



# Customer Experience Among Foreign Customers: Case VR Group

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### **Customer Experience Among Foreign Customers: case VR Group**

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### **Abstract**

The case company of VR Group, which is in charge of long-distance passenger train services in Finland, was lacking data on customer satisfaction and customer experience with their foreign customers. Development of customer experience is one of the company's strategic goals.

The objective was to discover how foreign tourists have experienced the company's services, whether their experience will lead to customer loyalty and whether there were differences in experiences based on home countries. Additionally, motivation for choosing the train as a means of transport was studied. Research questions for the study were: does country of origin have an impact on service experience? Will the experience lead to customer loyalty? And why do customers decide to travel by train in Finland?

To accomplish the research objective, a questionnaire was implemented for the company's previous customers and hypotheses were formed to be tested. Both quantitative and qualitative research methods were utilized in the study. Finnish tourism statistics and statistics by the case company were used as secondary data.

The results of the study provided the current level of customer satisfaction among the foreign customers and provided information on their experiences. The study discovered whether there is statistical difference in overall experience in the five most frequent respondents' home countries. Results also showed how likely foreign customers would use the company's services again, and how likely they would recommend it to others. Moreover, motivation for choosing the train as a transport mode was studied, and the results showed which matters are valued in the decision-making process. Finally, possibilities of growing the number of customers were considered in addition to the railway industry's rapid development and its possibilities.

### **Keywords/tags (subjects)**

Customer experience, customer satisfaction, customer value, railway industry, service management, service quality, transport services, tourism

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### Tiivistelmä

Suomen kaukoliikenteen henkilöjunaliikenteestä vastaavalla tapausyhtiöllä VR-konsernilla ei ollut tietoa asiakastyytyvyydestä ja asiakaskokemuksesta ulkomaisten asiakkaidensa keskuudessa. Asiakaskokemuksen kehittäminen on yksi yrityksen strategisista tavoitteista.

Tavoitteena oli selvittää, miten ulkomaiset matkailijat ovat kokeneet yrityksen palvelut, johtaako heidän kokemuksensa asiakasuskollisuuteen ja oliko kokemuksissa eroja kotimaan mukaan. Lisäksi tutkittiin motivaatiota valita juna kulkuvälineeksi. Tutkimuskysymykset olivat: vaikuttaako kotimaa palvelukokemukseen? Johtaako kokemus asiakasuskollisuuteen? Miksi asiakkaat päättävät matkustaa junalla Suomessa?

Tutkimustavoitteen saavuttamiseksi toteutettiin kyselylomake yrityksen aiemmille asiakkaille ja muodostettiin hypoteeseja testattavaksi. Tutkimuksessa hyödynnettiin sekä määrällisiä, että laadullisia tutkimusmenetelmiä. Toissijaisena tietolähteenä käytettiin Suomen matkailutilastoja ja tapausyrityksen tilastoja.

Tutkimuksen tulokset selvittivät ulkomaisten asiakkaiden tämänhetkistä asiakastyytyvyyttä ja tarjosivat tietoa heidän kokemuksistaan. Tutkimuksessa selvitettiin, onko viidessä yleisimmässä vastaajamaassa tilastollista eroa kokonaiskokemuksessa. Tulokset osoittivat myös, kuinka todennäköisesti ulkomaiset asiakkaat käyttäisivät uudelleen yrityksen palveluita ja kuinka todennäköisesti he suosittelisivat sitä muille. Lisäksi tutkittiin motivaatiota valita juna kulkuvälineeksi, ja tulokset osoittivat mitä asioita arvostetaan päätöksentekoprosessissa. Lopuksi mahdollisuuksia asiakasmäärän kasvattamiseen pohdittiin ja rautatiealan nopeaa kehitystä ja asioita sen tuomista mahdollisuuksista analysoitiin.

### Avainsanat (asiasanat)

Asiakaskokemus, asiakastyytyvyys, kuljetuspalvelut, lisäarvon tuottaminen, matkailu, palvelujohtaminen, palvelun laatu, rautatieala, turismi

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# 1 Introduction

The purpose of the study is to discover how the case company's foreign customers experience the services and what their level of customer satisfaction is. Moreover, the aim is to discover the reasoning for choosing the train as a transport mode. The case company has not studied these matters specifically from a foreign customer's point of view and therefore is lacking data on the matter. The case company for the research is Finnish railway company VR Group and, more specifically, the study concentrates on long-distance traffic. The company's core business is passenger traffic in Finland and Sweden in addition to freight traffic in Finland. Its business operations are divided into VR Long-distance Traffic, which offers long-distance train journeys in Finland and also includes restaurant services on trains, VR City Traffic, which includes commuter train, tram and bus operations in Finland and Sweden, and VR Transpoint, which includes logistics services both on rail and on wheels in Finland. VR Fleetcare is in charge of fleet maintenance (VR Group, n.d. a).

As a whole, foreign tourists are quite a small customer group for the company, but nevertheless, an important group to study because, based on research by Visit Finland (2023), Finland's touristic appeal has increased by 31 % in 2022 compared to 2019. In their study, Finland is searched for attractions such as Santa Claus, lakes, skiing, camping and northern lights, for example. It should be noted that these attractions are accessible by train. Therefore, it is useful for the company to find out which aspects attract foreign tourists to use trains and how rail transport could be marketed for them. Additionally, it is important to understand whether they would use the service again and if they would recommend it. In today's electronical environment, online feedback, opinions and recommendations have become highly influential, especially in terms of service, which cannot be tasted, seen or felt beforehand, people tend to rely on various sources of information such as their previous experiences, advertising, price and opinions by other customers (Torres & Zhang, 2023).

Moreover, megatrends like sustainable growth and urbanization are tightly linked to the company. Electric trains are an environmentally friendly option for transportation because they produce less emissions and consumes less energy compared to other transportation modes. Urbanization, on the other hand, demands direct and fast connections between large cities (VR Group, n.d. b). From the perspective of a foreign tourist, it is important to find easy access to attractions they are seeking.

## 1.1 Motivation for the Thesis

One of the main important sectors of the economy is tourism. In contrast to other service industries, in the tourism sector, tourists come to destinations where tourism services are provided. Transportation in the tourism industry is important because it provides the possibility for tourists to access places where tourism services are offered (Mammadov, 2012). Without development of transport, the tourism industry would not be able to grow to such an extent and most forms of tourism could not exist (Michniak, 2016).

Rail transport can be considered as the oldest mode of transport. Even though it is nowadays highly competed with air and automobile transportation, railroads offer unique experiences, such as the Orient Express railways. Technological innovations have had their impact on the rail industry as well, allowing fast speed trains and therefore offering a competitive advantage between automobile and air transportation (Mammadov, 2012). Technology has also made ticket purchase easier with online shops and customers are able to do it by themselves and are able to compare different options in terms of price and timetable, for example. Moreover, the development of transport has reduced travel time, travel cost and number of passengers carried (Michniak, 2016).

Sustainability issues are a common topic of discussion in the world. Compared to other transport modes, the rail industry has significant environmental advantages and in 2023 the market was characterized by megatrends of decarbonization and digitalization. The rail industry is seen as a major influencer in shaping a more self-reliant and sustainable future for Europe. In Europe, 25 % of greenhouse gas emissions are created by transportation but only 0.5 % is due to rail transport (Unife, 2023). Therefore, the rail industry plays a vital role in the future of sustainable development. This matter has been noted in Finland as well, and responsibility is a key part of VR Group's strategy. In their vision they state, "together towards a better world" (VR Group, n.d. c). The company has committed to reduce emissions in the long-term for their customers and for the whole Finland. They are aiming towards the goal by increasing the popularity of train transport, by adding more electric transportation, by adopting more energy-efficient stock and by increasing the size of the trains. Even already being the greenest alternative of transportation, they are aiming to reduce output-specific emissions and energy consumption by 15 % by 2025 compared to 2019. Moreover, already all the passenger trains run carbon-neutrally in Finland (VR Group, n.d. d).

The main reason for rapid growth of the tourism sector can be explained by the development of transportation and technological innovations which allow tourists to reach multiple destinations in the world (Mammadov, 2012). Negotiations about the trans-European transport network (TENT-T) have been ongoing since 2021 and the aim is to make the EU's transport network safer, faster, more sustainable and more convenient for users. Completion of missing infrastructure on cross-border links and modernizing the existing ones will have an impact on rail market growth for years (Unife, 2023).

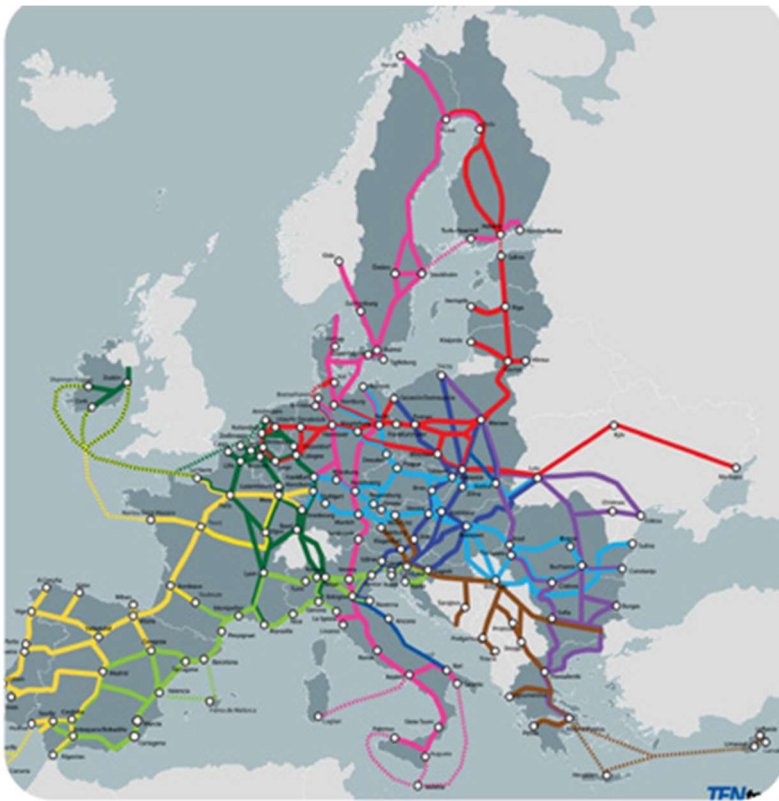


Figure 1: TENT-T (Unife, 2023, p. 32)

Figure 1 represents Unife's trans-European transport network map. If the development of the rail network went as planned, it would connect Finland with Central Europe by rail and would have an impact on both domestic train users but would also most likely increase the number of foreign tourists arriving in Finland by train.

The development of high-speed trains leads to destination accessibility and long-distance trains offer an alternative to air and automobile transport. In addition, railway routes can be used as an opportunity for leisure-oriented tourism and accessibility to nature environments (Michniak, 2016). Errac (2019) notices the importance of improving customer experience in transport services. Needs of the passengers are covered by multiple transport modes and different segments within each mode. It is common that they do not work fluently together and therefore, that leads to dissatisfaction. The development of the rail network and bus network, for example, together is critical for offering smooth and effective travel experiences. The railway industry has the potential of becoming the backbone of mobility by 2030 if it is able to overcome challenges in attractiveness and convenience, in environmental sustainability and in maximizing affordability. Visions of overcoming these challenges include, for example, digitalization, automation, cost efficiency, sustainable solutions and new mobility solutions (Errac, 2019).

Finland and other Nordic countries have increased their touristic appeal and in the year 2022, gained the best results in history. Compared to the year 2019, the USA, Canada and Estonia have shown the strongest growth in interest, while Germany still remains as the highest market. On the other hand, Lapland has a different target market than Finland in general. The study shows that The United Kingdom and France are the international market leaders for Lapland (Visit Finland, 2023).

From the perspective of the railway industry, the target markets are valuable information because they are also the target market for the case company in terms of marketing. In order to attract more foreign customers, it is valuable for the company to acknowledge why Finland is interesting from the foreign tourist's point of view. Multiple destinations and attractions for foreign tourists are accessible by train, and it should be marketed more efficiently.

## **1.2 Objectives and Research Questions**

The research problem of the study is that the case company has not implemented customer satisfaction and customer experience surveys specifically for foreign tourists. It is important to gain understanding of foreign customers and study the current level of customer satisfaction, in addition to discovering ways of seeking for more foreign customers.

Objectives of the research are to discover the current level of customer satisfaction and how foreign tourists have experienced the service, the reasoning for choosing the train as their transport mode, whether there are differences between experiences and home countries and whether there is a relationship between customer experience and customer loyalty.

To study this phenomenon, the following research questions are formed: *does country of origin have an impact on the service experience? Will the experience lead to customer loyalty?*

For studying the reasoning behind choosing the mode of transport, a following sub-question is formed: *why do customers decide to travel by train in Finland?*

Quantitative and qualitative research methods are utilized in the study and for primary data collection an online questionnaire is executed for the company's foreign customers. Secondary data is collected from Visit Finland's statistics, which is in charge of tourism development in Finland, in addition to the statistics by the case company.

### **1.3 Structure of the Thesis**

The thesis constructs of five chapters. Chapter one briefly introduces the background of the study and research context. Motivation for the study and objectives are defined, and research questions presented in the chapter one as well. Chapter two contains literature review on service business and service management, transportation services, service quality, customer satisfaction and customer experience, and finally, a theoretical framework of customer experience management and the forming of hypotheses is presented. Chapter three introduces methodological decisions and justifications chosen for the research. Chapter four presents the results of the primary data and the data analysis. Chapter five contains conclusions of the results with combination of existing literature, discusses limitations of the study and provides suggestions for future studies.

## **2 Literature Review and Key Concepts**

This chapter introduces the overview of service business and service management, customer satisfaction and customer experience, customer value and their role in transport services will be outlined. Finally, a theoretical framework will be defined. Keywords used for the literature review are

service management, customer satisfaction, customer experience and transport services. The topics are relevant for the study in order to answer the research question of how the company's services are considered from a foreign customer's point of view. It is critical to understand different aspects of the service environment and, moreover, what are the critical aspects of providing quality and what increases customer satisfaction and customer experience.

Literature is collected from the libraries of Laurea and Haaga-Helia Universities of Applied Sciences, in addition to electronic sources from the database by JAMK University of Applied Sciences. The literature review includes sources from recent books, articles and previous researches on the topics of service management, service quality, customer satisfaction and customer experience and rail transportation. The topics were studied from different service business perspectives and analyzed what matters are unique to public transportation. Chosen topics are critically reviewed from different perspectives by different authors and conclusions are made based on them.

## **2.1 Service Business and Service Management**

The definition of a service business is a commercial enterprise which performs work in an expert manner to benefit customers. Service business helps to resolve problems experienced by customers in an organized, skilled and structured manner (Bryson et al., 2020). The aim of a service business is to interact with customers and to satisfy their service requirements. There has to be a customer in order to be able to provide a service. Existence of a customer is compulsory because without one there is no interaction between the service provider and the customer (Wright & Race, 2004). The definition of a service, on the other hand, has multiple meanings and associations. A service can be a noun, an adjective or a verb, and all of them have different meanings for the word, and it is important to understand in which form the word is used in order to gain the wanted outcome. As a noun, it may be, for example, duties performed by a bartender or providing transportation. As an adjective, it may be teaching or repairing, for example. As a verb, the word is used in relation to an object, for example, a service to a vehicle. When considering the definition of a service compared to a definition of a good, it could be defined as what could one do for them instead of what could one make for them (Bryson et al., 2020).

By engaging in the exchange process, people create value for one another. One definition of service is a provision of economic value which is intangible in nature and, more specifically, it can fulfill multiple necessities and desires (Torres & Zhang, 2023). Outside-in management can be considered as an appropriate approach to service management because logic in service business is in thoroughly understanding the processes and resources of its customers. Grönroos (2015) states that the total service offering is a combination of physical product components, service components, information, personal attention and other elements of customer relationships, in addition to hidden services, which includes invoicing, staff training and complaints handling.

Service can also be considered as a fundamental basis of exchange as suggested in service-dominant logic. Service has been defined as customer-determined benefit and co-created with the service provider and the customer (Vargo & Lusch, 2008). In other words, the customer aims to benefit from the purchase, but the service situation is co-created as there are at least two individuals involved. There are multiple matters affecting the service situation, both service employee's feelings and customer's feelings, for example.

Grönroos (2015) describes that in service management a company should understand how the perceived quality and value in their activities and processes are looking in service competition, how value support is created for customers and how available resources are managed in order to support service-based value creation.

In the service environment, it is important to understand that efficiency consists of two dimensions: internal and external efficiency. Internal efficiency is related to the operations of the company, to the productivity of labor and capital and external efficiency is how the customer perceives the operations, such as service quality. For the company to be able to maintain the total service offering, it is important to understand the importance of internal service providers and internal customers. Every service company has internal service functions which support one another. If the internal service does not meet the expectations, it will damage external efficiency (Grönroos, 2007). For example, if the warehouse does not supply the restaurant car with a sufficient amount of food and beverages, there will not be enough products to sell and customer's perceived quality decreases. Improvement of internal relationships is also important because it has a critical impact

on customer experience and service quality. It has been described with a term of outcome quality (Grönroos, 2015).

In today's world, digitalization is a vital part of service management. After the Covid pandemic, digitalization evolved rapidly due to social distancing, and it had huge impacts on service businesses. Moreover, technology has developed and changed customer expectations but also made the creation of new services possible. Digitalization has an impact internally and externally. It has brought speed for communication and multiple communication channels (Bryson et al., 2020). In the context of the case company and from a foreign tourist's point of view, digitalization has benefited both parties in terms of easy access to ticket purchase, retrieving information and customer service via web. It is easier for the company when customers are able to find answers to the most frequently asked questions from a web page rather than always contacting the service provider. Moreover, this enhances customer experience because there is no need to contact customer support in every question. Although there is a risk of the company relying too much on digital services and removing physical customer service, because other people value that as well.

## **2.2 Transport Services**

Most individuals have a basic need for traveling in their lives. Transport services are required for employment, education, leisure and access to retail outlets. It has a great impact on economic growth even though the development of the world wide web has changed it. On the other hand, it has made traveling globally easier. Tourists may rely more easily on public transport instead of taxis or other private transport. Issues on transport services feature strongly in newspapers with matters of capacity of the rail network, problems on the railways in addition to the impact of transportation on the environment. There have been major changes in recent years in transportation and governments are more concerned about sustainability, for example (Cowie & Ison, 2009). Rail transportation has also been described with a term of slow travel, even though the capacity of high-speed trains has increased. Often, slow travel is also linked with ecology and sustainable development. Transportation may also be an important part of the experience and the journey itself can be the thing, instead of the destination (Dickinson & Lumsdon, 2010). The Orient Express is the most iconic rail route as such a wholesome experience, but the experience might also be taking a night train from Helsinki to Rovaniemi to see the village of Santa Claus. Previous studies show that scenery from the train has been the key motivator for train travel. Sustainable aspect of train

travel has been considered lower compared to other core indicators such as travel cost, duration, price, comfort and convenience. Matters that enhance the travel experience are considered to be sharing the journey with others, using the travel time for observing scenery and for relaxing and taking time for oneself (Dickinson & Lumsdon, 2010).

There have been many worrying trends in recent years, such as microeconomic challenges and increasing climate change impacts globally. Transportation has a crucial role to play in order to ensure the safe transport of people and goods but also to decarbonize the sector. The European Union for Railways (2023) states that they aim to continue its progress to ensure safety and interoperability in order to avoid rail traffic accidents as safety is a crucial element for railways. Compared to other modes of transport, rail transport has significant environmental advantages, and it has improved its energy efficiency while capacities have increased and, therefore, it has a major role in Europe's efforts against climate change. Unife (2022) has noted challenges such as the share of international rail passenger transport is too low, significant decrease in the supply/demand for international passenger services, the European passenger rail network and multi-modal transport system need to be improved, need for more customer-friendly ticketing system and greater accessibility to the rail network and limited support for young users for choosing sustainable mode of transport. In Finland in 2022, the number of journeys made in long-distance traffic increased by 56 % compared to the previous year. The high increase was due to the ease of the Covid pandemic and an increase in leisure travel. On the other hand, the traffic between Finland and Russia was suspended for most of the year due to Covid pandemic and furthermore due to Russia's invasion of Ukraine. In order to support sustainability, VR Group has committed to increasing rail services' share of the transport market. Currently, travel demands are driven by leisure travel because the Covid pandemic changed the way of working by increasing remote work and therefore traveling for work has decreased (VR Group, 2023).

In order to gain good customer satisfaction, there are three important matters which should be taken into consideration. The first of them is specification. In general, it is necessary that a customer requires the service, or otherwise it will not be used. If a customer wants to travel somewhere where the train does not take them, they will not choose the train as their transport mode. In that sense, it is critical for the service provider to offer sufficient number of routes and provide travel chains. The service may have some additional services as well, but if the core service is not

what the customer wants and needs, additional services will become irrelevant. It does not matter how good food a restaurant car offers if the customer is not able to get to their destination by the train. The second matter is consistency. Customers expect to have the same level (or higher) of service they received previously. If the train stopped yesterday on the station where the customer is headed but on the next day it does not, it will lead to dissatisfaction. As a third matter is time and cost. It is important to provide the service when the customer needs it. If the customer needs to travel in the morning, they are not interested in trains leaving in the afternoon. Service needs to be offered also at a reasonable price. Once these three important matters are covered, focus can be moved to other quality attributes which increases perceived value and has an impact on customer experience, such as cleanliness, comfort, friendly staff, on-board services etc. (Wright & Race, 2004).

### **2.3 Service Quality**

Quality in the service environment includes various factors and can be difficult to define because it consists of multiple dimensions. Basically, it is everything what and how a customer perceives and experiences. The basis for the service quality concept consists of focusing on customer values, customer experience and co-creation (Bryson et al., 2020).

It may be divided into dimensions of technical quality of the outcome, which is the core offering, and the functional quality of the process, which is how the customer experienced it. In addition, image has its own impact as well and all these lead to total quality (Grönroos, 2007). As a very simple example, a customer purchases a train ticket (technical quality) from the internet and receives it in e-mail (functional quality). It should be noted that this is only the first touch point between the customer and the company. In every touch point in which the company and the customer interacts at, quality is measured.

According to Torres and Zhang (2023), total quality management (TQM) consists of the following principles: customer focus, continuous improvement, quality at the source (preventing problems), employee empowerment, understanding quality tools, using a team approach, benchmarking and managing supplier quality. Often, quality is considered to be one of the keys to success, especially in service companies, and it may be the foundation of the competitive edge. The critical part is to define which one of the quality dimensions is the most vital in order to achieve excellent total

quality. Moreover, it is important to understand that customer's expectations are linked to how they perceive and experience the quality and this matter should be taken into consideration in marketing. A company should be careful about overpromising, as then expectations are too high, and the company is not able to fulfill them, and it leads to perceiving lower quality (Grönroos, 2007).

Service quality is created by components of the service product, service delivery and the service environment. The service product can be considered as the outcome and the customer's perception of the outcome. Service delivery is considered as the consumption situation, and everything related to it. The service environment is considered to be the environment of the service (Rodrigues, 2013).

Companies should aim to provide flawless, error-free service which delights the customer. Even though, sometimes errors occur, and the company is not able to provide the service based on their ideal level or standards. Errors may occur in many ways, such as problems in the service itself or with the service product, problems with service interactions, problems emerging from customers or problems outside the company's control. In order to turn these issues into customer satisfaction, it is necessary to provide a series of efforts, which is described as service recovery (Torres & Zhang, 2023).

### **2.3.1 Quality Dimensions and Customer Requirements**

According to Hayes (2008), quality dimensions are defined as those characteristics of the service that customers will base their opinions on. In service business, customer requirements should be determined in order to be able to establish a comprehensive list of all the important quality dimensions. For example, to many service organizations can be applied quality dimensions such as *availability*, *responsiveness*, *convenience* and *timeliness*. Previous studies identify that dimensions of service quality are *tangibles*, *reliability*, *responsiveness*, *assurance* and *empathy* (Hayes, 2008, pp. 11-13). In other words, quality dimensions differ depending on the service and, therefore, it is important to understand the customer requirements and expectations in order to be able to determine the quality dimensions.

In terms of railway transportation, service availability can be assessed as how easily customers are able to contact the service provider, whether they have online customer service, a service point or a call center and, moreover, the service hours for them. Responsiveness may be assessed by how quickly and easily the customer will get the help demanded from these places of service. Whether they have to stay on the line for a long time or receiving help in minutes. Timeliness can be assessed in the travel time. Whether there are multiple departures or just a few, whether the transfer times are reasonable and whether the trains are running on time or whether there are delays. Convenience is an important dimension because the main reason for transport service is to offer smooth and convenient transportation. This, together with assurance, plays a vital role in case there are delays or cancellations whether the customer is re-routed conveniently. Especially in cases of cancellations or delays, the trust which has a significant role in security is decreased, it is important to show availability, assurance and empathy to maintain the customer experience.

Ajit and Subhash (2013) states, that customer expectations do not change, they have remained the same for a long time. People want quick service, convenience and friendly interaction. However, standards of meeting those expectations have evolved. For example, high-speed traveling and digital communication are now standards which have developed majorly in a past decade. On the other hand, the importance of expectations will vary to customers even though the expectations remain the same. Every customer is an individual and considers different matters important to themselves. While another expects only the train to run as scheduled, another might expect it to be silent and clean but does not prioritize high whether it runs on time.

## **2.4 Customer Value**

According to Grönroos (2015), value is an elusive concept which can be defined in multiple ways. In service business, value perception can be experienced in multiple different ways. In its very simplicity, more value means that the customer feels better after the service than before. Value can be considered with two different concepts: value-in-exchange and value-in-use. The first one happens during the purchase itself and is most often related to the price that has been paid. The latter one takes place during the service experience, and it may turn into value creation, which is considered as a positive experience, but also value destruction, which can happen if the experience is negative. Customer's value creation process can take place in different ways. It may be created between customer and the service provider, but also customers may co-create social value with

other passengers for example. Service innovations are new value propositions which customers can integrate into their value-creation processes (Bryson et al., 2020). Customers are different, and therefore it is difficult to define which innovations bring value to whom. Others appreciate the possibility to order food to their seat or sleeping cabin, while others appreciate the quiet coach or the possibility to have a phone call in a booth. While others value in-person customer service, the others may value the possibility to do everything independently on the web.

It is difficult for service providers to observe and understand value-in-use for customers. In its simplicity, the service must solve the customer's problem and if it does not, it has no value. There might be economic exchange i.e. the purchase of the service has taken place, but if value-in-use has not been created, then most probably customer will not re-purchase. Value-in-use is a reflection of customer's expectations and needs in relation to the perceived service quality and, therefore, it varies between customers. The same service will be perceived differently and will create different value-in-use for different customers. The difficulty for service providers is that every customer may assess value-in-use differently (Bryson et al., 2020). Schmitt (2003) states that experiential value promise will specify what the customer receives from the experience. There are different types of experiences and how each of them is perceived. Sense experience is how customer value is created through sight, sound, touch, taste and smell. In feel experience, customer value is created through inner feelings and emotions and may range between mild positivity to strong emotions of thrill. In think experience, value is created through creative engagement of customers. In act experience, value is created through showing them different lifestyles or styles of doing business. Relate experience is created through social experiences by providing a sense of belonging and social identity.

## **2.5 Customer Satisfaction and Customer Experience**

Customer satisfaction is customers' perception that their expectations have been fulfilled or surpassed (Gerson & Machosky, 1993). In other words, a customer purchases a product or a service and, depending on the purchased good, has different kind of expectations towards it. If those expectations are met, the customer will be satisfied, and a good customer experience achieved. It can be noted that the main differences between service products and goods are that service is much harder to return as it is consumed during the point of delivery, a service encounter cannot be stored, and service is an experience based on a relationship or service encounter (Bryson et al.,

2020). These differences should be taken into consideration both in customer service and in marketing. These are critical factors when considering brand building as it may be only one encounter when the image of the company is built.

Willburn (2006) states that in a service situation, a customer is a person having fundamental human needs that influence their emotions, which in turn influence their repurchase behavior. These fundamental human needs include multiple emotions, but in service business, the emotions such as security, self-esteem, justice and empathy are highlighted. Security is closely related to trust, which has a major impact on service business and customer experience, as there is no loyalty without trust. Moreover, security is experienced in ways such as transportation safety but also that a customer representative took the time to serve the customer's individual needs. Self-esteem can be experienced as being a valued customer. Fair problem-solving by the service representative will fulfill the need of justice. Empathizing with customers also plays a vital role in the service business. Empathy includes friendliness, awareness of customers' feelings, caring about customers' feelings, caring about the customer and about meeting their needs, confirming that customers' feelings or concerns are valid and owning the problem. Customer experience can be conceptualized in factors of product quality, service at service channel, price, the environment and brand image (Willburn, 2006).

Improving the customer relationship has been seen as the key to developing business performance. The importance of understanding customers' attitudes, expectations and preferences has been noted (Hayes, 2008). On the other hand, the framework of customer satisfaction is based on expectations and performance, while this approach is lacking a consideration of the experiential dimensions, such as how the service makes customers feel, what kind of emotions they are associated with and how it may help customers to relate to other people or groups of people. Satisfaction as a concept is outcome-oriented, whether your needs and expectations were fulfilled. Experience, on the other hand, is process-oriented. It includes all the other experiences and emotions which were part of the service (Schmitt, 2003). As an example, a customer purchases a train ticket, so it can be assumed that the expectation is that they will travel from point A to point B. Experience, on the other hand, includes all the emotions which the customer will experience while using it. Whether the coach is clean, whether it is silent, whether the staff is friendly, whether there are other services to use, such as a restaurant car and how the customer feels in general about the

journey. Therefore, it is important to focus on the emotions about the experience in addition to other factors of customer satisfaction when researching this phenomenon.

In order to achieve customer delight, the customer's expectation is exceeded or there is a positive surprise element involved. Delight occurs when experience goes beyond satisfaction and is often composed with emotions of joy, thrill or exhilaration. Highly satisfied customers do not equal to delighted customers though, and often the surprising element is the key for the delight. Delight needs to be personalized because it is achieved by fulfilling the human needs of justice, security and self-esteem. Studies have shown that delighting customers leads to loyalty and is a better way to engage customers than only satisfying them. It is noted that customer delight occurs when getting the service right at the first time, but on the other hand, service recovery can be seen as a great way for the delight as well (Torres & Kline, 2013).

## **2.6 Theoretical Framework and Development of Hypotheses**

In its simplicity, customer experience management (CEM) is the process of managing customers' entire experience with a product or a company strategically. It connects with customer throughout the experience and integrates different elements to it. Before and also after the sale, value for the customer is provided by the CEM by delivering information, service and interactions. In order to be able to provide high quality customer experience, it is important for the company to achieve high employee experience because it influence the perception of the company to customers (Schmitt, 2003).

Customer experience management (CEM) framework allows companies to analyze the customer experience and to develop a strategy that focuses on customer experience. This leads to company growth and profitability by adding value through integrated implementations. Key differences between the CEM framework and traditional marketing strategy are that the CEM framework is customer-based instead of product-based, and it is conceptually tighter and more focused and therefore strikes the right balance and holds on to the target of customer experience management. In the CEM framework, both analytical and creative concepts and tools are included, while it considers both strategy and implementation, and additionally does it internally and externally. Analytical concepts are necessary for companies to establish structure, analyses and quantifying issues. Moreover, the CEM framework allows the creative concepts for companies to differentiate and to

catch customers' attention and fulfilling their wants and needs. While the CEM framework is mainly focused on external experience, which is the customer, it also focuses on internal experience, which is the employee experience. Often, business strategies rely heavily on numerical data and social sciences in terms of human behavior are often neglected. Numbers technically tell the truth, but numbers do not reveal all essential information about the data (Leskelä, 2020). The CEM framework allows to take human behavior into consideration as well and allows it to be analyzed in detail.

There are five steps in the consumer market for establishing the customer experience framework. The first two of them are considered as strategic considerations, which are in other words, the analytical concepts, and the three following are the implementation, which are the creative concepts. Schmitt (2003) states the five steps to be as follows:

1. Analyzing the experiential world of the customer
2. Building the experiential platform
3. Designing the brand experience
4. Structuring the customer interface
5. Engaging in continuous innovation (p.25)



Figure 2: Application areas of the CEM framework (Schmitt, 2003, p.33.)

In the first step, the key is to understand the experiential world of the customer. In order to achieve this, Schmitt (2003) suggest that, it is necessary to identify the target customer, divide the

experiential world into four different layers, track the experience along the touch points and examine the future. Every human being expects and demands different kinds of experiences, and therefore, it is important to understand what a customer, as an individual, demands for. Schmitt (2003) suggests that experiential world should be divided into four layers, which include the broad-based experience associated with the customer's sociocultural context, the experience provided by the usage or consumption situation, the experience provided by the product category and the experience provided by the product or the brand. For example, when a customer purchases a train ticket, the socio-cultural context includes the trend of sustainable transport mode. This has a direct link with the usage situation as the customer, in addition to using the product (train ticket) itself, also experiences emotions about making a sustainable decision. The product category in this example could include additional services which the customer is able to use while on board. Finally, this leads to the experience by the product or the brand, which in this case could be that the customer has made an environmentally friendly decision by choosing a train as their transport mode and additionally was able to visit a restaurant car while on board. The customer is experiencing the brand to enrich their life. Again, every human being is different with different needs and therefore, in terms of a railway company, socio-cultural context may vary broadly, and this should be taken into account when defining customer segmentation and targeting.

After analyzing the customers' experiential world, the next step in the CEM framework is to build the experiential platform. It is built with three components of experiential positioning, experiential value promise and overall implementation theme. In experiential positioning, it is described what the brand stands for, experiential value promise specifies what the consumer gets and, finally, these two are linked to implementation. In order to be able to build experiential platform, it is important to understand the outcome of the research about the customer. Understanding the customer and the trend they are valuing is the key to successfully accomplishing the experiential platform. Experiential value promise consists of elements such as sense, feel, think, act and relate impact on customers. Therefore, it is highly important to understand the trend, whether it is sustainability, convenience, timeliness or something else, to be able to specify the experiential value promise because each one of the trend will need to be approached differently. For example, a customer whose only mission is to get from point A to point B quickly and smoothly does not necessarily gain value from the sustainability aspect and will not experience it in a same manner as someone else who highly appreciates sustainability. After analyzing experiential positioning and experiential value promise, they should be combined into an overall implementation theme and

tested with, for example, ad concept testing and furthermore it will potentially lead into new innovations (Schmitt, 2003).

There are three key elements in designing the brand experience. These aspects include product experience, the look and feel and experiential communications. Product experience is how a product works. When considering an online purchased train ticket, it is not only the ticket itself, but the experience also includes how it was received, whether it is clear to read and understand, in addition to the validity of its information. When considering the look and feel aspect, which can also be referred to brand identity, we think about logos, colors and other graphic design elements. Even though the belief has been that those details do not matter, but it has been shown that they have an impact on the experience. Designing brand experience is again tightly linked to experiential platform as the trend chosen in that step defines how the brand experience should be designed. Finally, Schmitt (2003) states that experiential communications consist of three elements, which are experiential positioning, experiential value promise and overall implementation theme. When designing the overall tone of an ad, whether it is appealing to intelligence or emotions, for example, experiential positioning becomes useful. Experiential value promise, on the other hand, when specifying what the ad is selling in an experiential sense, because it describes what a customer gets from the product by its look and feel. Overall implementation theme becomes relevant for the creative effort in addition to laying out advertising's role among other experience providers, as it should be decided what kind of media plan would be the most effective, in addition to whether advertising and its media assume a supporting role or central role.

In a service company, there are multiple interactions and therefore opportunities for service providers to delight, provide useful information efficiently and enrich lives for their customers. By hiring the right employees and training them properly, by designing an interactive environment and by setting up the right the website, the company is able to differentiate itself in many touch points. According to Schmitt (2003), key issues of structuring the customer interface should be taken into consideration, which are essence and flexibility, style and substance and time. Essence will guide employees through the service situation, but flexibility is also an important part in order to avoid employees being like robots. Style defines how the essence and flexibility are expressed in the interface, and substance, on the other hand, defines the associations with it. In order to pro-

vide a delightful customer experience, it is important to have the right balance of style and substance. Fake friendliness should be avoided, but also cold tone and only focusing on being able to sell something. Time, in this relation, should be thought through questions like how long should a contact last in order to make a delightful customer experience? How it should be initiated? How to get the customer to return?

Technology has changed and also improved customer interface in many ways (Schmitt, 2003). With travel applications, customers are able to choose notifications based on their preferences and receive information about their trip, such as whether the train is delayed, or a seat has been changed or if the train is cancelled and the journey is re-routed. Due to technology, customers expect to be able to do almost anything online by themselves. This sets some challenges for service providers because the customer interface is mostly only on the web, and therefore it is critical to have a clear web site with enough information, and a platform for interactivity should be created as well, in order to be able to efficiently inform about changes, for example.

In order to keep up with competition and enhance the customer experience, the company should engage with continuous innovation. The innovation can be totally new which changes the experience entirely, or it can be a milestone innovation which allows businesses to grow, or it can be small innovations to existing products which enhance the customer experience (Schmitt, 2003). As noted, technology has changed many things. In order to keep up with customer expectations, it is critical to develop web-based services with small innovations. For example, allowing customers to purchase different types of extra services in addition to a regular train ticket. Contact customer service via different communication channels online or making refunds customer friendly, without the need to call customer service and staying in line for a long time. These minor innovations will impact the customer experience. Companies should decide whether they will provide innovations through major breakthroughs, small innovations or marketing innovations. Nevertheless, the innovation plan should not be narrowed too much in order to avoid limiting new opportunities. Additionally, it should guide decision-making internally and externally (Schmitt, 2003). In the innovation process, it is again critical to understand what the customers want and need.

As the customer experience management demands an understanding of the customer's wants and needs, in the empirical part of the study, the reasoning for choosing the train as their transport

mode is being studied. Without the knowledge of why they travel by train, the CEM framework cannot be utilized.

The aim of the study is to answer the following research questions:

*Does country of origin have an impact on the service experience? Will the experience lead to customer loyalty? And why do customers decide to travel by train in Finland?*

In order to answer the first two questions, two hypotheses were formed:

Hypothesis 1: There is no difference in customer experience based on home countries.

Hypothesis 2: There is a positive relationship between customer experience and customer loyalty.

Questions of does country of origin have an impact on the service experience and will the experience lead to customer loyalty are answered by testing the hypotheses. Why do customers decide to travel by train in Finland is answered by studying the reasoning for choosing the train as a mean of transport, which is critical in order to be able to use the customer experience framework.

### **3 Methodology**

The aim of the research is to discover how foreign tourists experience the services of the case company and moreover why they choose train as their mode of transport. The company has not studied customer satisfaction or customer experience specifically regarding foreign tourists and therefore, are missing data on this matter. Existing theories and academic knowledge about customer satisfaction and customer experience were studied and in the following chapters empirical data collection and analysis will be explained. Forming a research hypothesis is important because it determines the type and method of data to be collected, in addition to the statistical procedures for analyzing the data.

Hypotheses to be tested in the study are:

Hypothesis 1: There is no difference in overall customer experience based on home countries.

Hypothesis 2: There is a positive relationship between customer experience and customer loyalty.

As there are many touch points which have an impact on the customer experience, the study focuses on examining overall experience which covers all the touch points throughout the customer's journey, from ticket purchase to leaving the train at the final destination, in addition to conceivable post-journey communication. Customer loyalty, on the other hand, is measured by willingness to travel by train in Finland again.

### **3.1 Research Approach**

Research is utilized with a mixed-method approach with both quantitative and qualitative methods. Quantitative research methods were utilized in the study because they enable objectivity and measurability and are suitable for collecting data according to predetermined standard by using a survey. Qualitative research methods, on the other hand, provide the possibility for open-ended questions in the questionnaire, which allow respondents to answer without predetermined options and, therefore, they are able to express their opinions freely (Jenn, 2006). In order to prepare a successful survey, it is important to construct simple and direct survey questions with only one item per question. The survey can include both open-ended and close-ended questions (Gerson, 1993). In quantitative research, the phenomenon is known, and the research is based on existing theories. It is necessary to understand related theories in order to form detailed questions in a survey, which will produce the numeric data on the frequencies of variables of the phenomenon and interrelationships between them. In quantitative research, a basic tool is a variable, and the research is always about measuring different things and their interrelationships (Kananen, 2015).

In quantitative research, it is a challenge to contact research subjects and get their response and therefore, often the response rate remains quite low, especially in online surveys (Kananen, 2015). The case company has noted the same matter, in addition to the finding that response rate of foreign users has been lower than the response rate of domestic users. On the other hand, an online

survey gives an advantage as otherwise the target group would be unreachable due to demographic location (Kananen, 2015).

The truth is that satisfied customers spend more money, are willing to build a relationship with the company and are willing to suggest the company to their friends and family. Therefore, it is important to study what aspects should be improved: quality, service, satisfaction or retention (Gerson, 1993).

In order to gain an understanding of the current level of customer satisfaction and customer experience and the reasoning behind choosing the transport mode, an online questionnaire was conducted by Webropol, and the survey results are used as primary data. The secondary data used in the research are statistical findings by the case company and Finnish tourism statistics.

Figure 3 demonstrates the visual representation of the methodological structure of the study.



Figure 3: Methodological Structure

### 3.2 Research Context

The case company for the research is Finnish railway company VR Group. Specifically, the study concentrates on the company's long-distance traffic. The company states they want to offer the most comfortable, safe and environmentally friendly mode of travel and one of their main goals is to improve customer experience (VR Group, n.d. e). In order to meet their goal, it is critical to investigate what aspects customers value to be able to provide a positive customer experience. The

company continuously conducts different customer satisfaction and customer experience surveys but has not conducted surveys specifically for foreign tourists.

Even though foreign customers are quite a small customer group for the company but based on the study by Visit Finland (2023), Finland's touristic appeal has increased by 31 % in 2022 compared to 2019. Especially if the future development of railways between Finland and Sweden goes as Unife has planned in figure 1, it is likely that the number of foreign customers will increase, and it is useful to understand what they value and why they would choose a train as their transport mode.

In addition to the transportation service, the company also offers restaurant and café services on-board. Moreover, they offer customer service on multiple channels, both face-to-face and digitally. Most of the tickets are purchased through online shop but additionally through mobile app, vending machines, station ticket offices, long-distance trains and call centers (VR Group, n.d. e).

They offer customer service via phone, on chat on the website, on social media on Facebook, X and Instagram, in addition to service points based in Helsinki, Tikkurila and Tampere. Moreover, every long-distance train is equipped with a conductor who is there for the customers. The company has developed a mobile application called "VR Matkalla" which offers easy ticket purchase, the possibility to track the journey and different services such as the possibility to order food from the restaurant car to your own seat. Changes and cancelations of tickets can also be made through the application.

### **3.3 Data Collection**

To be able to contact foreign customers, an online questionnaire was implemented, and an invitation link sent out by e-mail. The chosen tool for the online survey was Webropol ([www.webropol.com](http://www.webropol.com)), which is an online survey and analysis software. It enables easy creation of the survey and records responses electronically in real time. Additionally, it allows moving the data to Excel and SPSS for the analysis. The survey took place between December 5<sup>th</sup> and December 17<sup>th</sup> 2023. The questionnaire was pilot tested by the case company representative to detect mistakes in content, grammar and format in addition to getting feedback from the questionnaire (Jenn, 2006).

Survey questions should be specified to answer the needed information, they should be clear in order to every respondent understand them equally, and they should be straightforward and uncomplicated (Ernest et al., 2015). The questionnaire consisted of three pages, a cover page and a thank you page excluded, and can be found in Appendix 1. It included 26 questions with areas of background information, service channels and the journey. Six questions were filtered based on the answer to the previous question and, therefore, 20 of the questions were mandatory for all respondents. All questions were obligatory to avoid incomplete sheets. The survey constructed of close-ended multiple-choice questions, yes/no questions, ordinal scales of 0-10, NPS questions and open-ended questions. This study concentrates on the quantitative methods, but qualitative open-ended questions were added in the survey to gain better understanding of customer value and to collect feedback. The questionnaire included close-ended questions because they require the respondents to choose from predetermined answers. Open-ended questions allow respondents to answer without predetermined options and, therefore, they are able to express their opinions freely (Jenn, 2006). To offer other options for the respondents in addition to predetermined ones, three questions included an option of "other" with a blank space.

Reichheld (2003) stated that Net Promoter Score (NPS) is the one number that needs to be grown. He stated that one single survey question can predict business growth, and it is not about customer satisfaction or customer loyalty, but about a customer's willingness to recommend a service to someone else. It is used by many companies to monitor and manage customer relationships (Hayes, 2008). The scale of the answers is from zero to ten, where respondents scoring nine or ten are considered as "promoters", seven or eight are considered to be "passively satisfied" and six and under considered as "detractors". To calculate the NPS index, the detractor's score is subtracted from the promoter's score and divided by the number of responses. Passive customers are not taken into account (Baquero, 2022). Even though, unlike Reichheld stated, NPS is not the only number needed to be grown, it is still useful for researching different stages of the customer journey.

### **3.3.1 Sampling Strategy**

The definition of sampling is to decide how many customers will be researched in order to receive the needed information (Gerson, 1993). Because the frame for the sample was known and the sample was from a specified population, a simple random sample was used for the study. The

method is specified, objective and replicable (Adams et al., 2014). The recipients of the survey were collected from the company's database and selected based on their e-mail addresses domains. Domains which can be assumed to be domestic users were excluded from the survey. These domains included .fi, .com, .org, .net, .info and .io. The selected recipients were previous customers with a research permit, who had bought a train ticket three to ten times in the past 12 months and had not received other customer surveys in three months. To ensure the validity of foreign users, their current country of living was asked in the survey in order to be able to exclude Finnish customers. Based on the criteria, the population size was 3466 customers, and the sample size was 209 customers.

### **3.4 Data Analysis**

The empirical part of the study focuses on descriptive statistics and using nonparametric techniques as inferential statistics. Weathington et al. (2012) states that descriptive statistics are used for organizing, summarizing and describing the data. Commonly in descriptive statistics, tables and figures are used to present percentages, frequencies and measures of central tendency and variation (Verma & Abdel-Salam, 2019).

Nonparametric tests are applicable for nominal and ordinal data and when data is not measurable, such as categorical data. Variables of overall experience and willingness to travel by train again in Finland are measured on a scale of zero to ten. Nonparametric tests are less precise compared to parametric tests because of the lack of information about the population (Verma & Abdel-Salam, 2019). Additionally, skewness and kurtosis values for the selected dependent variable of overall experience were tested in SPSS and the results showed skewness of -2,241 and kurtosis of 5,896 and therefore cannot be tested with parametric tests because their value should be between -2 and +2 (Chattamvelli & Shanmugam, 2015).

Questionnaire responses were exported from Webropol to SPSS as raw data. 41 responses were deleted because Finland was mentioned as a country of living and the study focuses on foreign tourists. Results of Net Promoter Score questions are additionally analyzed by Webropol. Variables of home country, willingness to travel again, and overall experience were named accordingly, and the two latter ones changed as ordinal measures.

For the analysis concerning the first hypothesis of difference in experience based on home country, the independent variable is the country where the respondent is currently living because the condition existed before the person took part in the survey. Furthermore, it is a subject variable because it cannot be randomly modified by the researcher. The primary goal with the dependent variable is to ensure a way of measuring it in a meaningful way (Weathington et al., 2012). The study focuses on measuring customer experience and, therefore, overall experience is used as a dependent variable. In terms of the first hypothesis, the study focuses on the top five countries which had the most respondents. These countries are Germany, Sweden, England, Poland and Switzerland. In the questionnaire, country of origin was typed as a string value, and it was transformed into a numeric value in SPSS for the analysis. Before transforming the data, misspellings were corrected, and UK was edited to England for consistency.

The Kruskal-Wallis H test was performed for the analysis of finding if there is any statistical difference between customer experience and home country. This method was chosen because it allows the test for several independent samples. SPSS is used for analysis with nonparametric tests and customize test was utilized using Kruskal-Wallis 1-way ANOVA k samples.

In the analysis to test the second hypothesis, the relationship between overall experience and willingness to travel again is measured. The chosen test for the analysis is Spearman's rank correlation coefficient because it is a nonparametric technique for measuring a relationship between two ordinal variables ( Verma & Abdel-Salam, 2019). It measures a monotone association with two variables instead of linear relationship (Hauke & Kossowski, 2011). The correlation coefficient may get values between +1 and -1 and the correlation between the variables is stronger the more the value differs from zero (0). The correlation value of over 0,8 is considered strong dependency, between 0,4 and 0,8 considered as reasonable dependency and less than 0,4 as no dependency (Kananen, 2015).

The questionnaire included open-ended questions for respondents to express their opinions freely and to understand their experiences in a deeper manner. Content analysis is used for the analysis because it is generally used for describing human experiences and perspectives (Kyngäs et al.,

2020). The study focuses on discovering the experiences of the respondents and therefore, qualitative data is important for better understanding what aspects have impacted it, and moreover, what could improve their experience.

### 3.5 Verification of Findings

According to Kananen (2015), a response rate of 30 % in scientific research does not provide sufficient reliability statistically and often in online research the response rate remains as low as 10 %. In the conducted survey, the response rate was seven percent and therefore it can be noted that it is far too low statistically. 41 of the total 250 responses were deleted because the country of living is Finland and, therefore, the response rate decreases to six percent.

Reliability can be defined as the consistency of the measurement scores across the replications of the measurement procedure (Panter & Serba, 2011). In other words, if the same result is consistently achieved by using the same methods under the same circumstances, it can be considered reliable. The questionnaire included questions about willingness to recommend, willingness to travel again and overall experience, which should have consistent responses. Validity refers to whether a survey is measuring what it is set to measure (Litwin, 1995). Research focuses on customer experience and therefore the chosen dependent variable is overall experience. Ernest and Nelson (2015, p. 123) states *“if a question is reliable, we see consistency in responses. If a question is valid, it accurately measures what we say we are measuring”*. Validity is more problematic to evaluate than reliability because the same results would be obtained with replicated research but if the measures are incorrect the results are not correct, which refers to validity (Kananen, 2015).

In quantitative research, questions and response options are used for measuring and therefore questions must be targeted. It is also important to notice that respondent may understand questions in their own way, which leads to incorrect responses. Therefore, it is critical to formulate questions and response options correctly with plain language without special terms. It is also important to ensure that a respondent has the required information (Kananen, 2015). The questionnaire was sent to the company's previous customers and, therefore they would have the necessary information for responding. In this case, the sample can be considered as the population because it is taken from the company's register (Kananen, 2015).

According to Ernest and Nelson (2015), measurement errors may take place in various stages. Questions should be formed to have only one question per question and to measure what needs to be known. Additionally, the layout should be considered because some measurement error is related with wording of the question and order. Respondent behavior also has an impact on measurement error. Processing, analyzing and reporting of the data may also result in error.

To be able to analyze data by using the Kruskal-Wallis H test, four assumptions need to be met. Dependent variable must be measured at an ordinal or a continuous level, independent variable must include two or more categorical independent groups, observations should have independence i.e, there is no relationship between the groups. The Kruskal-Wallis H test does not assume normal distribution in the data, but it is important to know whether the data is normally or non-normally distributed in order to interpret results correctly. If the groups have an identical distribution, group medians can be compared, but if the distribution is not identical, only group means can be compared (Laerd Statistics, 2018a).

The distribution of the data in the top five countries was tested in SPSS and is not identical between groups and therefore only the group means can be compared.

Correlation is a measure of an association between two variables. Spearman's correlation is used for non-normally distributed ordinal data, and it measures the monotonic relationship between the variables. In monotonic association, the data should form a constantly increasing or decreasing curve. Correlation should be used to describe linear or monotonic relationship and, therefore, it is advisable to plot the data for visual inspection of the association, and not only rely on the correlation coefficient (Schober et al., 2018). Appropriate use of Spearman's correlation includes three assumptions, which are that two variables are measured on an ordinal, interval or ratio scale, two variables represent paired observations and there is a monotonic relationship between the variables (Laerd statistics, 2018b).

Scatter Plot of OverallCX by TravelAgain

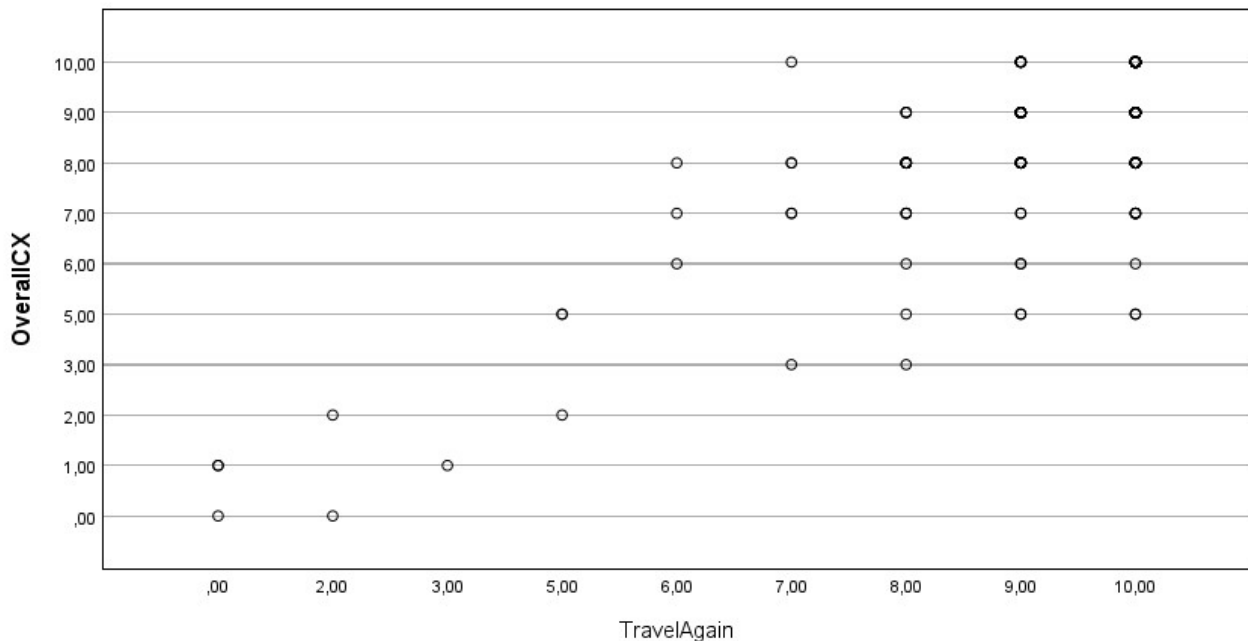


Figure 4: Scatter plot for Spearman's rho of overall experience and willingness to travel again

Figure 4 represents the scatter plot for variables of overall experience and willingness to travel again. The curve is increasing constantly, and the variables can be stated to be monotonically associated.

### 3.6 Research Ethics

The questionnaire was implemented by Webropol which fulfills the highest safety standards and GDPR requirements in terms of handling data and privacy of the participants.

Purposes of the research which included the case company's customer experience development in addition to the present study were presented on the invitation e-mail and additionally on the cover page of the survey. The survey was sent to previous customers who had given permission for marketing. The survey did not include identifying questions. Company's data protection and how customer's privacy is protected can be found from the website <https://www.vr.fi/en/privacy>.

Company representative and the author are the only ones with access to the data. Data analysis was utilized in SPSS and saved to the cloud of Jyväskylä University of Applied Sciences. After completing the analysis, saved copies of the analysis were deleted and the survey data is restored in Webropol.

Before dispatching the questionnaire best practices in study design were considered by providing simple questions which can be perceived in the same manner and by avoiding leading questions.

## 4 Results

The chapter introduces results of the primary data. In the first part of the chapter, descriptive statistics of the sample are presented and in the second part of the chapter, results of testing hypotheses are presented. In hypothesis 1, variables of overall experience and the five most frequent countries are tested and in hypothesis 2, variables of overall experience and willingness to travel again are tested from the whole sample.

### 4.1 Descriptive statistics

The top five most frequent countries include England, Germany, Poland, Sweden and Switzerland and cover almost half of the total survey responses. The highest number of respondents are from Germany, while the other four countries share quite similar respondent numbers.

Table 1: Overall Experience Statistics in Top5 Countries

<b>Report</b>			
OverallICX			
TOP5	Mean	N	Std. Deviation
England	8,5333	15	2,64215
Germany	8,9020	51	1,02479
Poland	8,9091	11	2,38556
Sweden	6,8750	16	3,50000
Switzerland	7,9000	10	1,44914
Total	8,4369	103	2,13592

Table 1 presents results of statistics of overall experience among the top five countries. It can be noted that Swedish respondent's mean score is the lowest and Polish respondent's is the highest.

Swedish respondents additionally show the most variability in their responses with a standard deviation of 3.5, while many German respondents scored close to the mean score with a standard deviation being 1.02.

Figure 5 illustrates how the scores in overall experience are distributed between the top five countries. It can be noted that German respondents have not scored under seven, while other countries show more variability, which can be noted from Table 1 as well.

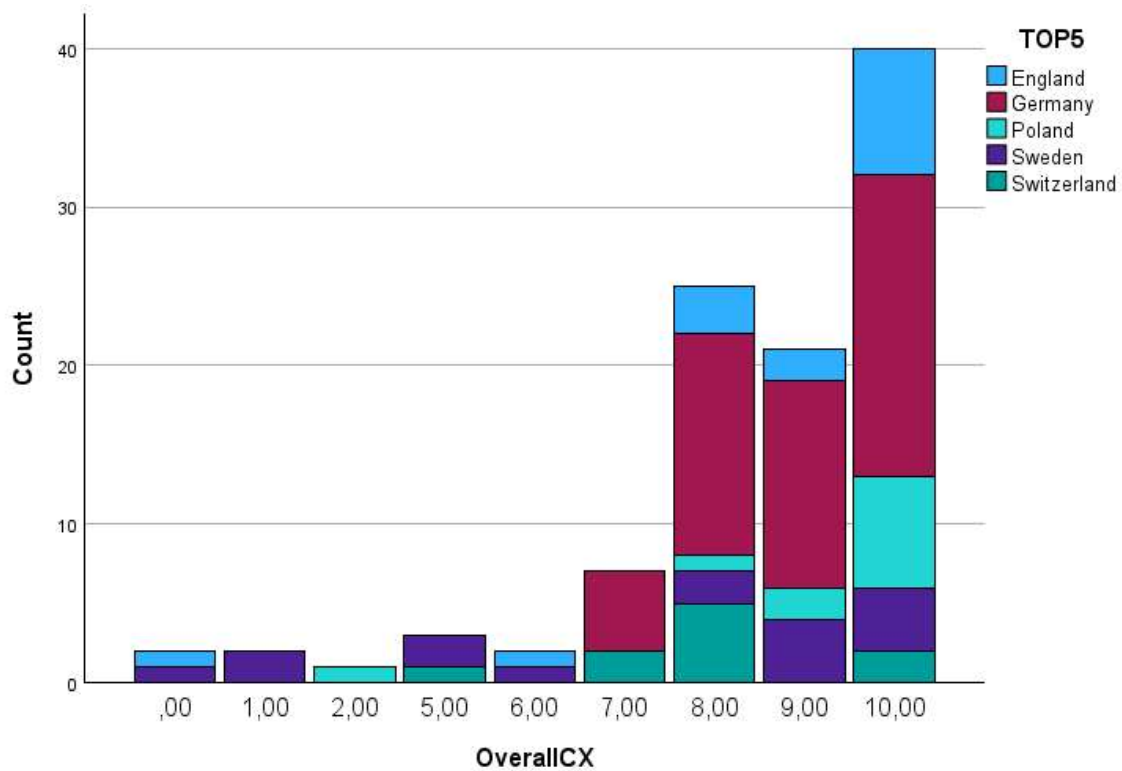


Figure 5: Overall Experience Scores in Top5 Countries

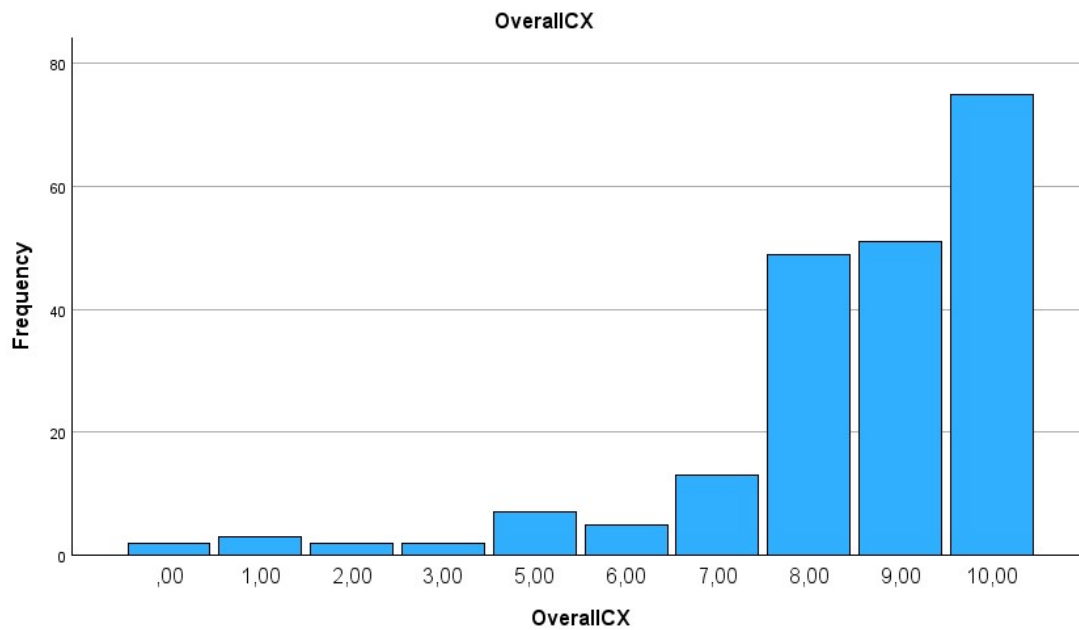


Figure 6: Overall Experience of Whole Sample

Figure 6 represents the score distribution in overall experience among all 38 countries represented in the study.

Figure 7 illustrates how likely respondents would travel again by train in Finland. 82 % of the respondents would choose train as their mode of transport again.

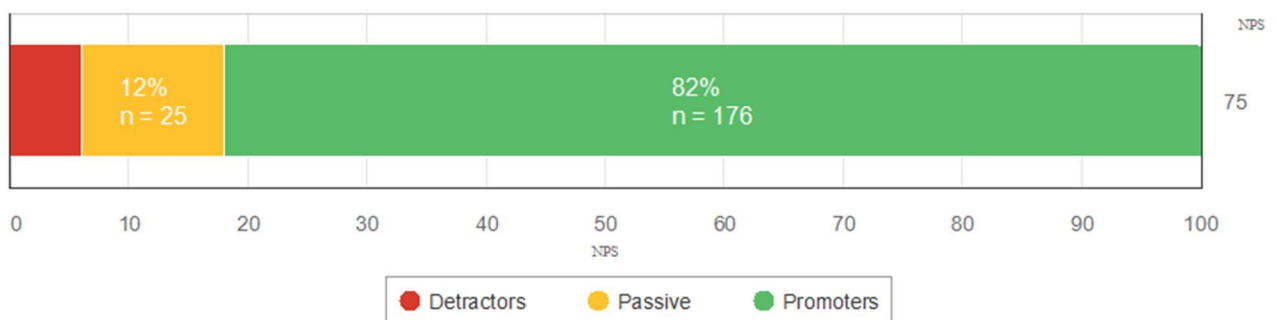


Figure 7: Willingness to Travel Again by Train in Finland

## 4.2 Testing Hypotheses

The first part of the subsection presents the results of test summaries conducted in SPSS of Kruskal-Wallis H test in terms of the first hypothesis of whether there are differences in overall experience and home country. The second part of the subsection presents the test summaries for Spearman's coefficient correlation to test the second hypothesis of whether there is a positive relationship between customer experience and customer loyalty.

### 4.2.1 Experiences Between Countries of Origin

The first hypothesis of whether there are differences in overall customer experience based on home countries is tested with the Kruskal-Wallis H test. The Kruskal-Wallis test was utilized in SPSS with overall experience being a dependent variable and the top five most frequent countries of England, Germany, Poland, Sweden and Switzerland being independent grouping variables.

Table 2: Kruskal-Wallis Test Summary 1

Total N	103
Test Statistic	9,967 <sup>a</sup>
Degree Of Freedom	4
Asymptotic Sig.(2-sided test)	,041

a. The test statistic is adjusted for ties.

Table 2 represents the test results. The significance level for the test is .05 and results suggest that hypothesis 1 is rejected with a P-value of .041.

### 4.2.2 Relationship Between Experience and Customer Loyalty

This subsubsection represents the test results for the Spearman's correlation coefficient and the objective is to test the second hypothesis of whether there is a positive relationship between customer experience and customer loyalty. The chosen independent variable for measuring customer loyalty is willingness to travel by train in Finland again and overall experience is used as a dependent variable.

Table 3: Spearman's rho Test Summary

		<b>Correlations</b>		
			OverallCX	TravelAgain
Spearman's rho	OverallCX	Correlation Coefficient	1,000	,544**
		Sig. (2-tailed)		<,001
		N	209	209
	TravelAgain	Correlation Coefficient	,544**	1,000
		Sig. (2-tailed)	<,001	
		N	209	209

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Table 3 represents the results of the Spearman's correlation coefficient test utilized in SPSS. The table presents Spearman's correlation, its significance value (p-value) and the sample size. Referring to Table 3, the correlation coefficient value is .544 and, as a result, hypothesis 2 is accepted and can be stated as statistically highly significant with a P-value of <.001.

### 4.3 Reasoning for Choosing Transport Mode

Table 4: Reasoning for Choosing Train as Transport Mode

<b>Sustainability</b>		<b>Price</b>		<b>Speed/Travel time</b>		<b>Ease</b>		<b>Convenience</b>	
N	%	N	%	N	%	N	%	N	%
<b>81</b>	38.8 %	<b>95</b>	45.5 %	<b>92</b>	44 %	<b>96</b>	45.9 %	<b>116</b>	55.5 %

Table 4 represents the results of reasoning behind choosing the train as a transport mode. Options included sustainability, price, speed/travel time, ease, convenience and other with a blank space. 32 respondents chose option other, and open-ended answers are presented in Appendix 2. Referring to Table 4, over half (55,5%) chose the option convenience. It cannot be considered as the most important as the question was a multiple-choice question and a respondent was able to choose many options but, in the end, convenience was the most frequent choice. Price, speed/travel time and ease shared similar numbers in responses. Based on these results, different conclusions can be made.

## 5 Discussion

The research problem for the study was that the case company had not implemented customer satisfaction and customer experience surveys specifically for foreign customers. Therefore, the solution to study the matter was to collect a sample from the company's database of previous customers and send an online questionnaire to them. Foreign tourists cover quite a small share of the company's customers but are an important customer segment in order to grow the number of customers and moreover to discover how foreign tourists would be more attracted to use the train for traveling in Finland.

Objectives were to discover the current level of customer satisfaction and how foreign tourists have experienced the service, the reasoning behind their decision of choosing the train as their transport mode, whether experiences differ between different home countries and whether there is a positive relationship between customer experience and customer loyalty.

### 5.1 Answers to Research Questions

The research questions for the study were *does country of origin have an impact on the service experience? Will the experience lead to customer loyalty? And why do customers decide to travel by train in Finland?*

Based on the results, it can be stated that the customers have highly positive experiences of the company and its services, and country of origin did not have an impact on it. On the other hand, there was also some variability. While most of the respondents had positive experiences, there was a fair number of dissatisfaction and negative experiences. The study included 209 respondents from 38 different countries. Figure 6 represents how the scores are divided, but only 21 respondents out of 209 scored under seven. Most of the respondents scored ten, 75 out of a total 209, which is 35.9 % of the responses. Finnish railways have been noted globally on social media and claimed to be very efficient, clean and trustworthy. Additionally, playground for children receives a lot of positive feedback, and it has been noted to be an uncommon thing internationally (Pellas, 2024).

Referring to Table 4 of the reasoning behind choosing the train as a means of transport, customers value that traveling is convenient and smooth. When comparing train traveling to air transportation, it can be considered more convenient. Train traveling does not include queuing for bag drop, queuing for security control, queuing at the gate and waiting in the luggage hall. Moreover, train stations are most often located in the city center, unlike airports. With high-speed trains, even the travel time can be almost the same as by airplane with all the queuing, waiting and traveling to and from the airport, the price is usually lower, and it can be considered easier as well. Combining all these reasons which customers value, it can be understood why they have chosen the train as their mode of transport.

The study showed that over half (51.2 %) did not even consider other transport modes than the train. The highest competition was from air transport, which was considered by 30.1 % of the respondents. Perhaps they also combined previously mentioned reasons for the final decision? Another reason why convenience is highly valued can be found from the age of the respondents and their travel company. The study showed that over half of the respondents are over 50 years old. Additionally, the highest number of respondents traveled with their families, and convenience is understandable, especially with young children.

When considering the Net Promoter Score in Figure 8, which reflects how willingly the respondents would recommend traveling by train in Finland, NPS is 77, and NPS score over 70 means that customers love the company and a lot of positive word of mouth is generated (Raileanu, 2023).

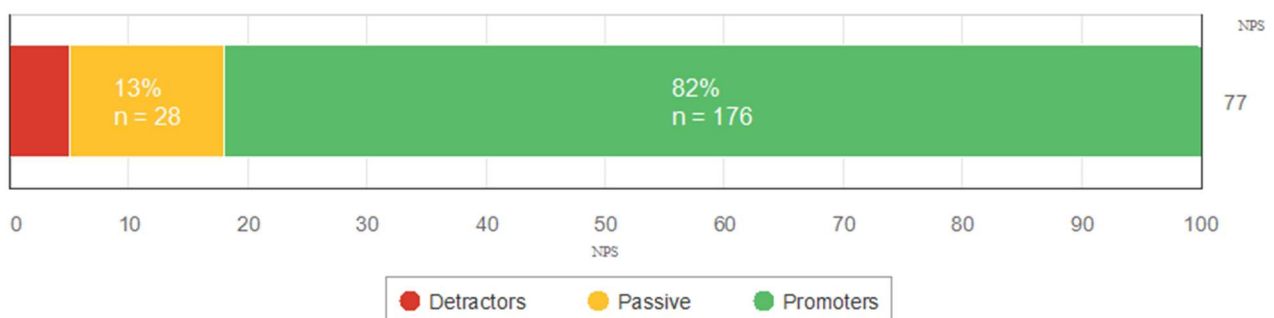


Figure 8: NPS on Willingness to Recommend Train Traveling in Finland

When analyzing the results of the top five most frequent countries of England, Germany, Poland, Sweden and Switzerland in Table 1, it can be noted that German respondents have highly positive overall experiences with the company's services, with a mean of 8,9 on a scale of zero to ten and with a standard deviation of 1,02 which means all the scores are quite close the mean. Polish respondents share the highest mean score, but they show more variability in their responses with standard deviation of 2,39. Respondents from England are also quite pleased with the services with a mean of 8,5 but show variability in responses with a standard deviation of 2,64. Of the top five countries, Swedish customers have the most negative experiences with a mean score of 6,9. On the other hand, their scores show the highest variability with a standard deviation of 3,50.

From my own experiences of traveling by train in Germany, it is understandable why German respondents appreciate train traveling in Finland. Most of the time, trains in Finland run as scheduled and there are not too many cancelations or delays, and if there is, communication about it is immediate. In Germany, I had an experience where the first train was delayed, because of that, transfer was missed, even with the use of their mobile application, there was no information about re-routing. I managed to find the next connection by myself and two minutes before the departure track was changed, and the announcement was only in German. In the end, I arrived at my destination about an hour later without any contact from the service provider. Personally, it was not that big of a deal because I am very familiar with train traveling, but when considering this experience from a perspective of a tourist who is using a train for the first time in the country or for the first time in years, it may have affected the willingness to travel by train ever again. Cancelations and delays are understandable but with timely communication, the experience can be saved.

Two hypotheses were formed to answer the research questions. The first hypothesis was that there is no difference in customer experience based on home countries. The largest number of respondents were from Germany, and it can be noted their level of satisfaction is high. Referring to figure 5, their response scores in overall experience are between seven and ten, while responses from other countries showed more variability. The hypothesis was tested with the Kruskal-Wallis H test and results suggest rejecting the hypothesis with a P-value of .041. Based on the study, even though all countries showed more positive than negative experiences, there is still variability which leads to the result of experiencing the company's services in different ways.

The second hypothesis was that there is a positive relationship between customer experience and customer loyalty. Variables for the test were overall experience and willingness to travel again by train in Finland. Spearman's rank correlation was used to test the second hypothesis and, by results presented in Table 3, can be stated that there is a positive relationship between the variables.

## **5.2 Assessment of the Results in the Light of Literature**

As discussed, transportation may be an important part of the experience and the journey itself can be the thing, instead of the destination (Dickinson & Lumsdon, 2010). This can be found also from the results of the current study in open-ended answers in Appendix 2 of the "other" reasoning for choosing transport mode. Word experience was repeated in multiple answers. Previous studies show that scenery from the train has been the key motivator for train travel. Sustainable aspect of train travel has been considered lower compared to other core indicators such as travel cost, duration, price, comfort and convenience (Dickinson & Lumsdon, 2010). Current study support these findings.

Matters that enhance the travel experience are considered to be sharing the journey with others, using the travel time for observing scenery and for relaxing and taking time for oneself (Dickinson & Lumsdon, 2010). Many foreign tourists take the night train to Lapland and also supports the previous study in this sense that customers are able to sleep the night on the train and arrive well rested in the morning. Moreover, they are able to enjoy Finnish cuisine already in the restaurant car and enjoy the company of other passengers.

As companies should aim to provide flawless, error-free service which delights the customer (Torres & Zhang, 2023), which is the basis for service quality and consists of service product, service delivery and service environment (Rodrigues, 2013). When viewing from a customer's perspective, and the perception is to have an easy journey from Helsinki to Rovaniemi on a night train and when entering the train, it is found that the toilet is broken, it does not start well. Customer service, conductor in this case, might be able to provide a new cabin and make a service recovery. If the train is fully booked, and it is not an option, the customer is dissatisfied, at least for the moment. It already has an impact on the experience, but the experience might still be saved later on

with a refund, for example. There are multiple matters that can go wrong and, therefore, it is critical to have skillful employees who are able to make service recoveries in different stages of the whole experience to maintain the ideal level of service quality.

When considering service value, it is a difficult subject as the service provider needs to know what brings value to the customer, as expectations vary. In this study, convenience was the most frequent reason for choosing the train as the transport mode, but also speed/travel time, price and ease were considered as reasons frequently, and therefore, it can be assumed that all these aspects bring value to the customer. Based on this study, conclusions about the importance of each reason cannot be made and therefore it need to be assumed that convenience brings value the most, but price, travel time and ease are equally valued.

Willburn (2006) states that in a service situation, a customer is a person having fundamental human needs that influence their emotions, which in turn influence their repurchase behavior. Based on the results of willingness to travel by train again in Finland and willingness to recommend the service, it can be stated that the company has managed to answer foreign customer's needs in the service situations and has fulfilled their wants and reached the expectations and probably in many cases has exceeded them.

When analyzing the results of the study in the light of the customer experience management (CEM) framework, it can be noted that only one research does not include all the answers, but based on the study, some conclusions can be made, and that is a starting point. Customer experience management framework includes the following steps:

1. Analyzing the experiential world of the customer
2. Building the experiential platform
3. Designing the brand experience
4. Structuring the customer interface
5. Engaging in continuous innovation (Schmitt, 2003, p.25)

Step one is to get to know the customer and their wants and needs and the second step is to implement it. Results of the study show that convenience was the most frequent reasoning behind choosing a transport mode. Understanding the reasoning behind the decision is highly important

because if the decision is made on the basis of convenience and, customer expects the journey to be smooth and convenient and then, for example, if the train is partially canceled and replaced by a bus to a certain station and requires a transfer to a train, it will lead to dissatisfaction and negative experience since it is far from smooth and convenient. Therefore, when building the experiential platform, it is highly important to make sure the possible changes in the journey do not have an impact on convenience, at least not too much.

The questionnaire implemented in the study did not focus on how the brand has been experienced, and therefore this step is still lacking data within the target group of the study. In general, though, the company's brand is quite solid and strong, relying heavily on the green color, which indicates environmental friendliness. Over 90 % of the respondents stated that the website was clear and simple to use, and all relevant information was found on the website. Additionally, ticket purchase was considered easy. Marketing on the website is focused on seasonality, and currently there is headlines about traveling to Lapland on a night train, suggestions about where to go on a winter holiday in Lapland and tips for seeing the Northern Lights. Marketing for the target market countries could be increased though to be able to attract more customers.

At the case company, structuring the customer interface can be seen as the most critical point. As results showed, convenience was the most frequent reasoning but price, speed/travel time and ease shared similar numbers in responses, and therefore it is not advised to start building the CEM framework based only on convenience, other reasonings should be taken into account as well. Nevertheless, there are some expectations what every single customer wants and needs, despite the reasoning – travel from place A to place B. They expect to receive the ticket after purchase, they expect the train to depart as scheduled, and they expect it to arrive at the destination as scheduled. Obviously, there are more expectations which need to be studied and analyzed further, but these are the bare minimum which every single customer has. If some of these are somehow violated, the communication should be quick, efficient and initiated by the company. Although in case of an unreceived ticket, it is not possible for the company to initiate the communication because they are not aware of it, but in case of delays the service provider should be the one giving the information unprompted. As in the earlier example of my experience in Germany, the experience could have been totally different with communication from the service provider.

Finally, services should be developed continuously, and in the end, customer satisfaction and customer experience can never reach the absolute perfection, so there is always something to improve. Therefore, continuous customer experience surveys should be made to find out what the company could do to provide better experiences.

### **5.3 Managerial Implications**

It has been learned that in a service company it is highly important to understand what the customer wants and needs and also to understand how they are fulfilled or preferably exceeded. In the case company, it is kind of obvious that a customer wants to travel, but it is more important to understand why they choose the train as their mode of transport instead of some other transport mode. If the reasoning for choosing train as a mode of transport is analyzed thoroughly and strategic decisions made based on the reasoning, it can attract more customers and result in more profit. Moreover, it will improve customer satisfaction and customer experience when the company is aware of what they are aiming to accomplish and able to fulfill the customer's needs.

By prioritizing the delivery of exceptional experiences that delight and resonate with customers, the company can foster loyalty, drive revenue growth, and establish a competitive advantage. It is not only about selling products or services; it is about forging meaningful relationships that last over time.

The study showed that most of the respondents did not contact customer service at all, but on the other hand, some foreign customers considered contacting the company to be difficult. Even though over 90 % stated the website to be clear and providing all needed information, there were some challenges with finding information on ticket changes and refunds. Facing issues with contacting the service provider can have highly negative impact on the whole experience. Moreover, if a customer faces issues with refunds, it means that already something has gone wrong and the experience is negative, and then, facing more issues with claiming the refund the experience decreases even more. Based on the study, these situations are a minority, but on the other hand, when the number of foreign customers increases it should be taken into account and aim to prevent them.

It should be noted though that different customers have different needs, and for the case company, it is difficult to provide services that fulfill or exceed every customer's needs, as the company offers public transportation and last year, 15.1 million journeys were made only in long-distance traffic (VR Group, 2024). Nevertheless, the motivation for choosing a train should be studied and analyzed further in order to be able to find perhaps differentiation in customer segments. Whether leisure travelers choose train for different reasons than business travelers, for example. Moreover, the motivation for choosing a train as a transport mode can be used in target marketing which would attract more customers.

Currently, marketing is focused on promoting the Lapland and the night train experience, which is mainly for leisure tourists. Especially due to the development of railways connecting Finland with Central Europe and the recent acquisition of railways in Sweden, business traveling should be marketed more. As companies are following the megatrend of sustainable development, it is wise to consider the matter strategically and invest in growing the number of business customers in the future.

As Finland and Nordics are getting more popular and attracted by the whole world, the company should consider it in their marketing with different customer segments. I believe that the acquisition of Swedish railways will increase the number of tourists traveling to Finland as well if it is marketed enough and properly to different customers. Even though the rail connection between Finland and Russia has ended, at least for the time being, the future of rail traveling can be developed between Finland and Sweden and moreover with Europe and the whole world.

As the study showed, there are no statistical differences in customer experience based on home countries. However, most likely, the customers are comparing the Finnish railways to their home country's railways. Railways in Finland are considered the 3<sup>rd</sup> best in terms of efficiency in Europe and ranked also in the top 10 globally (Landgeist, 2021). Therefore, it is understandable why foreign tourists have a lot more positive experiences on Finnish railways than negative experiences. It should be remembered though that efficiency and quality are subjective matters, but if the comparison is made between Finland and home country, only Swiss and Dutch tourists should have negative experiences in terms of efficiency. The truth is, though, that it is not that black and white.

As experience is built with various matters and at different stages, it is not only about efficiency. Experience can be positive even if the train is delayed, for example.

## 5.4 Reliability and Validity

In research, it is important to measure reliability of the results because it refers how consistent the responses are across different respondents using the same service. In a questionnaire, it means that similar questions create similar responses (Ernest & Nelson, 2015).

Willingness to travel again, overall experience and willingness to recommend are considered relevant variables for the study and therefore their reliability was tested. The test was utilized in SPSS and the measure used for it is Cronbach's Alpha. It assesses the reliability and internal consistency of the test items. The result of the measure ranges between zero and one, and when the value approaches one it means that more items have share covariance and therefore, the probability of measuring the same underlying concept is higher (Goforth, 2015). Referring to Table 7, which represents the result of the test, it can be noted that the value of Cronbach's Alpha of the relevant variables is high and, therefore, can be considered reliable.

Table 5: Testing Reliability

Reliability Statistics	
Cronbach's Alpha	N of Items
,938	3

In addition to the importance of reliability, it is important to measure validity as well. Validity refers to whether the research has been conducted appropriately and obtained results corresponds with the studied phenomenon. To accomplish valid results, correct research methods must be used in addition to using a correct measure and to measure correct matters (Kananen, 2015). The research questions for the study are: *Does country of origin have an impact on the service experience? Will the experience lead to customer loyalty? And why do customers decide to travel by train in Finland?*

For valid results, customer satisfaction and customer experience need to be studied and the questionnaire included questions on these subjects. Ordinal scales and Net Promoter Scores were used for the analysis of quantitative research methods. The customer experience framework includes the whole experience and therefore matters of the decision-making process are important in addition to the experience during the journey, and the possibility of open-ended answers produced useful qualitative data for the case company.

Table 6: Testing Validity

		<b>Correlations</b>			
		Recommend	OverallCX	TravelAgain	Total
Recommend	Pearson Correlation	1	,819**	,921**	,963**
	Sig. (2-tailed)		<,001	<,001	<,001
	N	209	209	209	209
OverallCX	Pearson Correlation	,819**	1	,785**	,925**
	Sig. (2-tailed)	<,001		<,001	<,001
	N	209	209	209	209
TravelAgain	Pearson Correlation	,921**	,785**	1	,950**
	Sig. (2-tailed)	<,001	<,001		<,001
	N	209	209	209	209
Total	Pearson Correlation	,963**	,925**	,950**	1
	Sig. (2-tailed)	<,001	<,001	<,001	
	N	209	209	209	209

\*\* Correlation is significant at the 0.01 level (2-tailed).

Relevant variables for the study are willingness to recommend, overall experience and willingness to travel again and the validity of these variables was tested using SPSS and Pearson's correlation coefficient. According to Zia (2020), if the Pearson correlation total is greater than the critical values of Pearson's correlation table, the question can be considered valid. For a sample size of 209, the closest critical value of 200 is used and for 95 % validity the value is .138098 (Zaiontz, n.d.). Table 6 represents the validity test and, according to these values, the data can be considered valid.

When considering external validity, the study provided practical use for the company with the background information about foreign customers and their current level of customer satisfaction and on their experiences. The study provides useful information for future research on the same

subject. Results of the study can also be used for comparison for railway companies in different countries.

## 5.5 Limitations of the Research

In research, errors may take place in various stages. Errors can occur through sampling, measuring, processing, analyzing and reporting of the data. (Ernest & Nelson, 2015). According to Ernest and Nelson (2015), there is not a perfect sample of the population. For the current study, sampling was performed by collecting questionnaire recipients from the company's database and selected based on their e-mail addresses domains. Domains which can be assumed to be domestic users were excluded from the survey. These domains included .fi, .com, .org, .net, .info and .io. The selected recipients were previous customers who have bought a train ticket three to ten times in the past 12 months. The sample included Finnish customers as well, but their responses were deleted when analyzing the data. On the other hand, when the recipients were selected with the criteria of e-mail addresses domains, it is likely that all foreign customers were not included in the population.

When considering the measurement errors some of them are related to question wording and order, in addition to how questions are placed in the questionnaire (Ernest & Nelson, 2015). To avoid measurement errors, the questionnaire was constructed to start with questions of background information, moving to questions about service channels and finally presenting questions about the journey and experiences. Additionally, all questions were obligatory. Wording and order of the words was critically considered, and the questionnaire was examined by the company representative. Respondent behavior also has an impact on measurement errors, which is aimed to minimize with simple and straightforward questions which do not offer various ways of interpretation.

The study has limitations with its nonresponse error and sample size. While the population size was 3466 customers and the sample size was 209 customers, it leads to a response rate of six percent, which is statistically far too low. Additionally, 51 of the responses were from German respondents, which is almost a quarter of the whole sample.

## 5.6 Future Research

As this has been the first study focusing only on foreign customers, there are still many opportunities and suggestions for future research and the subject can and should be studied deeper and from different perspectives. First of all, the questionnaire implemented for the study included many questions to gain an understanding of the current level of customer satisfaction and customer experience, but additionally information about the use of different services and different background information. It is advisable to implement a new shorter questionnaire focusing only on customer satisfaction and customer experience as now there is some existing data of background information. Another focus could be a targeted questionnaire, for example, for the top five market countries and study how to attract them to use the trains while traveling in Finland. Additionally, customer satisfaction and customer experience could be studied by focusing more on qualitative research methods, as both quantitative and qualitative methods are important in studying the subject and supporting each other. In order to support the existing business travelers and to grow the number of them, studies of their satisfaction and customer experiences should be implemented. Current study did not differentiate these customer segments, which would be advisable to do in the future and find out how they have experienced the company's services. Finally, differences between domestic tourists and foreign tourists could be studied. Deeper analysis on motivation for choosing the train as a transport mode could be studied both in domestic and international markets.

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## Appendices

### Appendix 1. Questionnaire

#### Customer Experience Survey

Mandatory questions are marked with a star (\*)



In the following questions we will ask about your experiences of VR.  
The outcome of the survey will be used for VR's Customer Experience development and Master's thesis - your input will be highly appreciated.

First we would like to know a little bit about your background

1. Age \*

- 18-25  
 26-35  
 36-50  
 Over 50

2. Which country are you currently living in? \*

\_\_\_\_\_

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**3. Who did you travel with? \***

- Alone
- With family
- As a couple
- With friends

**4. Did you consider traveling the same journey by some other means of transport than train? \***

- Bus
- Rental car
- Airplane
- Taxi
- Did not consider others

**5. Why did you choose train as your transport mode? \***

- Sustainability
  - Price
  - Speed / travel time
  - Ease
  - Convenience
  - Other
- 

**6. From where did you find information about train travelling in Finland? \***

- VR website
  - Travel websites
  - Travel agency
  - Social Media
  - Friends, family or someone you know personally
  - Other
-

In the following questions we would like to know about our service channels

7. Was ticket purchase easy? \*

- Yes
- No

8. How easy was our website to use? \*



9. Did you find all the needed information from the website? \*

- Yes
- No

Question rules

Did you find all the needed information from the website?

Yes

No option rules

No

Rule: Show Question(s)

If option is selected Show Question(s) What was missing?

---

11. Have you heard about VR Matkalla mobile application? \*

Yes

No

Question rules

Have you heard about VR Matkalla mobile application?

Yes

Rule: Show Question(s)

If option is selected Show Question(s) Have you used the application?

---

No

No option rules

14. Did you contact our customer service at any point? \*

Yes

No

Question rules

Did you contact our customer service at any point?

Yes

Rule: Show Question(s)

If option is selected Show Question(s) Which service channel did you use?

---

No

No option rules

16. Would you have wished for more face to face interaction with VR representatives? \*

Yes

No

## Finally we would like to know about your journey

17. Did you use our on-board services? \*

- Restaurant car
- Children's play area
- Did not use any

Question rules

Did you use our on-board services?

Restaurant car

Rule: Show Question(s)

If option is selected Show Question(s) How likely would you visit the restaurant car again?

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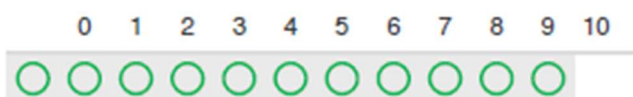
Children's play area

No option rules

Did not use any

No option rules

19. How likely would you use train again while travelling in Finland? \*



Question rules

How likely would you use train again while travelling in Finland?

Detractors (0-6)

Rule: Show Question(s)

If an option within the range is selected Show Question(s) Please tell us what we could do better

Passive (7-8)

No option rules

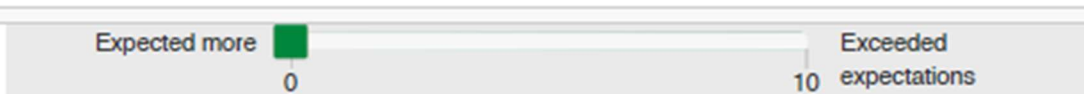
Promoters (9-10)

No option rules

21. How was your experience with our train personnel? \*



22. How would you describe your experiences based on your expectations? \*



23. How was your overall experience? \*



24. Which of the following emotions were associated with your overall experience? \*

- Trust
  - Safety
  - Empathy
  - Importance
  - Friendliness
  - Security
  - Fairness
  - Other
- 

25. How likely would you recommend train travelling in Finland? \*

0 1 2 3 4 5 6 7 8 9 10

26. Was something extremely incredible? How could we develop? Please share your experiences here:

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## Appendix 2. Other Options for Choosing Train as Transport Mode

Option names	Text
Other	no alternative
Other	Experience - you have great trains in Finland
Other	fun
Other	hope to see northern lights from train
Other	see country side.
Other	easy to travel to Helsinki, no problem with parking
Other	vital experiencie for my son
Other	enjoy trip view
Other	Experience
Other	Expertenversammlung
Other	Comfortable
Other	car train, I am traveling with my own car
Other	connection at the arrival
Other	Love trains
Other	New experience
Other	Ability to work on the train
Other	long distance car train
Other	safety
Other	no car available
Other	Sleep overnight rather than booking a hotel
Other	Nice way to travel, no pollution
Other	Special experience
Other	Bikes place
Other	no buss service available at that moment
Other	Rental Car was broken
Other	I like train-travelling
Other	For a change from flying
Other	Muligheden for at se nordlys.
Other	I enjoy travelling by train.
Other	Confort and the experience to travel by train.
Other	Can travel and sleep at night, and arrive in the morning