics. Integration between software is created so that the signal from an occurring experience is received and questionnaires can be sent out to customers as close to the occurring event as possible.

The competition with other companies with a similar offer has intensified in recent years as some of the competitors have changed their pricing strategies with an aggressive price reduction. The new pricing strategies aim to eliminate competition from the market and that pressures Experq to invest and develop their services further. This thesis will provided a better understanding of how customer experience is currently discussed at a managerial level in Finnish companies in both the public and private sectors. By having this understanding Experq can develop their services further to meet customer needs better but it would also help Experq to create better marketing materials and improve their website as the content can be edited to meet the topics that are currently discussed among the target customers of Experq. By seeking a new market position Experq would be able to differentiate from current competitors with a new unique value proposition. Unique value proposition creates differentiation from competitors with similar offering while meeting customer needs (Figure 2). This way Experq could shift away from the tightening price competition and seek new possibilities for future growth.

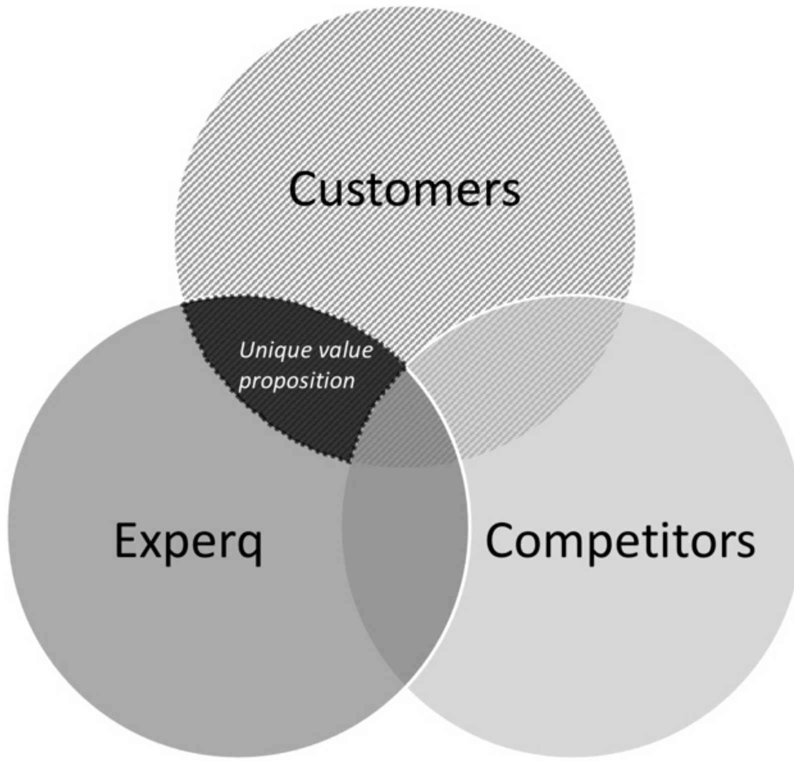

Figure 2. Unique value proposition.

Ultimately customer experience seems to be the new rising trend in business development and academics emphasise the importance of customer experience research as it is listed as the top priority for executive levels worldwide and has been labelled as one of the topmost priorities for future research topics by the Marketing science institute (De Keyser et al. 2015). Large Finnish companies have listed customer experience as one of their main focus points (Puustinen & Saarijärvi 2020) and as the Finnish and academic publications about customer experience are increasing, having an understanding of the topic provides tools to participate in an important discussion. Customers are at the very core of the larger picture in global economic discussion. When companies understand customers, demand in the general global economy increases, which increases employment, ultimately creating sustainability from the economical perspective (Puustinen & Saarijärvi 2020).

1.2 Research problem, aims, objectives, research question and scope

The research problem is composed of the fact that the managerial understanding of customer experience is still in its early stages. As the research of customer experience is still an emerging field of study (Becker & Jaakkola 2020), the understanding of the concept and its constructs in corporate settings are scattered (Puustinen & Saarijärvi 2020). While the background for customer experience and customer experience management was first discussed already decades ago (Hwang and Seo 2015) the epistemological framework of how the customer experience should be understood from an academic perspective was offered only last year with the newly published research of Becker and Jaakkola (2020). Having a better understanding of what strategical components there is in customer experience and how customer experience is managed in different companies provides an understanding of how the academic research has been adapted into practical use.

The main aim of this research is to understand how the strategical components of customer experience are managed in Finnish companies. The following questions are set as guidelines to fulfil the aim of this research. (1) What is customer experience in a B2C context? (2) What are the strategical components of customer experience? (3) How these components can be managed in Finnish companies?

The research objective is to combine the academic background and the point of view of experts operating in companies who have acknowledged the importance of customer experience and customer experience management in their company strategies.

The research question of this study is how can the strategical components of customer experience in a B2C context be managed in Finnish companies?

The scope of this research. This research focused on defining customer experience from a B2C context. Preliminary literature review stated that customer experience in B2B context is much more complex because there are many different actors that all have their unique subjective experiences but also unique journeys as well (Zolkiewski 2017). Most of the previous research also focus on customer experience in the B2C context (Saarijärvi & Puustinen 2020). This research focuses on the strategic aspect of customer experience and therefore considers the managerial view of customer experience by emphasising the aspects of customer experience that are manageable from the companies point of view.

1.3 Research methodology and limitations

The definition of qualitative research is seen difficult as it does not have its own paradigm or theory (Metsämuuronen 2000) purely. Simplified, qualitative research is everything that is left after numeric data and quantitative methods are taken out (Tuomi & Sarajärvi 2009). The data used in the qualitative research is descriptive by its nature and does not have easily quantifiable properties (Sekaran & Bougie 2014). Because the differences between qualitative and quantitative research are vastly different it is seen reasonable to put primary stress on either one research approach. As the qualitative research emphasises the objections of individuals subjective thoughts and interpretations it fits to the implication of this research. Qualitative research is seen as a virtue alternative for a research methodology when the aim is to gain understanding about natural situations that cannot be organised into a controlled experiment (Metsämuuronen 2000). This research focuses on gathering an understanding about how the strategical components of customer experience can be managed in Finnish companies. This aim requires descriptive data that is more qualitative in its nature.

This research will only focus on understanding how the strategical components of customer experience can be managed in Finnish companies and therefore the conclusions can represent the only perspective of Finnish companies. Due to the limited time resources in this research, the sample of this study is limited to five interviewees. Each individual represents a managerial view of a significant Finnish company and each company represents a different field of business. Therefore, the conclusions are able to provide valuable information for the commissioning company of this research, but this should be kept in mind when reading the conclusions. Perspectives and ideas about how the strategical components of customer experience can be managed will inevitably change as companies develop their understanding of the topic and start to seek out new ways to differentiate from their competitors.

As the epistemological background and fundamental premises to customer experience were proposed only in 2020 (Becker & Jaakkola 2020), the concept of customer experience, customer experience management and ways to measure customer experience are still rapidly evolving. As the information increases and understanding about the phenomenon develops as it becomes more studied this research will eventually be outdated. This should be kept in mind when reading this.

2 THEORETICAL BACKGROUND

2.1 Precedents of customer experience as a concept

In philosophy, experiences are said to have references and intentionality. This means that experiences are in relation to something, whether in the form of experiences “about” or experiences “of”. The philosophical approach to experience also emphasises the subjectivity of each experience. Experiences can be understood only by acknowledging that they occur only in an individualistic context (De Keyser et al. 2015). This means that while experience can occur in relation to multiple participants, the experience itself is idiosyncratic. On a similar matter, the subjectivity of customer experience is well recognised among researchers as customer experiences are related to the context that they occur in (Jaakkola & Becker 2020; De Keyser et al. 2015; Hwang & Seo 2015).

From a psychological point of view, the classic motivational principles of human behaviour channels humans to seek pleasure and avoid pain (De Keyser et al. 2015; Hwang & Seo 2015). This classical approach can be integrated into the customer experience context. By combining the same hedonistic principles, it could be argued that humans seek pleasant experiences and avoid painful experiences (De Keyser et al. 2015). The evaluation of whether the experience was pleasant or painful is either immediate or retrospective. Past experiences and anticipation of the experience are seen to have an effect on the evaluation stage (De Keyser et al. 2015). This hints that experiences have a dynamic nature meaning experiences build over time in relation to each other. In a similar matter, the dynamic nature of customer experience is widely accepted by academics as well (Jaakkola & Becker 2020; Palmer 2010; Hwang & Seo 2015).

De Keyser et al. (2015, 11) offer a psychological and a rather hedonistic approach to value. Value is suggested to operate as the motivational force of customers' evaluation stage. Value is seen as the experienced benefit as a return to the costs. Good experiences occur when the experienced benefits exceed the costs. De Keyser et al. (2015) raise an idea through logical reasoning with material implication by suggesting that if there is no experience, then there is simply nothing the customer can value. Resulting that value occurs through experience.

The sociological view of experience emphasises the social construct of human nature. The basic premise of sociology as a field of science proposes that humans are social beings. The sociological view of experience helps to understand that experiences are tied to the contextual environment to each experience occur in (De Keyser et al. 2015). In a similar matter, the social context of customer experience is widely accepted among researchers (Jaakkola & Becker 2020; De Keyser et al. 2015; Hwang & Seo 2015).

In conclusion, experiences are dynamic and subjective in their nature, while they still are tied to the social context that they occur in. Hedonistic principles help to understand that humans seek out pleasurable experiences and aim to avoid painful ones. Experience as a concept is widely discussed and investigated in different fields of science and the combination of different approaches provide a background to understand how customer experience has developed as a concept.

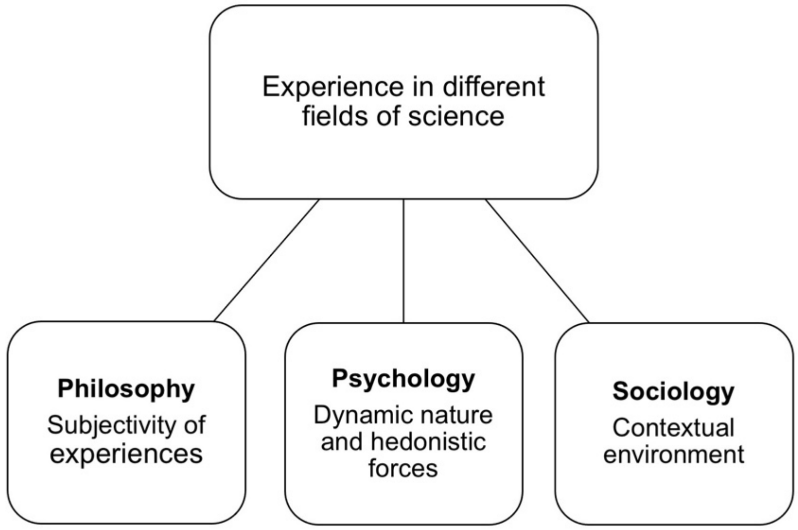

Figure 3. The combination of different approaches to experience.

2.2 Epistemological frame and premises of customer experience

In a more recent study, customer experience is seen as a response to stimuli or as a response to the consumption process (Jaakkola & Becker 2020). Jaakkola and Becker (2020) offer four fundamental premises for customer experience by setting an epistemological frame and guidelines for further research. These premises are adapted as the epistemological background of customer experience to this study as they combine multiple different points of view to the phenomenon and give a clear definition for a complex concept.

A spontaneous response to stimuli The first premise states that the customer experience is a spontaneous response to stimuli that occur along the customer journey. Customer experience can vary from ordinary to extraordinary depending on the intensity of the response. (Jaakkola & Becker 2020, 638) Responses to stimuli can be cognitive, affective, physical, sensorial and social (Jaakkola & Becker 2020; De Keyser et al. 2015; Hwang & Seo 2015). The premise highlights the importance of customer journey in customer experience definition. Customer journey also expresses the dynamic nature of customer experience as the experience occurs at a particular point in time (De Keyser et al. 2015). Customer journey is seen as the journey that customers go through with a company.

Depending on the number of different touchpoints the customer journey can vary in its complexity (Richardson 2010).

Occurring of the stimuli inside and outside of firms control The second premise states that the stimuli can occur in both the firm-controlled touchpoints or outside from companies control, either offline or online. Stimuli can occur in different aggregation levels that can be divided into four. The weakest stimuli are referred to as a cue that affects the customer experience. Touchpoints are moments in the customer journey where the customer directly or indirectly interacts with the offering. Touchpoints consist of multiple different cues. The third level, the customer journey combines different touchpoints into a continuum that combines timepoints before, during and after the actual purchase. The final aggregation level consumer journey considers the broader aspect of how consumers act in their daily lives towards their goals. (Jaakkola & Becker 2020)

Subjective and context-specific response The third premise emphasises the subjectivity of customer experience. Evaluative outcomes of experience depend on situational and socio-cultural contingencies and therefore customer experience should be seen from a context-specific and subjective manner. (Jaakkola & Becker 2020, 640) While customer experience is seen as a subjective response to offering related stimuli, the same individual can have a different response to a similar offering related stimuli in a different context (De Keyser et al. 2015). Customer experience has antecedents and consequences that help to understand the contextual aspect of it. Antecedents can be divided into internal antecedents such as an individual's socio-demographic background or past experiences and externals antecedents such as social environment, economic factors and employee characteristics, while consequences can be divided into emotional, behavioural and brand-related outcomes (Hwang & Seo 2015). Hence, customer experiences are co-shaped by both individuals and the social environment by giving the experience itself a context to occur (De Keyser et al. 2015). Contextual levels of customer experience can be divided into three levels. The first level, the micro-level focuses on the relationship between the individual and the company. At the micro-level companies control the stimuli that affect the experience formation. On a meso-level customers interact with business ecosystems where multiple different providers affect how the experience shapes. Different actors can be internal or outside of company control still shaping the experience formation. The third macro-level ties customer experience as a part of a bigger economical perspective as economic situations, laws, politics etc. have a role in customer experience formation (De Keyser et al. 2015).

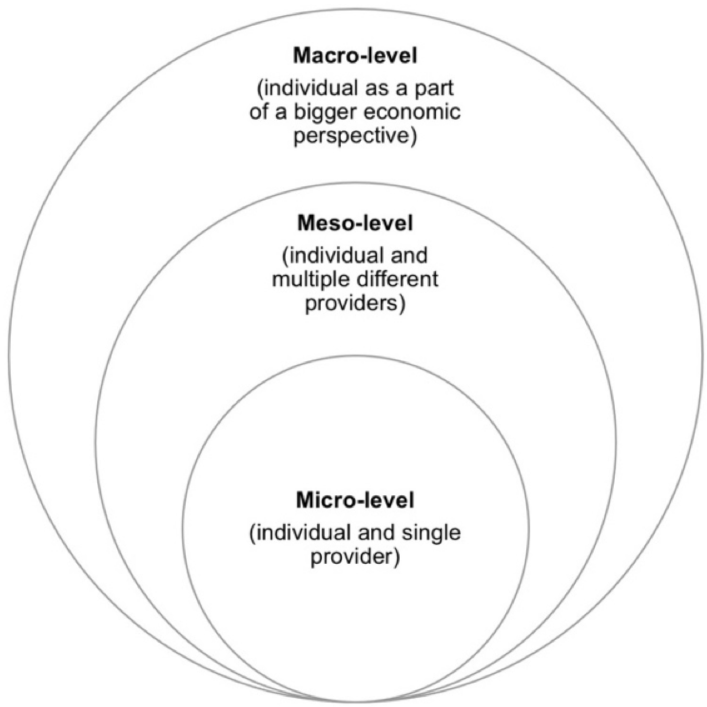

Figure 4. The contextual (De Keyser et al., 2015)

Intended customer experience The fourth premise states that companies cannot create a customer experience. The fourth premise combines the previous premises by emphasising the subjective and dynamic nature of customer experience. The fourth premise defines the strategical components of customer experience by stating that companies can define the intended customer experience, and companies can design and manage offering related stimuli that are company-controlled. Companies should focus on defining the intended customer experience rather than focus on only seeking “positive” or “memorable” experiences. Although companies cannot create customer experience, initiatives about customer experience development can be successful only when

companies analyse how customers interact with their offering and improve their relevancy to their customers (De Keyser et al. 2015).
When implementing customer experience initiatives in practice, it's important to focus on customer journey mapping and emphasise the situational and socio-cultural contingencies affecting the responses of stimuli throughout the customer journey (Jaakkola & Becker 2020).

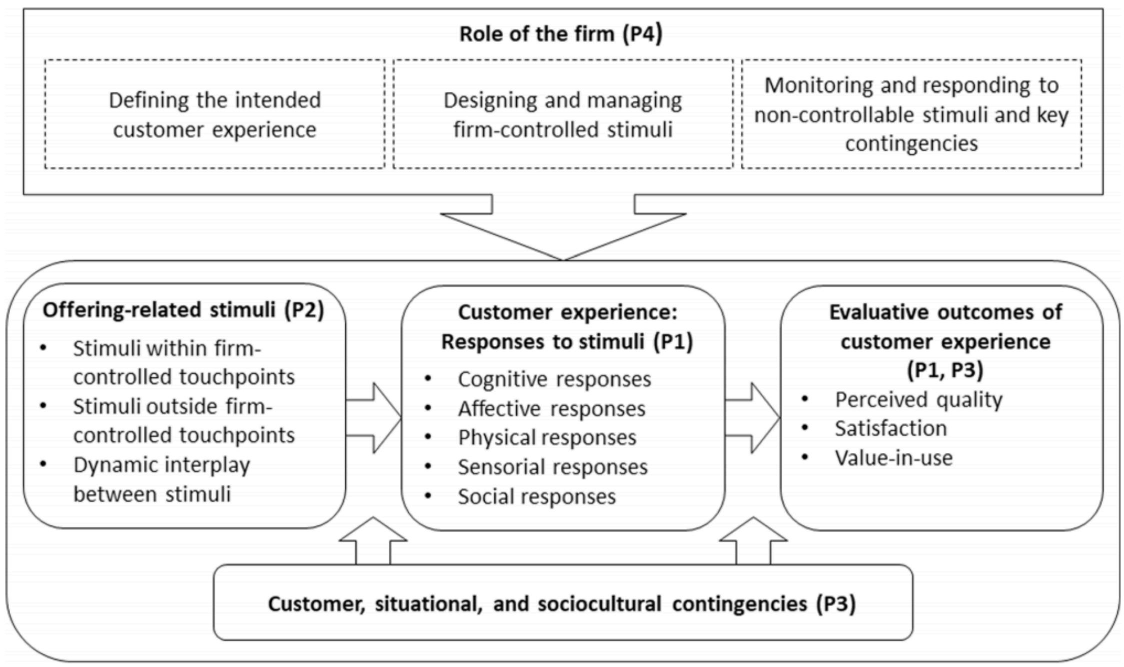

Figure 4. Four premises of customer experience (Jaakkola and Becker, 2020; p. 638).

2.3 Cyclical process

Customer experience can be seen to have characteristics of a cyclical process as well. Customers go through three stages anticipation, realisation and reflection. The cyclical process starts as an individual decides to interact with a service provider to reach a certain goal in mind. The anticipated customer experience value is simulated unconsciously in an individual's mind. The process behind the anticipation stage is limited to an individual's possibilities to analyse only a limited amount of service alternatives, limited computational skills and lack of information.

The second phase of the cyclical process, realisations occurs when the actual experience unfolds in the different stages of the customer journey. Experiences occur in different stages along the customer journey. (De Keyser et al. 2015) The actual experience is considered to be the spontaneous response to the offering related stimuli (Jaakkola & Becker 2020). Customer experience is affected by other factors during the realisation phase. During the realisation phase, customer experience can suffer interfering forces that will affect how the response to the stimuli forms or can the customer experience occur at all. Interfering forces can be in firms control (physical barriers to enter the store) or outside of firms control (bad weather).

During the final, third stage customers reflect on the value received during the experience. Customers reflect by combining information from past, present and future experiences and the reflection affect how the next anticipation stage is formed. If the goal was not received during the cyclical process individuals repeat the different phases till the goal is achieved or an individual decides to quit. (De Keyser et al. 2015)

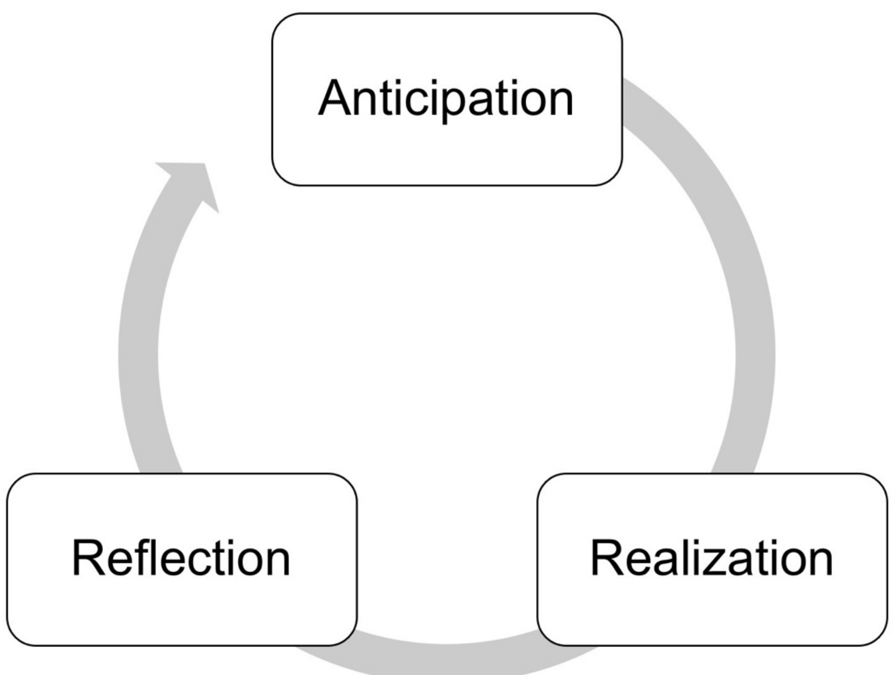

Figure 5. The cyclical process of customer experience.

2.4 Defining customer experience management

Customer experience management (CEM) is seen as a process where companies strategically manage customer's experience (Hwang & Seo 2015). Companies have a monetary incentive to invest in CEM as a unique customer experience can be a differentiating element for companies and ultimately give a competitive advantage as the more traditional elements like quality, price etc. no longer work as an adequate differentiating strategy. Research suggests a strong linkage between customer experience management and financial performance (Grønholdt et al. 2015). CEM's predecessor, customer relationship management (CRM) is argued to be an outcome-based metric and its downfalls by focusing on customer history while CEM focuses on current experiences (Hwang & Seo 2015). CRM also fails to deliver its said promises to increase profitability through customer satisfaction. In addition to the problems of customer satisfaction, creating relationships can be seen as difficult in a B2C context and it does not provide attention to customer emotional extent, although it seems to play a significant role in re-purchases (Palmer 2010).

Companies need to understand what kind of experiential values they can deliver to their customers. A holistic customer experience can acknowledge the different levels of customer experience (cognitive, affective, physical, sensorial and social) but also address the different sequential stages (pre-, during, post-process) of customer experience (Hwang & Seo 2015). After understanding the nature of experiences customers have with companies (Hwang & Seo 2015) it is important to define the intended experience rather than focus on providing only "positive" experiences (Jaakkola & Becker 2020). Intended customer experience needs to fit the internal philosophy and business concept of the company (Hwang & Seo 2015).

Co-creating customer experience with all the different stakeholders creates sustainable and life-transforming experiences (Hwang & Seo 2015) and acknowledges the situational and contextual aspects of CX (Jaakkola & Becker 2020). Companies can provide an optimal environment to experience co-creation (De Keyser et al. 2015) but not directly create a customer experience (Jaakkola & Becker 2020).

CEM can be seen to have seven different characteristics that are rational customer experience, emotional customer experience, rational and emotional capabilities of employees, customer touchpoints, top management involvement and customer insights. Two of the characteristics are directly focused on cognitive and rational aspects of customer experience (rational customer experience, employees' rational capabilities) and two directly on the emotional aspects of customer experience (emotional customer experience, employee emotional capabilities). Companies internal abilities to include all aspects of customer experience affect how CEM can be executed in practice as emotional aspects of customer experience are seen as more difficult to consider than the cognitive and rational aspects of it (Grønholdt et al. 2015). Well trained employees play a significant role in successful CEM as a good experience can be delivered only with capable employees (Hwang & Seo 2015). Still, the emotional bond of customers towards companies seems to be stronger than the cognitive one and affect future purchase decisions more strongly (Palmer 2010). All of the before mentioned seven characteristics have a positive impact on both market and financial performance and as it seems logical market performance also had a positive impact on financial performance. Companies that focus on customer experience management throughout different dimensions performed better financially than the ones that didn't focus on CEM (Grønholdt et al. 2015).

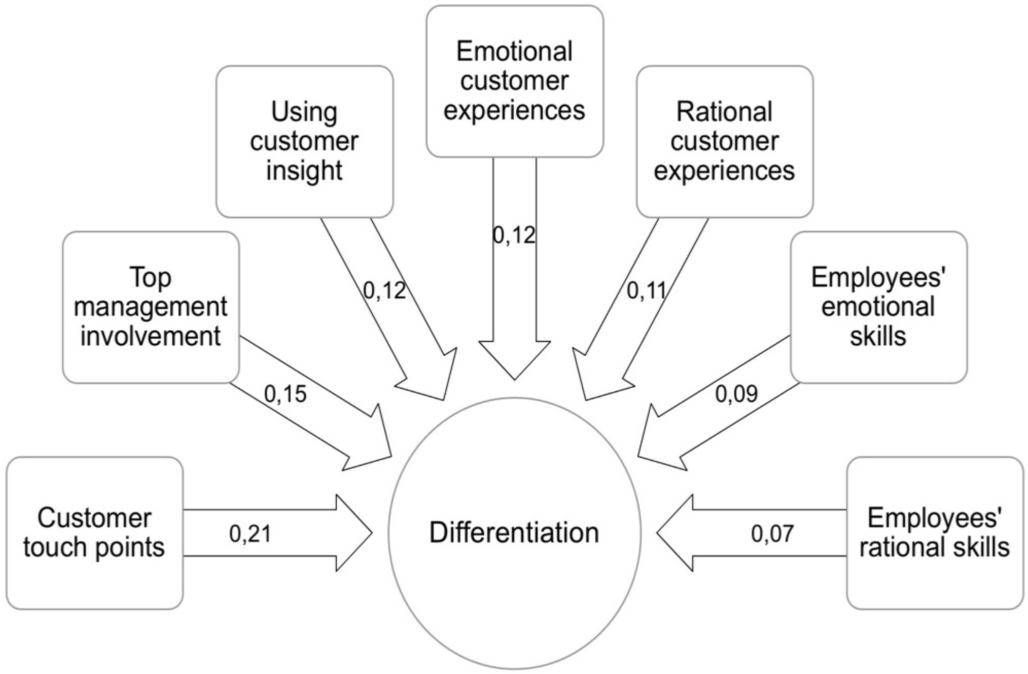

Figure 6. Impact of different CEM characteristics (Grønholdt et al., 2015).

The two most important dimensions creating differentiation throughout successful CEM that would support financial results are customer touchpoints and top management involvement. These two dimensions are responsible for over a third of the ability to create differentiation. Customer touchpoints are the most important CEM dimension. Hence, customer insights should be gathered at all the key touchpoints (Grønholdt et al. 2015).

2.5 Customer experience metrics

Companies need the information to implement customer experience focused initiatives at the operational, practical level. Managing customer experience requires data so that companies can understand the causality of different operations and can understand if new practices and investments in customer experience actually turn into desired results and increase profitability (Puustinen & Saarijärvi 2020).

When operationalising customer experience, the focus should be on spontaneous responses and reactions to offering related stimuli and rather than rely on evaluative scales. Experience measurement should focus on the most common dimensions of customer experience (cognitive, affective, physical, sensorial and social) and because of the spontaneous nature of customer experience, timing plays a key role when assessing customer experience, although many researchers rely on instruments that rely on the memory of an occurring of the participants (Jaakkola & Becker 2020). This emphasides the importance of focusing on real-time customer experience measuring solutions.

Customer experience measurement should focus on three levels. The first level focuses on providing information how was the actual customer experience. The second level focuses on providing information about how it affected customer behaviour. The third level focuses on explaining the causality of the first two into the growth and profitability of the business (Puustinen & Saarijärvi 2020).

The multi-dimensional nature of customer experience has raised challenges to measure customer experience to its full extent. Researchers have tried to develop different methodological approaches (Hwang & Seo 2015). Quality and satisfaction-based metrics favour cognitive outcomes rather than affective ones, although customer satisfaction is the more complex construct. Customer experience can be viewed as a cyclical process that constructs from three stages. Because of the dynamic nature of customer experience, metrics that focus on service quality tend to give a static view without offering a wholesome understanding of the different nuances that build up dynamically over time (Palmer 2010).

Customer attitudes can vary over time and recalling previous experiences isn't linear meaning that sometimes individuals can remember events that happened decades ago but cannot recall events that occurred a few days ago (Palmer 2010). Customer experience should be measured systematically in all of the key touchpoints (Grønholdt et al. 2015; Puustinen & Saarijärvi 2020) but metrics should still be intentional so that all the information gathered is actually used. Asking too many questions from customers can cause irritation that could have a negative effect on the experience creation. It is sometimes necessary to prioritise the different touchpoints (Puustinen & Saarijärvi 2020). When choosing customer experience metrics, it is important to also understand the validity and reliability of the metrics.

Net promoter score or NPS is a frequently used customer experience focused business metric (Stahlkopf 2019). It asks customers to evaluate the likeliness to recommend the business to a friend or colleague from a scale to 0-10. Customers are divided into three segments based on their answerers. Customers evaluating likeliness to recommend to 0-6 are seen as the detractors, 8-9 as passives and 9-10 as promoters. (Bernazzani 2017). NPS is simply calculated by subtracting the percentage of detractors from promoters, resulting a number somewhere between -100 and 100.

$$\%Promoters - \%Detractors = NPS$$

NPS has faced many critiques. Companies struggle to understand what their NPS scores truly mean since score in itself does not offer any industrial averages or means. And as humans are non-rational being recommendations can depend on situational and contextual factors. (Stahlkopf 2018)

SERVQUAL recognises multiple different dimensions but offers only little to no information on the optimal levels for each different dimension and the different weights of each component (Palmer 2020).

Future metrics of customer experience face three conceptual problems. These include the complexity of context-specific variables, non-linearity of customer experience and difficulties to identify the optimal level of experience (Palmer 2010). Like any other measurable phenomenon, customer experience should be operationalised (Palmer, 2010) but operationalisation should not focus on evaluative scales (Jaakkola & Becker 2020). Customer experience measuring should be implemented with a multi-method approach as a single metric simply cannot describe such a complex phenomenon (De Keyser et al. 2015).

On top of measuring customer experiences, different tools and methods can be used to visualise and emphasise different parts of the customer journey and customer experience. Puustinen and Saarijärvi (2020) introduce five tools that can be used to implement customer experience strategies on an operational level in organisations. These are customer journey maps, customer path phasing, design thinking, blueprinting, GAP-analysis, critical incident technique and sequential incident laddering technique.

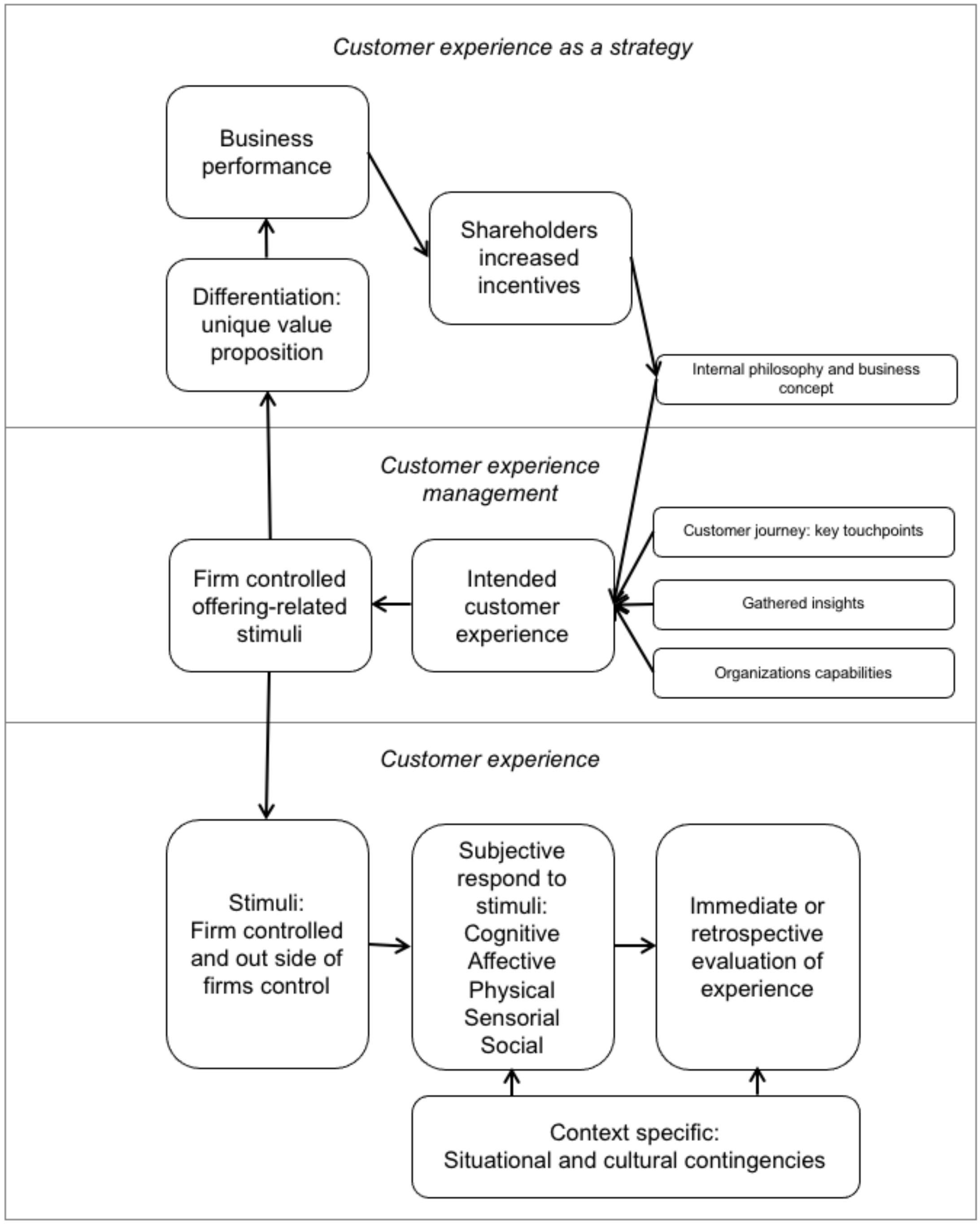

Figure 7. The theoretical framework for this research.

3 RESEARCH METHODS

3.1 Research methods

Qualitative research does not differ from the general purpose of research to understand our surrounding world better (Eskola & Suoranta 2008). Since this research was implemented to gather an understanding of how the strategical components of customer experience are managed in Finnish companies a qualitative approach was seen appropriate. The qualitative research approach specifically helps to understand reality from a social construct point of view and is interested in understanding and interpreting while the quantitative approach focuses on explaining and testing (Eriksson & Kovalainen 2016).

This research was originally designed to be implemented with a focus group discussion. The focus group was designed to be an online meeting to guarantee safety to all the participants during the Covid-19 pandemic. Recommended number of participants for a focus group was between six to twelve people and the optimal number for participants is considered eight (Quinlan 2011). In a focus group participants answers are not limited to specific options and discussion is not structured to specific questions only which opens an opportunity to gain deep insights (Quinlan 2011). The sample was also selected in a way that each participant can contribute to discussions in a meaningful way since they are experts in studied issue. The plan in this research was to bring people with previous knowledge about customer experience to discuss how it is managed in their companies. The designed focus group was going to be semi-structured, meaning that the researcher was going to present listed topics so that the focus group could focus on answering the right issues. An additional advantage for choosing a focus group was the reason that it could have produced valuable information about customer experience management to the participants as well already during the actual discussion.

After contacting a few possible participants research method needed to be changed, the contacted possible participants were interested in participating in the study but at the same time, they were worried about sharing information that is so close to the strategical issues of their companies. This raised a risk that people would have not shared all their valuable knowledge and it would have a tremendous effect on the conclusions of this study. Possibility to keep a fully anonymous focus group was also considered but was not seen as a good option as it would have been hard to protect individual’s full anonymity as the discussion might have given some hints to other participants and would have left out the possibility to use live videos during the discussion. The ability to see faces during the interview was seen as an important part of the discussion as well since human communication is largely non-verbal as well. The thesis supervisor was consulted before the decision to change the research method was made.

Interviews are seen as an efficient way to collect information (Eriksson & Kovalainen 2016). Guided semi-structural interviews are often used to answer questions about “what” and “why”. Guided semi-structural interviews can produce comprehensive and systematic answers (Eriksson & Kovalainen 2016) and it was seen as an advantage when choosing a new research method. Guided semi-structural interviews were chosen because of two reasons. Firstly, interviews provide qualitative information (Quinlan 2011; Eriksson & Kovalainen 2016) that was selected to be the appropriate research approach for this study. Since the aim was to provide an understanding of how the strategical components of customer experience are managed in Finnish companies and three questions set to fulfil this aim were qualitative in their nature, interviews were seen as a suitable option to produce primary qualitative data. Secondly, the participants' anonymity would be easier to ensure in one-to-one interviews and this would minimise the risk that participants wouldn’t share all their valuable knowledge. Ensuring a safe environment to share knowledge that can be delicate in its nature has a tremendous effect on the conclusions of the research.

Interviews can be divided into three typological categories. Positivist interviews that consist of information questions focus on studying facts. The interviewer focuses on creating a true understanding and verifies gained knowledge by asking the same questions from different participants (Eriksson & Kovalainen 2016). Positivist interviews resemble the positivist philosophical position in research as the positivist view is often seen as the aim to find the truth (Sekaran & Bougie 2014). Emotionalist interviews focus more on individual's perceptions, understanding and subjective interpretations rather than seeking facts. These two interviews types often focus on answering to "what". The third interview type, the constructionist interview focuses on the interaction between the interviewer and interviewee. Constructionist interviews often resemble everyday discussion in which the interviewer can take more or less of an active role. Constructionist interviews often are implemented to answer questions about "how" (Eriksson & Kovalainen 2016). This research focused on combining answers to both "what" and "why" as it is seen as a good way to combine different types of interview questions during the same interview (Eriksson & Kovalainen 2016).

Interviews consisted of different types of questions with the aim to produce a good understanding of the topic. The order of the questions was set so, that closed questions were only used after more open-ended ones. Having closed and structured questions first can make it harder for the interviewee to discuss more freely and using open-ended questions are seen to produce more detailed answers (Eriksson & Kovalainen 2016). The interview was designed to be simple and consist of multiple easy to understand questions rather than more complex ones. This was done so that interviewees would find it easier to answer but also know what they are answering to. This was seen important as it affects the conclusions of this research. The tone in questions was set to be neutral so that it wouldn't lead interviewees answers with any pre-assumptions. Each question was analysed whether it could embarrass or hurt the interviewees. One possible concern was that interviewees hadn't considered all the topics discussed customer experience and would cause embarrassment. For this reason, the researcher stated before the actual questions that not having an answer or telling if some factors aren't considered is valuable information for the study as well.

Each participant should have previous knowledge on the topic so they can contribute to discussions in a meaningful way (Quinlan 2011, p. 222). Sample should be purposeful to gain an understanding of the topic (Allen 2017). Outlined population for the research is customer experience professionals working in

Finnish corporations, both in the public and private sectors. Each participant was chosen so that they would be able to provide valuable information to the research from the managers perspective. In non-probability judgmental or purposive sampling each participant is chosen so that they can contribute to the research and work as a key informant on the investigated topic (Quinlan 2011). The final sample consisted of five participants that each represented a different company. The represented companies operated in social and healthcare, real-estate, media and marketing, technology and veterinary medicine. Both public and private companies were represented in the research sample. Each participant had previous expertise and previous knowledge about customer experience and worked on a manager level. All the participants worked closely on customer experience development issues in their companies.

3.2 Data collection and analysis

Data collection. Conducted guided, semi-structural interviews consisted of three themes. Themes were set in order to create a continuum from topic to topic and make it logical for the participants to discuss customer experience from a different point of view. Themes were constructed from the theoretical background of this research. Each theme also focused on providing information directly to the three questions set to fulfil the aim of this research. Because the designed interview was guided and semi-structural, secondary questions were possible to use if needed. The researcher used secondary questions like “Can you tell me more about this?” when needed and asked clarification to make sure that answer was correctly understood by asking “What do you mean with this?”.

Participants were contacted through phone or email and each participant got a short introduction to what the research is about and how and when it is implemented. After agreeing that contacted participant candidate had enough information about the investigated topic they were invited to participate in the interviews. Two participants were contacted to inform them about the change of method. Two previously contacted participants who raised their concerns about sharing information from the strategical level in focus group discussion didn’t participate in the interviews as schedules needed to be changed. After participants agreed to attend one-to-one interviews, participants received an email with a Microsoft Teams meeting invitation. The email also had a short summary of what the interview is about. Interviews were conducted between May 2021 and August 2021.

Synchronous interviews were held and recorded with Microsoft Teams. Voice over internet protocol (VoIP) technologies are viewed as an efficient and affordable manner to conduct qualitative interviews (Lo Iacono et al. 2016). Each participant gave an oral agreement before the recording was started. Because of the delicate nature of the topics discussed during the interviews, especially the strategical points of view, each participants identity is anonymised in this research. This was done so that participants would feel free to share their knowledge.

Interviews were transcribed by the researcher after each individual interview. Transcribing the records is seen as an excellent way to familiarise the data with the data. In business-related research transcribing the words is seen to be enough. (Eriksson & Kovalainen 2016) Any promises weren't made during the interviews to left remove answers or summarise some parts of the interviews. Each transcription contains only spoken words. Any observations weren't made during the interviews that could've been added to the transcriptions. Laughter and body language is seen in the recordings are left out. Transcribing interviews isn't time-efficient (Eriksson & Kovalainen 2016) but was considered to be a better alternative to capture all the valuable information rather than using summaries.

Original recordings and transcriptions of the interviews are saved in a password protected cloud service. This way information was easily accessible during the research but will protect the anonymity of the interviewees. Choosing a could base service to store the data was considered as a safe way to minimise the risk of losing the data (Eriksson & Kovalainen 2016).

Data analysis. Sections of the transcriptions were divided based on the questions asked. After dividing transcriptions each answer to the same questions was read by using the “taking off from the data” method. The method is considered to be a particular type of reading that consists of 5 steps that help researchers to understand details and create concepts that can be then linked to the research. First, the data is read through multiple times; in this case, each answer was read through. Data is skimmed through and then read line by line in-depth. The researcher then notes down anything that was considered interesting. After noting this down researcher then focuses on answering why it is interesting. This answer is noted down. After this research then focuses on opening what the noted interesting thing is about. This can be done by comparing similar situations where the similar answer could appear. Ideas are then written down. Finally, the researcher answers why they are interested in this and note down their answer. (Eriksson & Kovalainen 2016)

Qualitative coding is done to retain the data and qualitative coding needs to be done for a purpose because it is never the end result on its own (Eriksson & Kovalainen 2016). Qualitative coding was started after each answer was read through with the previously introduced reading method. Inductive coding was done by working from ground up, meaning moving from data to formatting different groups, resulting in the development of the codes from the themes. Inductive coding was selected to create original ideas about how the strategical components can be managed in real life scenario. Each note was analysed what it is about and then a category was formed or information was appointed to an already existing category (Eriksson & Kovalainen 2016). Coding was done multiple times over couple of days to ensure that the researcher could reproduce the same categories. As a result, six consistent categories were formed after data coding: internal factors, external factors, designing tools, intentional stimuli, measuring and reporting and finally set goals.

4 RESULTS

The results of this research are discussed in this chapter by following the six categories that were created through qualitative coding.

4.1 Internal factors

As it was already discussed in the theoretical chapter of this research, employees play a significant role in successful customer experience management (Hwang & Seo 2016). When companies start to implement customer experience strategies into practice, having an excellent and deep understanding of the phenomenon at the management level was seen to be one of the key factors to successful strategy implementation. Strategy implementation is seen as the process to execute the strategy (Miller 2020). It was also seen to be important for the employees to understand what they can do on a practical level to help the execution of the strategy.

Communication Communicating and increasing transparency about customer experience strategies were done through internal marketing. One practical example was an internal launch of the company's vision of what they want to aim for in terms of customer experience. The internal marketing practices were seen as a way to formalise and help to understand a wide and diverse concept from more of a practical perspective.

Cross-sectional involvement Combining the different departments in customer experience strategy implementation is important as each individual has an effect on how the customer experience actually occurs. By participating, individuals from different levels of companies' employees can have a better understanding that their work affects the customer experience created. Companies have understood that a positive working environment and internal communication among the employees has an effect on the employees who actually interact with customers. By spreading this knowledge companies have been able to increase the understanding that each employee plays a role in customer experience formation although they might not directly work with the customer. Efficient internal processes and knowledge transferring help employees who directly interact with the customers, to operate better at the customer interface level.

Training and pilots Companies have trained their employees through training programs and pilots. Pilots were also seen as a way to increase and evaluate companies' current stage in customer experience strategy implementation. Training were both held by internal experts but also by external operators who directly focused on providing know-how programs to companies. The training was kept to different levels and different departments of the companies but a lot of direct training to customer service employees was also offered.

Emotional capabilities Emotions play a huge role in customer experiences (Palmer 2010) and are an important part of successful customer experience management while at the same time it was considered to be a difficult aspect to manage (Grønholdt 2015). Employees can be trained to evaluate and consider customers emotions better with the aim to provide better customer experiences. The emotions that occur during the customers' interaction with the company might not be rational and sometimes even the customers seem to be confused by their emotions. Employees need to be ready to face different emotions but also evaluate the emotions customers might feel although they might not show them. Preparing employees who work directly with the customers gives better emotional capabilities and increases employees' own well-being, which is then directly linked to the quality of their own work. Psychologists were seen as a valuable source of expertise in this field.

Culture transformation Some of the interviewees had also noticed a negative attitude among some departments. Negative attitudes were found to be about feeling that individuals were involved in customer experience formation although they didn't feel like it's part of their job. Acknowledging and understanding negative feelings pinpointed a wider constructing development area. The company's culture combines all the valuable aspects that reflect on customer experience - focusing on successful culture transformation help to assess whether all the different aspects are considered that are linked to successful customer experience strategy implementation.

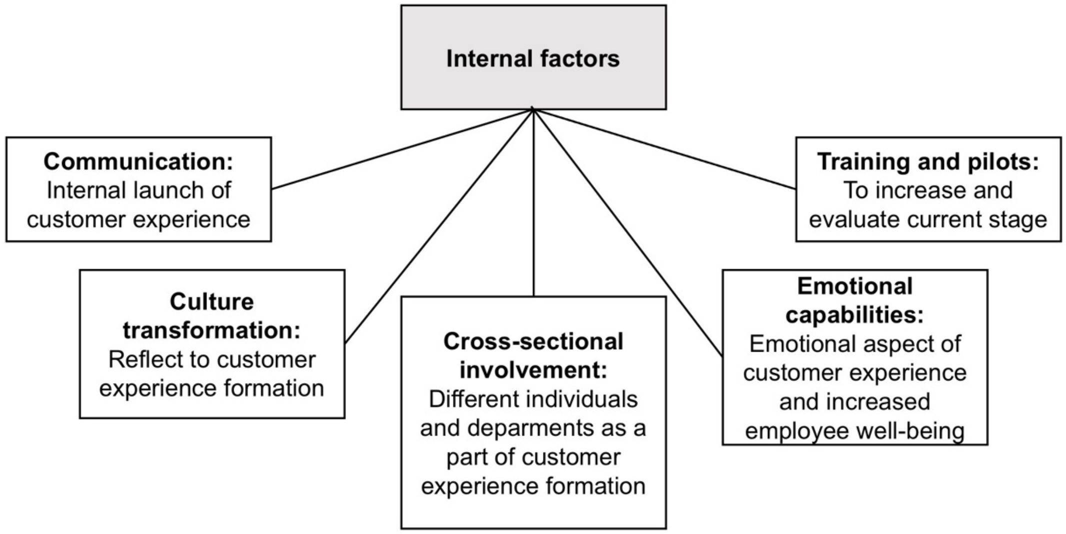

Figure 8. Internal factors in CEM in Finnish companies

4.2 External factors

Acknowledging external factors. It is already widely acknowledged in this research that external factors have a tremendous effect on customer experience. The stimuli causing a response in customers can be outside of the firms control (Becker & Jaakkola 2020). Companies have gathered information from the different external factors that occur along the customer journey. External factors that were pointed out were different sub-contractors, physical environment that is outside of firms control and interaction with the other people who change customers anticipation, expectations and feelings toward the company itself. These factors have similar characteristics that were referred to as the subjective and context-specific factors in customer experience.

Relevancy After acknowledging the external factors affecting to the customer experience, it is seen as important to evaluate the relevancy and importance of that specific factor. External factors that can be found to continuously repeat in different customer interactions were seen to be more relevant than incidental ones. Companies also focused on understanding whether these factors had a positive or negative impact on the customer experience. Evaluating relevancy companies could also use their resources better by focusing on the things that have an effect and can be adjusted.

Co-creation Relevant external factors that could be mapped out and specified were contacted to participate in customer experience co-creation. Co-creation seemed to be mostly about sharing feedback received directly from the customers. For example, sharing customer experience feedback with sub-contractors helps companies to operate together towards a mutual goal. Companies also involved external operators in discussing if they could find together new areas for customer experience development. Acknowledging and involving external operators when designing new physical environments for customer experiences was also discussed. For example, parking lots and accessibility in the buildings that operated as the physical environment for the customer experiences were noticed to have an effect on customer experience formation. In these cases, sharing information and knowledge about the possible development areas could ultimately create better functioning constructions and city designs by moving the co-creation to a macro-level where multiple different actors are viewed from a larger economic perspective (De Keyser et al. 2015).

Adaptation By adapting internal processes to external factors to create a smooth flow along the customer journey was viewed as a way to create a better customer experience. This was seen to be important, especially in cases where a systematic problem that affected customer experience was caused by an external factor. Discussed solutions, focused largely on communicating. For example, pointing out to customers the importance to use parking disk to avoid parking fines in cases where the actual traffic signs were placed poorly were seen as a simple yet effective way to create a better customer experience. Some of the processes could be automated as well. By understanding systematic problems that customers face, companies can help customers to avoid or pay attention. This way, companies can minimise the risk of external factors having a negative effect to the experience formation but also improve customers’ evaluation of the thoughtfulness of the company that they interact with.

Increasing understanding By increasing employees understanding about the external factors that customers could face along their customer journey can increase employees capabilities to understand customers better. By understanding customers better, employees can show better empathic skills that resonate on the emotional level of customer experience formation but also predict difficult situations that are on the situational and context-specific level of customer experience formation. Discussion about increasing employees' understanding focused only on the external factors that have a negative impact on customer experience formation.

Word-of-mouth (WOM) is a form of involving individuals' interest in a company into their every day-to-day dialogue (Hayes 2021). Positive WOM, for example can be seen as a customer's recommendation. Word-of-mouth whether it is positive, or negative seems to have an effect on customers anticipation about the experience and the decision to interact with a company.

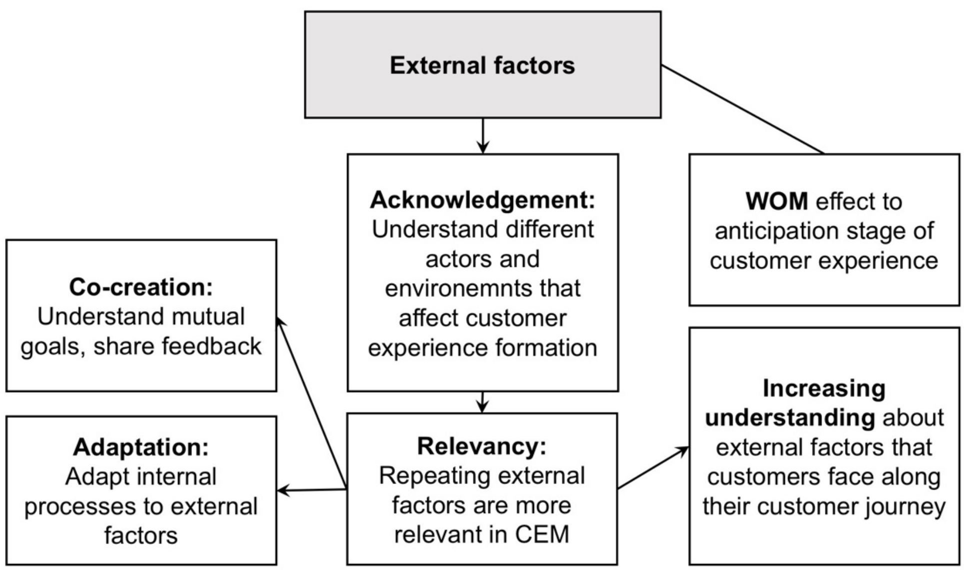

Figure 9. External factors in CEM in Finnish companies

4.3 Designing tools

Different design methods and tools are used to explain, understand, visualise and verbalise customer experience from different perspectives. Discussed tools could be divided into two main subcategories, customer journey related and verbalisation related.

Customer journey related Participants discussed about customer journeys at different levels. Variation differed from generally discussing about a customer journey to actually creating a visual representation of the customer journey. When the customer journey was used only as an expression to discuss the different interactions that customers have with a company, participants felt that employees at the operational level weren't aware of the wholesome customer journey and the different touchpoints along that journey. In these cases, employees were seen to be more focused on the interactions that each employee has with the customer themselves by creating more of a scattered picture of customers' interaction with the company. Visualising and drawing customer journey was seen as a good solution to make it more concrete. Visualisation and customer journey mapping helps companies to highlight specific touchpoints that customers have with the company. Customer journey mapping is a design method to visualise the touchpoints that customers go through during their customer journey from customers perspective (Puustinen & Saarijärvi 2020).

Customer journey mapping can be used as an evaluative tool. By creating a visual representation of customer journeys that helps managers to create a better understanding of what customers go through and makes it possible to evaluate the importance levels of each touchpoint in the customer experience formation. Customer journey maps can also help define and analyse the actual point of time where customer form a purchase decision. Customer journey maps also help companies to compare their processes to their competitors from the customer point of view.

Verbalisation related. Having a clear, written down statement of intended customer experience helps people to have a unified understanding what the company is aiming for in terms of customer experience. It helps to create a concrete picture of a larger goal that was often described as providing the best customer experience - having a customer-centric value proposition and publishing that was seen as a way to set a clear goal.

Customer experience storytelling helps both employees and customers to understand how customer experience is implemented on a practical level. It can be a powerful way to concretise company's values to both, operational level and customers. From a marketing and communication perspective, customer experience storytelling helps to connect with the customers through more of an emotional level but also offer employees a way to envision practical examples of how their work creates value directly to someone.

There was a combining theme in discussions about tools and methods used to create an understanding of the phenomenon. Matters related to customer experience were often seen as an internal toolkit that helps companies to concretise a larger and bigger theme by creating a more customer-centric company and truly putting the customer first.

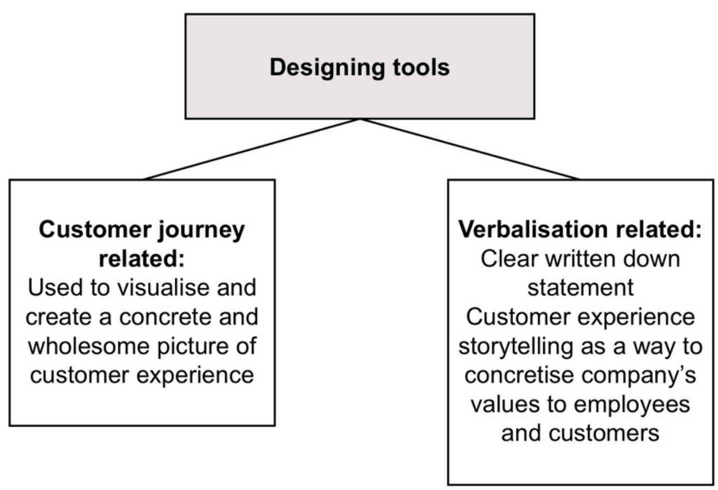

Figure 10. Designing tools

4.4 Intentional stimuli

By having a defined intentional customer experience and after mapping out clear touchpoints where companies interact with the customer companies were able to implement practices that were selected in order to arise a positive reaction.

Personalised service experience. By acknowledging and adjusting to customers specific needs, companies can create personalised service experiences. Companies can directly communicate about different options to tailor the service to the customer as the point of decision come. This way customers can affect on the rational aspect of customer experience but also feel seen and heard. By offering alternatives and acknowledging customers uniqueness, focuses on considering customer experience as a multidimensional concept.

First impressions play a key role in how the experience starts to assemble. By focusing on the first point of contact is seen as important. This was seen especially important in cases where customers go through the same physical area for example a lobby. In these cases, the same person is the first and the last employee that customers interact with during their actual service encounter. The first experience gives cues of what to expect during this entire service encounter. If the first response is poor, the customer might have a negative expectation of what's coming while a positive first reaction can channel the customer to be more interactive and open to suggestions.

Focusing on developing, training and rewarding individuals working in these kinds of positions is important. As these employees play a huge role in the whole customer experience formation, they need to be ready to face different kinds of people with different life situations and emotions. As it was hinted in the theoretical chapter of this research, employees emotional and cognitive capabilities have a huge role in creating differentiation through customer experience (Grønholdt 2015). Interestingly participants focused on discussing about employees' capabilities to face individuals but not about increasing direct knowledge on companies offering related matters suggesting that the emotional aspect of customer experience is seen to be important from the practical perspective as well at it is widely acknowledged among the academics.

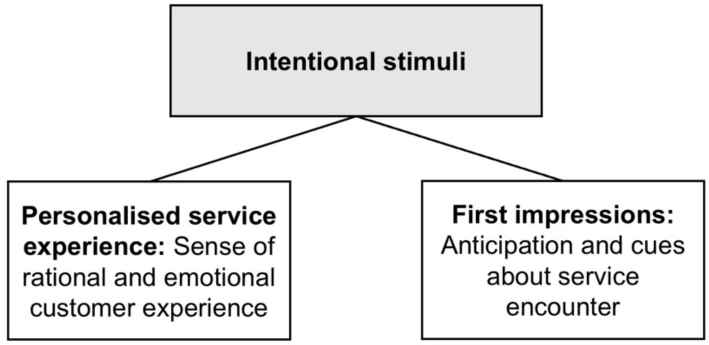

Figure 11. Two aspects of intentional stimuli

4.5 Measuring and reporting

Companies discussed how measuring customer experience gives them a way to analyse the level of their customer experience and whether implemented practices result in desired outcomes. The consensus was that measuring such a complex phenomenon is hard, but participants were still able to provide examples of how measuring is done and how it's reported.

Feedback Written, often referred to as open feedback received from customers after service encounters is a good way to understand different perspectives and gather information from customers. Open feedback does not force customers to focus only on given perspectives and therefore is seen as a good way to gather information about customer experience. Open feedback is able to provide companies information of what was successful but also pinpoint development areas. While open feedback is able to provide valuable information, it is seen to be hard and time consuming to report. And as open answers gathered directly from customers do not focus on defined topics, the effects of implemented practices and process changes are hard to analyse but also the evaluation of the direction of customer experience development is difficult.

Sharing open feedback from customers to employees helps employees to see the value of their efforts but also create "best practices". Negative feedback can also arouse negative emotions in employees and employees might require help to deal with emotions caused by negative feedback. Same time negative feedback seems to be a more interesting topic on the top level of companies and positive feedback seems to be something taken for granted.

KPIs Key performance indicators (KPIs) offer a way to follow the performance of a quantifiable factor in an organisation. KPIs help companies assess their performance in relation to their targets and competitors. Customer-focused KPIs often focus on customer satisfaction, customer retention and customer efficiency. (Twin 2021) Most participants discussed using NPS as a way to measure customer experience. Question to recommend the company based on customer's experience was always asked after the service encounter had ended. NPS offer a simple one-number solution. If measured systematically, companies can evaluate the development direction of their NPS and analyse if implemented practices and new customer-related processes change the value in some direction indicating a positive or a negative response. While NPS is easy to understand, it does not offer deeper knowledge as participants discussed the lack of industrial trends. It was still seen as a good way to report the level of customer experience from the operational level all the way to shareholder levels. Companies who measured NPS systematically reported the results to different levels inside their organisations while companies who measured NPS only a few times a year aggregated a number that focused on representing the level of customer experience as a whole. Operationalising customer experience to quantifiable measurement also faced critique. Skimming and forcing customer experience into a quantifiable metric lefts out a lot of nuances that still are at the core of customer experiences.

Problems. Longer questionnaires could provide a wider perspective while still offering data that is easy to report. It is still very important to evaluate if all the gathered information is used. Customers can get overwhelmed by the number of questions or the frequency that they receive a questionnaire. Companies need to find a way to optimise customer experience measuring processes so that providing an opportunity to make a difference is seen as positive. The questionnaires need to be long enough to gather information from multiple different perspectives but still short enough so that they do not cause irritation to the customer and actually resulting in a bad customer experience.

If companies own a lot of data, combining the existing data from customers can be seen as a way to evaluate customer experiences. Yet it is important to understand that in these cases the image created fully relies on the company's perspective since it does not involve customers point of view.

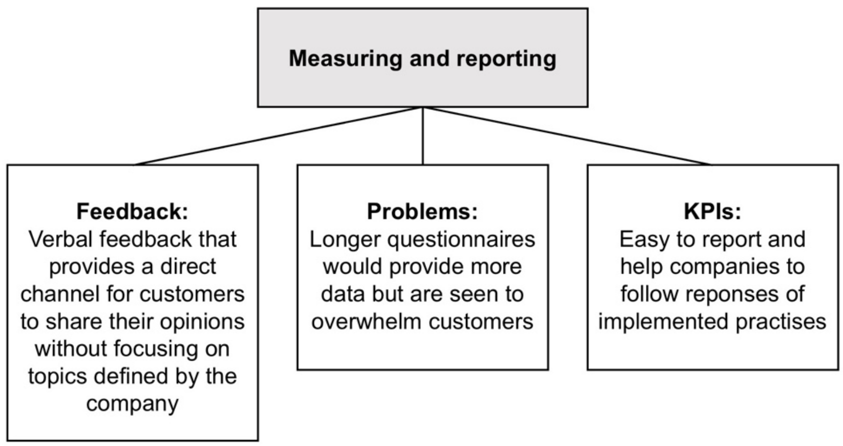

Figure 12. Measuring and reporting

4.6 Set goals

Setting customer experience to the core of companies' strategy and starting customer experience related projects helps companies to reach bigger goals that are more broad and general. Customer experience management related things seemed to be one step in a bigger picture that companies aim for.

Increase knowledge Successful customer experience management requires companies to seek out information about their customers, external factors affecting to the experience formation, employees, company's own culture and internal processes, to only name a few. When companies seek information that is relevant to customer experience, they are also able to increase knowledge about the company from several different points of views. Increasing information from different parts of the company is already a great addition to a successful customer experience management but combining information from different parts of the company enables companies to make decisions based on gained information and not just through guessing.

Increased knowledge from sub-contractors and partners could be also used to evaluate different operators in the industry. As companies can gain visibility to their sub-contractors through customer experience measuring, they can have a better position in contract negotiations and make sure that each sub-contractor can reach a certain quality level.

Positive leadership Customer experience management opens ways to further develop positive leadership practices in companies. As managers can gain feedback directly from customers, they can help employees to reach goals through positive encouragement and provide a sense of meaningfulness by sharing the positive feedback that each employee receives. As customer experience management opens possibilities to invest in continuous measurement solutions, receiving positive encouragement can become a part of successful employees' work. By having a process to share positive feedback regularly, employees can achieve their own work-related goals but organisational goals as well since they see the impact of their work. Having a regular process to share the positive feedback was seen to provide better results than acknowledging individuals for their great effort once a year or only during development discussions. Sense of purposefulness empowers individuals in their work which again directs to better employee-customer interactions directing positive energy to experience formation.

Increase transparency Customer experience related projects were also implemented to increase transparency both inside the companies but also to existing and new customers. Increased transparency inside the company helped to evaluate differences between offices, professional groups and employees. Increased transparency helped to start analysing where these differences come from and share knowledge on best practices. Increased external transparency helped companies to emphasise their focus on customer experience, customer experience level and offer information for customers to evaluate different competitors. External transparency was increased through dashboards that included feedback and KPI's gathered through customer experience measuring.

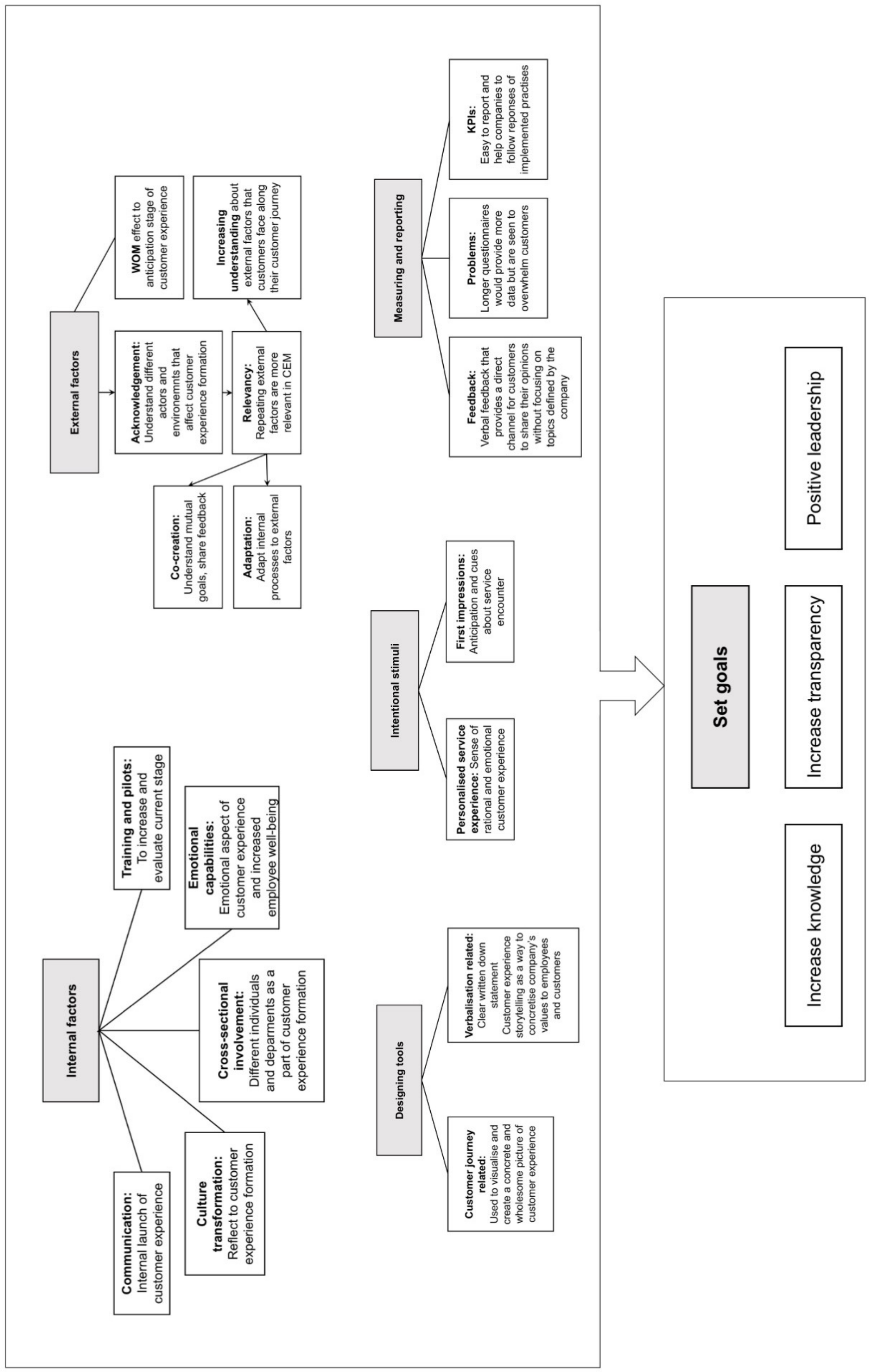

Figure 13. Managing the strategical components of customer experience in Finnish companies

5 CONCLUSIONS AND DISCUSSION

This research introduces readers to the definition and epistemological background of customer experience discusses customer experience management, and how different characteristics of CEM can be linked to differentiation and that way to business performance and offers fundamentals of customer experience measurement. Insights gathered through five guided, semi-structural interviews with customer experience professionals offer to understand to Experq how the strategical components of customer experience are managed in Finnish companies.

Based on the theoretical framework and interviews of this research three questions that were set as a guideline to fulfil the aim of this study can be answered.

What is customer experience in the B2C context? Customer experience is an individual subjective, context-specific and spontaneous response to an offering related stimuli that occur along the customer journey. Responses can be cognitive, affective, physical, sensorial or social. Companies cannot directly create customer experiences, since customer experience can occur both inside and outside of companies-controlled touchpoints, but companies can define intended customer experience. Contextual levels that customer experience occurs in can be categorised into three, micro-, meso- and macro-levels. Customer experiences have cyclical traits consisting of anticipation, realization and reflection stages.

What are the strategical components of customer experience? Strategical components of customer experiences are the stimuli that are under companies' control. Through different designing methods and gathering feedback directly from customers, companies can understand what external factors have an effect on customer experience formation. Companies can aim to co-create experience together with these external operators or focus on monitoring or responding to these non-controllable.

How these components can be managed in Finnish companies? Customer experience can be managed in Finnish companies through considering internal and external factors, using different designing tools to visualise, evaluate and analyse customer journey and different touchpoints so that resources can be focused on to the relevant touchpoints, designing intentional stimuli causing a desired response, measuring and reporting but also as a part of achieving bigger goals.

5.1 Managerial implications and future research questions

Based on the finding of this research, the following suggestions are made to the commissioning company:

Focus on developing open feedback reporting and analysing. Open, verbal feedback was seen to be important for companies to gather from their customers. While open feedback was able to provide valuable information from customers that do not force customers to focus on set topics it was seen as hard and time-consuming to report and analyse to categorise development areas and follow their development. Focusing on developing new ways to make open feedback reporting more time-efficient and easy could be beneficial for Experq's current service development. This would also serve in bigger goals mentioned in the interviews such as increasing transparency and help companies to focus on positive leadership.

Gather information about optimal length in customer experience questionnaires. To develop the existing services, having a better understanding of the optimal length for customer experience questionnaires would help Experq to give better suggestions to their customers. Companies could gather information from multiple different points of views, but optimal length questionnaires would not overwhelm end users, the people answering the questionnaires.

Help companies to improve their customer experience related training. Training and well-trained staff were mentioned multiple times during the interviews and discussed in the theoretical chapter of this study. Focusing on providing solutions to customers Experq could seek out a new area that is still closely related to their existing business and that would help Experq's customers directly by offering solutions from the same provider as a bundle.

Use gained information to improve marketing materials. Using knowledge gained through this research Experq can improve its marketing materials and websites. By discussing matters related to customer experience measuring with the way that is currently discussed among customer experience professionals in Finnish organisations would help Experq to create materials that resonate with the people using and seeking solutions to measure, report, analyse and develop the customer experience.

Use gained information for further business development. This research provides valuable information for Experq for their future business development projects. By understanding interests and pain points of customers Experq can focus on developing its services to meet these specific needs.

Future research questions.
What is the optimal length for customer experience questionnaire?
How open, verbal feedback gathered from customers should be reported to companies?

5.2 Reliability and validity

Pre-understanding describes the extent of previous knowledge on the research phenomenon of the researcher (Storbacka 2011). The researcher has gained familiarity on the phenomenon from empirical context by working on the field for the last three years. During these years researcher has understood how customer experience is discussed and measured in different companies and in different industries. Companies have varied from public to private sector, and industries have varied, for example, health care, real estate, sales and engineering.

The researcher has worked as a part of a team participating into strategical workshops to launch real-time customer experience measurements to multiple different companies. Strategical workshops cover matters similar to this research such as customer journey mapping and identifying key touchpoints along the customer journey. The researcher has also worked by analysing insights gained through real-time customer experience measurement.

In addition to these, the researcher has gained knowledge by familiarising with the phenomenon by reading articles and books about the topic prior to this research.

Based on these prior learnings this research started by gaining more understanding of the topic by familiarising with the research on the topic. Literature was selected to provide a different points of view. It was selected so that it would also provide knowledge on how customer experience has developed as an academic concept. However, it is still seen as a relatively new topic in research.

Creditability and internal validity. The validity of the selected method is argued through two main points. The aim of this research and questions set out as a guideline to fulfil this aim were qualitative in their nature as they focus on creating understanding. In guided, semi-structural interviews aren’t limited to specific options, which enable a further discussion that enables gaining deeper knowledge on the phenomenon. Discussion is able to focus on the selected topic but does not bind the respondent to answer in a pre-selected manner.

Participants of this research have been selected based on their prior knowledge and expertise on customer experience in their own workplaces. This way each participant is able to provide valuable knowledge from the perspective of Finnish companies. The definitions of the core concepts of this research are provided to the participants in cases where questions are directly about some factor so that each participant has the same view on the topic (Appendix 1). Offering definitions is done in a matter by stating the definition and not suggesting answering in any particular way. Interviews are designed based on the gained knowledge of theoretical background and suggestions offered by different methodological materials. This is done so that each of the factors affecting customer experience and customer experience management can be covered during the interviews.

Each participant represented a well-established Finnish company from different industries also giving a good variation of the industrial perspectives about customer experience and customer experience management. Industries weren't selected in any other way than to create variation so that industrial perspectives wouldn't be exaggerated.

Research signifies its epistemological background for the definition of customer experience. It is gained by Jaakola and Becker (2020) research that combines information of 136 articles from different fields by giving a comprehensive and multidisciplinary view on the core of this research. This comprehensive view is compared to other research publications that were seen to have similarities. This was able to provide support to the theoretical chapter.

Authenticity. Research aims to authenticity by selecting people who can contribute to the discussion in a meaningful way. Selection is not done based on other features such as gender, ethnic background etc.
This research can be considered to offer educational authenticity to the participants. Through explaining, individuals have been seen to learn and deepen their understanding of the phenomenon discussed (Williams & Lombrozo 2010). Research also considers the catalytic authenticity of its participants. Discussion during the interviews aims to be positive and provide empowering experiences to the articipant by offering a unique opportunity to share their knowledge and expertise.

Transferability. This research aims to give a transferrable or generalised understanding of the topic to different industries by combining views from different industry professionals. The researcher has acknowledged that discussing about topics close to companies' strategies is considered to be delicate in their nature. To ensure that participants would share their honest opinions and insights during the interviews, the researcher promised full anonymity to the participants. Only the industries represented have been described so that readers can evaluate the results of this research.

The research was implemented in an era where fear of personal well-being is real. Risk of this affecting to how individuals answer is minimised by having the interviews online so that each participant has an opportunity to follow governments guidelines and protect individual safety by self-isolation.

Actual research is not fully transferrable as it is not possible to set out an exact same scenario where each individual has exactly the same background information and situational factors would be the same. The actual research process aims to give as detailed information on how the interviews were implemented, how the transcriptions were read, how the qualitative coding was done, and how the final conclusions were formed so that that research is transferrable as a theoretical thought exercise.

Dependability. Reliability is thought out by clearly logging out the process during the interviews so that the scenarios can be repeated as closely as possible. Category reliability is thought out by categorising the transcripts multiple times so that researcher finally can reproduce and come to a single consistent categorisation of the data. This process is marked down by taking notes. Actual data is formed by writing a transcript of the recorded interviews. Each participant's microphone is tested before starting.

Conformability. The results of this research were represented during the research to the commissioner so that explanations could have been refined if necessary. Drafts of this research were also sent out to the thesis supervisor along the process to improve, expand and develop interpretations and it's was also discussed and explained to other business students, professionals in the business field and family members to gain feedback on whether some parts require further development or explanation.

The creation of the theoretical framework was noted down as a form of diary and actual data collection was recorded. The researcher also notes down the focus group discussion process.

Objectivity. Researchers aims for objectivity by working as a neutral participant during the interviews so that she does not direct the participants to answer in a certain way. It is still important to notice that social desirability bias is a risk that has been combined to interviews. This is minimised by aiming for neutral presence of the researcher (Quinlan 2011). The researcher also emphasises before the actual interview questions that not having an answer is valuable information for the research as well so that participants wouldn't come up with answers that they haven't thought about in their companies.

Integrity. Participants needed to have previous knowledge about customer experience and work on management level to participate into the interviews. Interviews were positive and friendly in their nature to ensure a trustworthy environment for the participants. Anonymity was provided for the participants to ensure trust to give honest answers and recordings of the meeting will be destroyed after the thesis process comes to an end. Transcription of the recordings were anonymous as well to protect individuals' anonymity.

During the interviews, researcher made sure to understand what participants meant by asking additional questions such as "what do you mean when you say …". This way researcher was able to make sure that final conclusions weren't influenced by misinterpretation.

At the end of the interviews, participants had an opportunity to fulfil their answers and discuss something that might have been left out but were seen to be important to their answers. This was done to ensure that participants were able to express things that hold great value in customer experience and customer experience management as they are professionals in the field.

Understanding. Results will be presented for the participants and the commissioning company. Results will be also be presented in the thesis seminar and an opponent will discuss the findings with the researcher. Finally, results will be published online for everyone to read.

After interviews researcher gained positive feedback about the questions asked during the interviews. Feedback was about discussing customer experience and customer experience management from multiple different perspectives.

Applicability. The research offers a view to different industries by aiming to give an understanding of the topic without extruding only one industry view. The researcher still acknowledges the limitations of gaining the whole truth with limited resources and by interviewing only five customer experience professionals from five different industries.

Action orientation. The research will serve as a start for a bigger development project for Experq. Since the research combines knowledge for different industry professionals and offers knowledge on the recent publishes about the topic commissioner will benefit from this research by gaining understanding and knowledge. Participants of this research get to hear how other companies in different industries have solved problems in the same matter. This ultimately opens up discussion and new ideas could evolve by benefitting the participants. Conclusions are also made available for participants to use in their own work environments.

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List of figures

Thesis interview structure:

Check list before the interview:

Check that mics works
Make sure that it is okay to record the interview and results can be published
Recordings are destroyed after the thesis is published
Ensure that participants identity and company that they work in is anonymized
Please open freely

Statement before the interview:
If you haven't considered some factor, please let me know. That is as valuable as any other information for the research as well.

Structure:
We will go through three themes and I will provide a introduction in some cases and aske questions that you can ask freely. Depending on your answers I might ask secondary questions.

THEME 1: Customer experience		
Introduction	**Question**	**Secondary questions (if needed)**
In this research customer experience is seen as an individual's subjective, context-specific and spontaneous response to an offering related stimuli that occur along the customer journey. Responses can be cognitive, affective, physical, sensorial and social.	Could you explain have you considered these different types of responses in customer experience context?	
	Have you been able to recognize specific type of responses?	

	How have you considered these different types of responses in customer experience in your company?	
The theoretical background of this study suggested that individuals go through anticipation, realization and reflection stages in each customer experience.	Have you considered these different phases?	
	Could you explain how you have considered these?	
Let's discuss a bit more about the social and context-specific aspect of customer experience	Have you considered effects of external factors in customer experience context?	
	How have considered the external factors in customer experience?	
THEME 2: Customer experience management		
Introduction	**Question**	**Secondary questions (if needed)**
In the theoretical part of this study customer experience management (CEM) was seen as a process where companies strategically manage customer's experience.	Could you tell me about customer experience management in your company?	
	Can you tell me more about the practical ways of how customer experience management is implemented in your company's case?	
	How have you considered organizational capabilities in customer experience context?	
THEME 3: Customer experience as a strategy		

Introduction	**Question**	**Secondary questions (if needed)**
	How have you considered differentiating from competitors through customer experience?	
Market evolution is seen to push every one to focus on developing customer experience	How have you considered this over all development?	
	Can you describe more about incentives for customer experience strategies in your company's case?	
	How customer experience related things are reported to shareholders?	
Closing:		
If you feel that you would want to fulfil some previous part or discuss something that wasn't covered feel free to do so.		

Ending:
Thank you
Results are discussed in thesis seminar on 23.09
After the seminar thesis will be published in Theseus portal
Ask if participants wants a summary or read the final thesis when it's published?

Anything you would want to say?

Thank you for participating

Example of transcription Appendix 2

Provided example was evaluated to be general in nature and all specifying factors are left out to ensure anonymity.

Transcript in it’s original form (in Finnish):

Meillä toivehan on tuottaa erinomainen asiakaskokemus ja sinnehän me niinku tähdäntään kaikin keinoin. Me puhutaan palavelukokonaisuudesta, missä on paljon eri osia ja se palvelukokonaisuus sitten eroaa aina vähän asiakkaan omien tarpeiden mukaan. Asiakkaan tarpeista riippuen meidän pitää miettiä, mitkä kaikki tekijät tähän asiakkaan tämän kertaiseen käyntiin liittyvät ja omalta osaltamme sitten vaikutetaan siihen, miten asiakas meidän kokee.

Translated to English:

We hope to produce an excellent customer experience, and that's what we aim towards with every possible way. We are talking about a service package where there are many different parts and that service package then always differs a little according to the customer's own needs. Depending on the customer’s needs, we need to think about all the factors associated with this specific customer’s and, for our part, then influence how the customer experiences us.

Research matrix for key concepts for the research with their theoretical definitions, managerial implications and strategical components

Key concepts for research	**Theoretical concepts**	**Definition**	**Managerial implications**	**Strategical components**
Customer experience (CX)	Customer experience	Subjective and context specific response to stimuli that can be firm controlled or outside of firms control that evolves dynamically. Response can be cognitive, affective, sensorial, physical or social (Jaakkola & Becker, 2020).		Intended response and intensity of intended response
	Stimuli	Firm controlled offering-related stimuli that is linked to customer journey or context specific stimuli that is out of firms control (Jaakkola & Becker, 2020)..		Offering-related stimuli
	Evaluation	Last phase of customer experience cyclical process where customers evaluate the outcomes by resulting as an ordinary or extraordinary depending on the intensity of the response. Evaluation can be done immediately or retrospectively after the response (Jaakkola & Becker, 2020). Evaluation affects customers anticipation of future experiences (Palmer, 2010; De Keyser et al., 2015).		Post-purchase evaluation and it's affect for future purchases
Customer experience management (CEM)	Customer experience management	Process where companies strategically manage customer experience (Hwang & Seo, 2015).		Process of implementing customer experience as a strategy

	Customer journey	Customers’ progress with the company through different touch points. Customer journey offers a dynamic dimension to customer experience (Jaakkola & Becker, 2020; De Keyser et al., 2015).	Companies need to help customer achieve the goals that motivate customers to progress through customer journey (De Keyser et al., 2015).	Customer journey and touch points
	Firm controlled offering-related stimuli		Firms cannot create customer experiences since they are subjective responses to stimuli. Important is to understand, define and design the intended customer experience so that firms can optimize the stimuli that is under their control (Jaakkola & Becker, 2020).	Designed and evaluated to simulate the intended response
	Intended customer experience		Rather focusing on generating good or bad experiences companies should focus on creating intended experiences. Important is to also understand the intensity of the responses to stimuli (Jaakkola & Becker, 2020).	Different factors of intended customer experience (cognitive, affective, sensorial, physical or social)
	Organizational capabilities		Organizations capabilities to support customer experience co-creation through increased knowledge that is gained through recruitment and training. Capabilities vary between rational and emotional skills (Grønholdt et al., 2015).	Organizations capability to stimulate intended response
	Gathering insights		Companies need to have a multi-method approach to seek a better under-standing of customer experience	Dynamic view to key touchpoints so that companies can develop offering-related stimuli

			since a single metric cannot tell the truth of a such complex phenomenon (De Keyser et al., 2015). Gathering insights is key component when evaluating the linkage between customer experience management and companys' business performance (Grønholdt et al., 2015).	
Customer experience as a strategy	Market evolution	Market evolution focuses on increasing the importance to put customer first (Palmer, 2010). Differentiation is gained through experiences rather than usual forms (quality, service quality, price, relationship) (Grønholdt et al., 2015). New shift in market evolutions is also known as experience economy (Hwang & Seo, 2015; Palmer, 2010).		Market force for companies to differentiate through customer experience
	Business performance		Grønholdt et al. (2015) study showed that companies who focused on customer experience management throughout different dimensions performed better financially than the ones who didn't focus on CEM.	Shareholders incentive to invest on customer experience strategy
	Organizational fit		Companies need to understand what type of an experience customers seek and evaluate if it fits to companys internal philosophy and business concept (Hwang & Seo, 2015).	Determines the strategical framework for customer experience strategy development