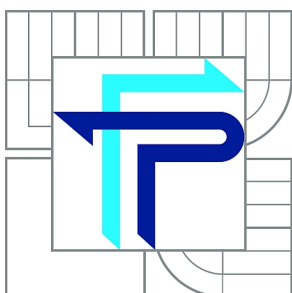




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ÚSTAV EKONOMIKY

FACULTY OF BUSINESS AND MANAGEMENT
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ABSTRACT

The purpose of the thesis is to analyze the current situation of customer experience induced by the selected company and to provide a series of recommendations for its improvement. The paper critically evaluates the customer experience practices of company's individual retail stores, internet shop, service center and the customer service. The results are recommended solutions for providing better services to increase the customer loyalty, as well as the way to eliminate the recognized deficiencies.

ABSTRAKT

Cieľom diplomovej práce je analýza aktuálnej situácie zákazníckych skúseností vytváraných spoločnosťou a poskytnutie sérií odporúčaní pre ich zlepšenie. Práca kriticky hodnotí praktiky ovplyvňujúce zákaznícku spokojnosť v jednotlivých predajňách spoločnosti, internetovom obchode, servisnom stredisku a zákazníckom centre. Výsledkom sú odporúčané riešenia pre poskytovanie lepších služieb na zvýšenie zákazníckej loajality, ako aj spôsoby eliminácie zistených nedostatkov.

KEY WORDS

Customer experience, customer loyalty, retail stores, internet shop, customer service, service centre, CRM

KLÚČOVÉ SLOVÁ

Zákaznícke skúsenosti, zákaznícka lojalita, kamenné predajne, internetový obchod, služba zákazníkom, servisné stredisko, CRM

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In Brno _____

signature

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Marián Seifert

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1 Introduction

“In the age of commoditization where most products and services are undifferentiated, consumers shift their focus from product and service attributes to the experience obtained while using the product or service. The more relevant and memorable the experience, the higher the value, the higher the worth, the higher the price that can be charged.”

(B. Joseph Pine II and James H. Bilmore, 1999)

It is indeed the age of the customer. The enormous shift in the market has been largely aided by huge advances in the technology over the last two decades - resulting in a tech-savvy, highly informed customer that expects results. The increasing power of competition is making the differentiation of products or services harder to achieve. In order to decrease the level of customer defection, companies are forced to put more emphasis on achieving superior relationship with customers, or creating unique and memorable experiences, which strengthen those relationships.

As advertisements in any forms are all around us, people are becoming resistant to traditional forms of marketing. State of the art customer experience management has become the difference between top performing companies like Apple, Zappos or Amazon, and the rest. Those companies know that simply delivering great products is not enough. Their services continue to outperform their competition until their customers become their advocates.

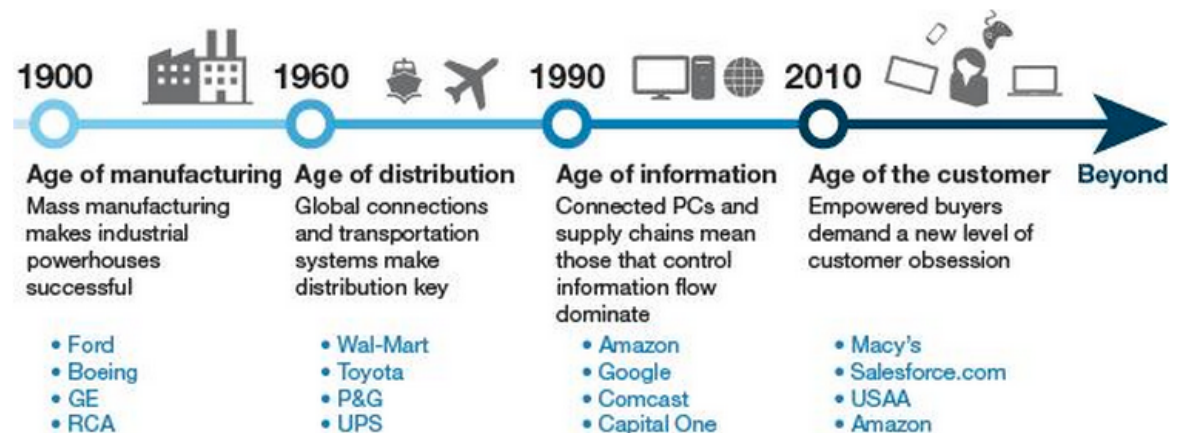
Customer’s perception of a firm is influenced by every single interaction with the company. TV spots, billboards, posters, or service reviews on price comparison portals are only a small segments of total customer experience. Everything matters. From small details like a feelings induced by looking on company's logo, a loading time of the website, or the firm’s presentation on social sites throughout the environment of physical or online stores, the attitude of salesmen, word-of-mouth and the after

purchase customer service. Customer experiences start long before people are customers, they occur anytime people come in contact with the company regardless if companies are creating them intentionally or unintentionally.

Market leading players know that selling a product or service is not the end of a customer journey, but only the beginning. The beginning of a relationship. If people have an extraordinary experience with a company, they value it above other alternatives available to them. They are becoming loyal to the brand. The importance of brand loyalty is increasing especially in an environment with strong competition. To empower brand loyalty and construct ideal customer experience, the company must recognize the needs of its customers. Offering products or services that amaze customers is the way company can excel in the upcoming age of customer.

Figure 1.1: The swift of marketplace

Source: Sean Gardner (Forbes Top 50 marketing influencer), 2014



“The company is not defined by its technology, process, or people, but by its customers”

Jeff Bazos, CEO of Amazon

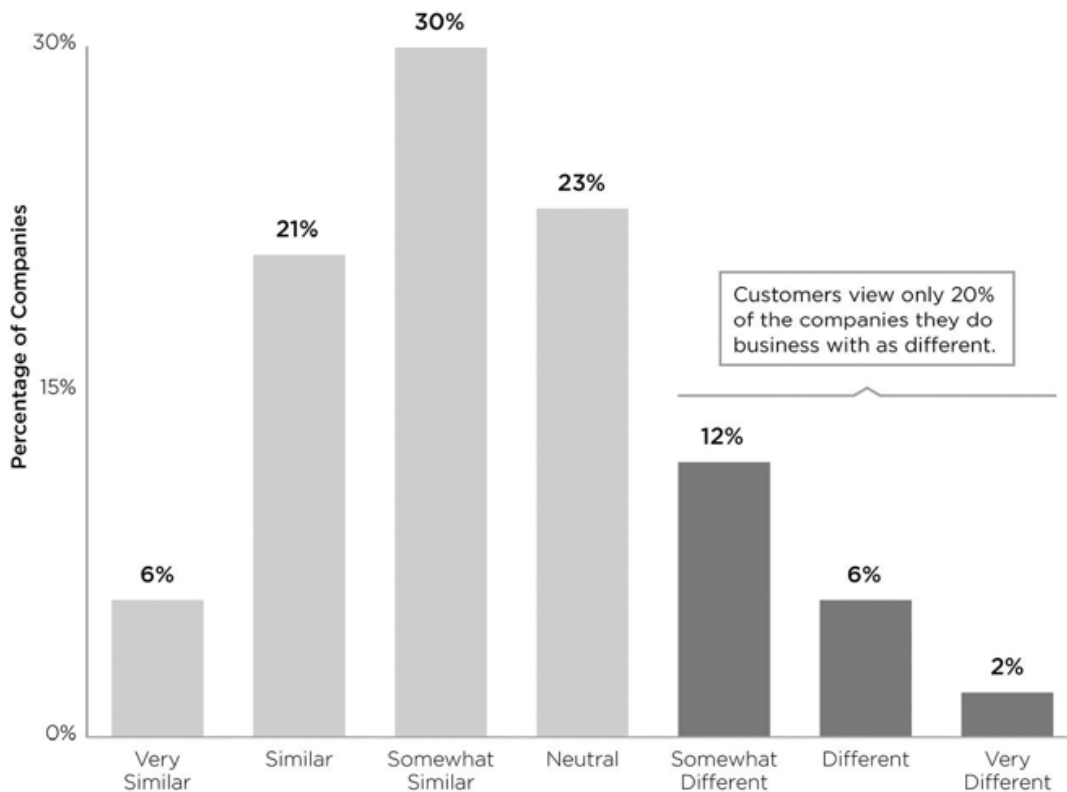
(Bean and Van Tyne, 2012)

2 Literature review

In today's world, companies find it harder and harder to differentiate from their competitors. When a company launches new unique product or a service which become successful, it is only a matter of time it will become copied by the competition. As the result, people find it hard to see differences between individual companies. Recent study (2013) by CEB made with 1600 customers shows that people find only 20% of companies different or unique.

Figure 2.1: The customer views on company uniqueness

Source: Dixon and Toman, 2013



n = 1,600 customers.

The aim of customer experience management is to set apart from the competition, to offer a unique services and/or products which will help to expand customer base, increase loyalty, and to transform customers into “advocates” for the company.

2.1 Customer experience

Merriam-webster (2014), defines the experience as “*direct observation of or participation in events as a basis of knowledge*”, or “*the fact or state of having been affected by or gained knowledge through direct observation or participation.*”

Relationship of organization and customers can be short term or long term, repetitive or non-repetitive. The aim of a customer experience management is to create long term relationships and the ultimate goal is to transform customers into advocates.

Forrester research group, focusing on customer experience (CX) research, made a three year research on the base of more than 100 companies and shown that customer experience leaders are more trustworthy than other companies and generate 145% higher returns. Additionally, they have found out that there exist a high correlation between the positive CX and:

- Willingness to buy more

- Reluctance to switch

- Likelihood to recommend

(Bean and Van Tyne, 2012)

Those results show that the customer loyalty is directly created by the positive customer experience. Dixon and Toman (2013) defined three specific behaviors describing customer loyalty:

- Share of wallet (willingness to buy more over time)

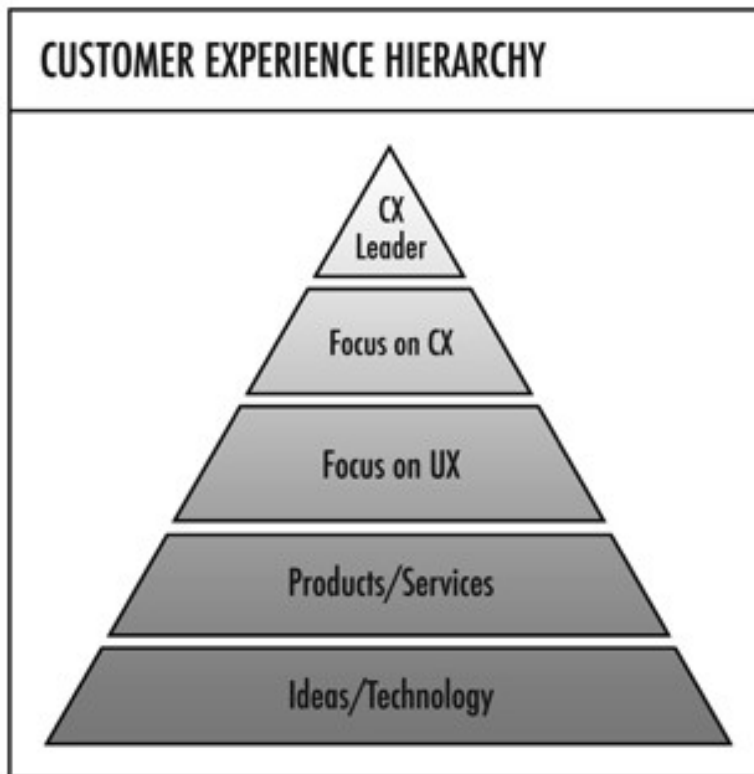
- Repurchase (reluctance to switch)

- Advocacy (likelihood to recommend, say good things about the company to other people)

Those findings mean that delighting customers will make them more loyal. The goal of customer experience management is to search for the most efficient, yet the most impactful ways to achieve it. At first, we should begin with the recognition of the current level of the CX adaptation in the organization and compare it with the competition. Bean and Van Tyne (2012) created a customer experience hierarchy, which evaluates the stage of the company’s customer experience implementation.

Figure 2.2: The customer experience hierarchy

Source: Bean and Van Tyne, 2012



Most companies are placed in the bottom line (stage 1 and 2) of CX hierarchy, while very few are on its top:

Stage 1: Ideas and/or technology

The business is committed, build around and focused on its ideas and/or technologies

Stage 2: Products or services

The company has its own product or service which have additional features or benefits compared to competition.

Stage 3: Focus on user experience

The firm has recognized the way customers interact with products and builds a pleasing user experience focused on customers' needs.

Stage 4: Development of a true customer experience

The company starts to focus on long-term relationship with its customers. In order to differentiate their products and/or services from their competition, they develop and implement a customer centric strategy which is better than the competition's.

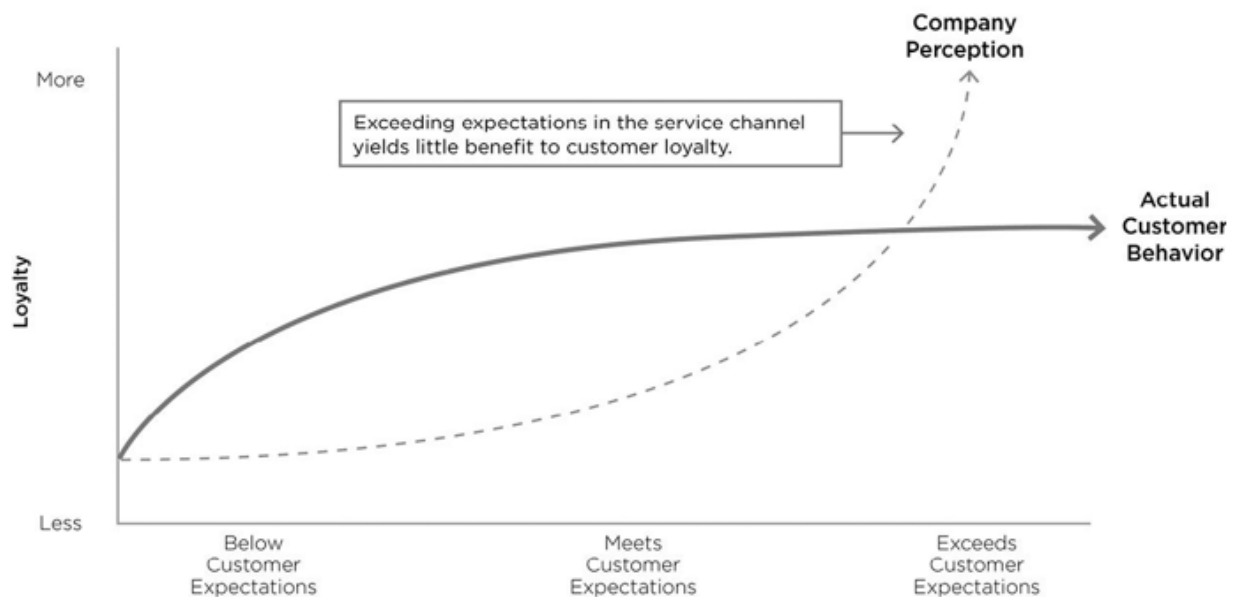
Stage 5: Customer experience leadership

The company is continuously assuring that all peoples' interactions are pleasing. They are committed to outperform, make delightful every level of CX and transform their customers into advocates for the company. The approach of this companies is changing the entire market.

It might look like more resources the company will invest into customer delight, more will they become loyal. As the following graph will show, it is **not true**.

Figure 2.3: Impact of customer service on loyalty

Source: Dixon and Toman, 2013



n = 97,176 customers.

The problem of providing customers with truly extraordinary services compared to the rest of the market is that it increases company's costs, which ultimately increases the price of products or services. **And customers are not willing to pay more, unless the added delight is worth it.** Therefore the mission of customer experience

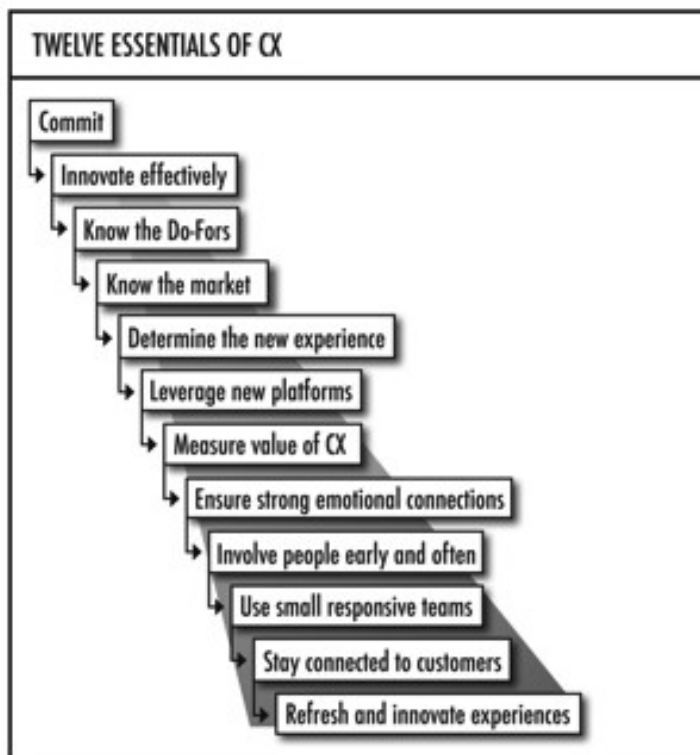
management is not to blindly invest into improvement of all customer-related processes, but rather **to allocate experience-improving processes which customers are happy to pay for.**

2.1.2 Creating customer experience strategy

The strategy for a customer experience blueprint starts with a baseline, the analysis of actual situation of the firm. Afterwards is drawn how the CX should look like. The exceptional experience provided by any company raises customer expectations of people when they interact with any other company. So when a company is creating a design of outstanding CX, the experience makers should look not only on the best performing competitors, but also search for the exceptional approach outside their own industry. Bean and Van Tyne (2012) identified twelve key elements for building a customer oriented company.

Figure 2.4: The twelve essentials of Customer Experience

Source: Bean and Van Tyne, 2012



1. Commitment from the CEO

The decision of setting direction for delivering outstanding CX must come or be well-accepted from the top - founder(s), owners or the CEO.

2. Innovations and ideas

The company uses innovations for setting apart from the competition. A firm must find a way how to use new ideas for delivering and developing unique CX.

3. Know the Do-fors of the service of product

The management need to understand what their customer expect from their services or product to do for them, afterwards they can create additional experience around those customers' needs.

4. Know the market

Understanding the CX of the customers and its comparison with CX market leaders will help to create outstanding services or products, more focused on customer than the competition offers.

5. The design of customer experience

The company creates a specific, yet realistic CX design. Employees must understand why this experience is better and more valuable for the customers.

6. Use of new platforms for improving the customer experience

Social communication platforms must consistently extend the customer experience. As customers' preferences change over time, the business must be able to adapt and realize which changes are relevant.

7. Measuring the value of the customer experience

The value of the CX the company delivers must be measured so the company can constantly improve, especially when introducing new business goals.

8. Using the customer experience for creating an emotional connection

Customers who have emotional connection with the company are more trustful.

9. Involving customers for the customer experience improvement

The observation of and listening to customers can help to improve services and products earlier.

10. Using small teams for developing new ideas

The best ideas are usually simple. Small teams are great for delivering simple ideas, in addition they are easier to manage and communicate better. When prototypes of new products or services are simple, they get modified easier when needed.

11. Staying connected to customers

It is important that every new process, product or service the company introduces will get it closer to the customers, not vice versa. The business should leave behind methods or technologies that separate it from the customers.

12. Continuously improve and innovate the existing experiences

The best CX companies, the CX leaders, compete with themselves and struggle to be better. In order to stay at the top and step ahead of the competition, they must constantly improve.

“Delighting our customers is not a destination, because when you got there, what it takes to delight them just got harder or changed. Improving and delighting is a constant evolution.”

Gary Tucker, Senior Vice President at J.D. Power and Associates
(Bean and Van Tyne, 2012)

2.2 Customer experience in retail stores

New and new shopping centers are being build and with them the numbers of retail stores are rising. With ever increasing competition, just offering goods is not enough for those who want to excel. Stores that are putting significant importance on differentiation are competing with unique product range supply, and/or memorable in-store design, and/or exceptionally well-trained personnel. All those elements are positively affecting total customer experience. Terblanche and Boshoff (2001, see Bagdare and Jain, 2013) defined **retail customer experience** as “*all elements that encourage or inhibit customers during their contact with a retailer.*” Retail CX is consisting of many elements, with various impact on the future loyalty. Some of them occur even before customers walk into store, some occur when they are leaving the store, but vast majority of the shopping experience happens inside the store. “*Customers engage themselves into a variety of activities while selecting a retail store, shopping and post shopping stages, leading to a complete experience determining their satisfaction levels and repeat visits.*” Bagdare and Jain (2013).

Bagdare and Jain (2013) identified four main multidimensional factors influencing CX in retail stores: Leisure, Joy, Distinctive and Mood.

Leisure

In today’s stressful world, people are searching for relaxing moments. As the study shows, retailer’s ability to make shopping *delightful, refreshing* and *relaxing* has the highest impact on final CX.

Joy

The second most influencing multidimensional factor in total retailing CX is represented by seller’s ability to create *satisfying, pleasurable* and *engaging* experience.

Distinctive

The memorable design of the environment has significant impact on customers perception. Differentiation is crucial. Elements influencing distinctive factor are *uniqueness, memorable* and *wonderful*.

Mood

The customer can have different mood setting before entering the store, but pleasurable experience in retail store positively improves it. Managing customer's mood is important as the mood influences the purchase intend. Unfortunately human mood is created by interplay of various emotions, and managing mood of customer is a very complex task. Mood is associated with following emotions: *good, happy* and *excited*. The mood setting of people is, to certain extend, transferable, so positive mood of salesman can positively affect customer's mood.

(Bagdare and Jain, 2013)

The great example of the exceptional retail CX are Apple Stores. The environment of each store has delightful and refreshing atmosphere, with unique architecture and premium location. The goal of well-trained personnel is not to sell as much as possible (as they aren't on commission), but rather to satisfy and engage customer in every possible way. Their job is to help and search for the best option for customer. - If your computer has performance issues and only replacing a component will make it, they recommend you to do so, rather than buy a new one. Anyway, Apple Stores are generating more revenues per square meter than any other retailer on Earth (Dixon and Toman, 2013). Next step towards customer satisfaction and customer excitement is the reduction of lines. Customers can schedule the time they will come (for example for technical service) and they will be served immediately. They don't need to wait in line for cashier, because every employee is equipped with iPod with card-reader attachment, enabling to sell products immediately, anywhere in the store. Dixon and Toman (2013) claim that the success of Apple Stores is in the extremely low-effort experience.

2.2.1 Minimizing the customer effort

Great design of store, or friendly atmosphere, are factors strongly influencing customer's experience, delivered by retailers going "the extra mile". But according to Dixon and Toman (2013), customers are increasingly demanding the low-effort experience, which saves their time (and also prevents the negative impact on one's

mood). The two most important elements of low-effort shopping are navigability and issue resolution.

Navigability

No one likes to spend too much extra time with searching for the product. Companies should make the in-store product search as easy as possible, using the logic-based categorization and encouraging staff to actively help customers.

Issue resolution

Providing employees with the adequate training positively affects their problem-solving performance. The ease of solving particular problem lowers customer effort strongly.

2.3 Customer experience in the online environment

The internet is evolving in a fast pace and online shopping is growing accordingly. The e-commerce sector has risen by 19% in Central EU in 2012 and is still rising - 23% is expected for 2013 (Ecommerce Europe, 2014). The online environment is changing. Only providing the option of buying online is not enough anymore for retailers. The growing competition is creating pressure on increasing quality of service and ease of use. The best performing e-commerce stores are different from the rest of the market. Their sites are usually more customer-oriented and their services deliver higher value. Also, not all customers have the same value. Those who are loyal buy more often, and are more important. Lee et al. (2009) identified customer satisfaction as the most important factor influencing customer loyalty. Papas et al. (2014) divided customers into two groups, each with different satisfaction drivers:

Low-experienced users

Are customers with little to zero online shopping experience and with low online shopping confidence. The most important factor influencing their satisfaction is the ease of use of the website.

High-experienced users

Are more selective customers, with previous online shopping experience. Their loyalty is influenced mainly by the website performance (including multi-device optimization).

According to research conducted by Chinho and Watcharee (2014), the online shopping habits are another crucial factors with significant impact on repurchase intentions. More often are customers buying from one specific online store, more effortless the next shopping experience becomes. Therefore online retailers should focus on building customer habits, using various promotions through website, emails or social media sites.

The customer experience leaders know that offering a low effort purchase process is a must-have, but not enough. They go an extra mile, searching for ways to offer and sell the most relevant products for each customer, the products that will ultimately make customer happy. Some publishers disliked Amazon's new approach, when it allowed customers to review a book they read. They were afraid of negative reviews. But Jeff Bazos knew that this will help customers to make a right purchase decision and eliminate the potential disappointment of buying wrong or under-average product, especially if there are better for the same price. Thanks to the informed purchase decision, customers not only save their money but also save their time spent with the wrong product (Bean and Van Tyne, 2012).

2.4 Customer service

The true test of company's ability to delight customers comes when the problem occurs, when customers have issues with services or products they are intending to pay for or already paid for.

"Customer service is the crucible of the customer experience - the place where all of the company's claims, its mission and its values, are tested" Dixon and Toman (2013)

Usually people pick companies by the product they offer and leave them because of their service failures. The customer service department has unique position among other CX elements. While CX is generally focusing on transforming neutral people into delighted and happier, customer service is dealing with people who have problems, and transforming unhappy, confused, or disappointed customer into delighted is extremely hard, mostly unachievable goal. Moreover, 71% of people with exceptionally positive product experience are engaging in word of mouth, and only 25% of customers with exceptionally positive customer service experience will tell others. Most importantly, people tend to share negative experience on social networks more than the positive one. And while people with a negative product experience will spread the word in 32% cases, in case of the service department it's stunning 65% (Dixon and Toman, 2013).

Unfortunately, it is not possible to always satisfy every customer request. Sometimes, when customers have unusual need, or product or service they ask for is not available in that moment, representative has a hard task - to search for an alternative way to satisfy customer. It is called the **experience engineering** - using carefully selected language to manage conversation and improve the customer's perception of what is being told. Dixon and Toman (2013) defined it as *"An approach to actively guide a customer through an interaction that is designed to anticipate the emotional response and preemptively offer solutions that create a mutually beneficial resolution."* Goldstein et al. (2002) claimed that *"Customers' perception of their experience are generally associated with the question of how service is delivered rather than exploring what is delivered."* Almost every information, even the most negative, can be said in more acceptable way. While teaching representatives to improve their sense of anticipation is very hard and sometimes impossible, experience engineering has three techniques which are easy to understand. According to Dixon and Toman (2013), they are:

Advocacy

Reps share anticipation by actively supporting customers in their perception.

Positive language

The can-do attitude. Representatives don't use words like no, or can't. Instead they immediately offer a solution which might be the best from all available options.

Anchorig

Painting the best available outcome more positively, so customers might view this alternative as comparable or even better alternative than the one they were asking for.

Those techniques are calming customers' state of mind when they don't receive information, product or service they were asking for. Most importantly, they reduce the chance of customers getting angry, which might have negative impact on representative's performance in following calls.

According to research, the customers' disloyalty after interacting with customer service is largely associated with the **customer effort**. It is the amount of work customers must put into solving their issue, and is responsible for 80% of all reasons driving disloyalty. In fact, while only 9% of customers who had low-effort experience reported being disloyal, incredible 96% of customers have reported that they became disloyal after experiencing high-effort contact with the service center. The ability of company to offer a low-effort service experience is well-rewarded. When it comes to the repurchase intents, they outperform others by 31%. So if a company wants to maintain or create loyal customers after interacting with support centre, the reduction of customer effort must become the number one priority. Two main factors negatively influencing customer effort are subsequent calls and channel switching (Dixon and Toman, 2013).

2.4.1 Minimization of subsequent call

The strongest factor influencing customer effort is the need of contacting customer support more than once to solve a specific problem. To reduce the amount of subsequent calls, the next issue avoidance practices have to be implemented. In order to recognize next problems that might arise, company must analyze history of calls followed by subsequent calls and allocate typical problems that usually follow. Firm's representatives must assure that customer not only solved their problem, but understands how to solve the next issue that usually becomes problematic. The low-effort leaders are increasingly putting less importance on the measurement of the time individual representative spends with customer, but rather focus on measuring

customers' after-call delight and reduction of subsequent calls. They don't interpret the representatives' goal as "Work as quickly as possible", but rather as "Finish your after-call work as quickly as possible, so you can spend more time with helping customers". The worst thing a rep can ask at the end of the interaction is: "Have we fully solved your issue?" - How can customer know? As the company has a lot more information about customers' problems, the company should know if the new problem might arise, and if the issue is fully resolved. (Dixon and Toman, 2013).

The solution of subsequent calls is consisting of three elements:

Forward resolving only one issue

Even if company can predict two or three issues that might arise, they should forward-resolve only one. This will ensure that customer will not get overwhelmed by the amount of information.

Picking only the winners

Only the high probability issues are forwarded. Those are problems that are occurring at least 20% of time.

Forward resolving of simple issues only

If the next issue that usually arises is a complex task, the customer service representative should inform the customer about the fact it will follow. Next, send an email to customer with solution or ask them to visit the company.

In order to recognize subsequent issues that might arise, subsequent calls need to be analyzed well. The next problem that usually arise is related indirectly with the issue responsible for the first call (Dixon and Toman, 2013).

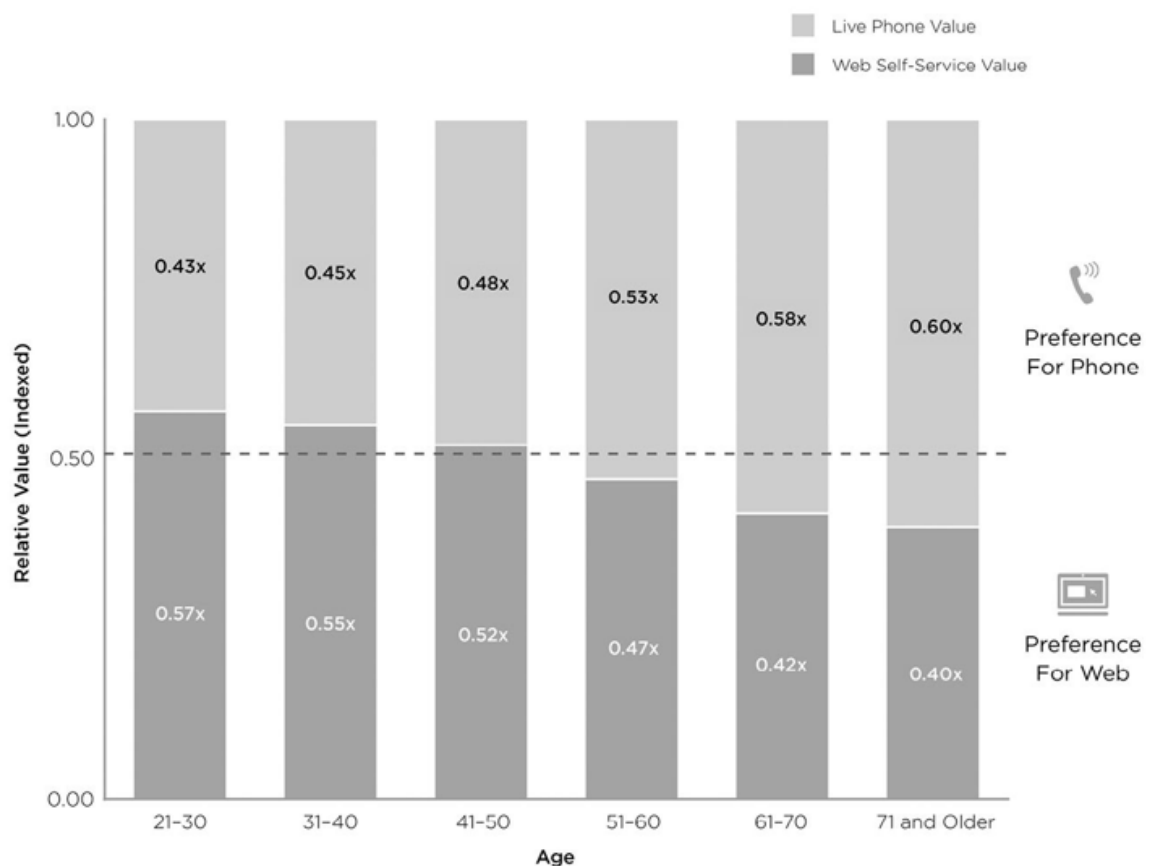
Of course, some customer calls are only simple issues not followed by subsequent calls, in this situation the rep only provides requested information and ensures the customer does not have any additional questions, unrelated with the problem.

2.4.2 Minimization of channel switching

The next practice used by low-effort leaders to minimize customer's effort is the reduction of channel switching. Channel switching happens when customer tries to solve their problem with one selected platform and is redirected to another. For example when they unsuccessfully try to solve the issue using advices on a website and later need to call the support line. Another case of channel switching is when they call with a representative and are redirected to another, who is responsible for the solution of that specific problem. Their dissatisfaction increase especially if they need to describe all again from the beginning. While the best solution for this problem is to offer the ultimate self-service, so customers can help themselves just by visiting website, the universal goal is to avoid channel switching. Of course, there are customers who prefer one exact form of communication, so the company has to offer all widely used channels. But as the following graph shows, younger generations are increasingly using web as a platform for service communication (Dixon and Toman, 2013).

Figure 2.5: Web versus phone preference by the age

Source: Dixon and Toman, 2013



n = 879 customers.

The company should offer various contact ways for customers, as they can select what fits best their preferences. There exist many various options: support communities, click-to-call, click-to-chat, live web chats, e-mail, step-by-step guides, ICQ, Skype, etc.. The question is how many is enough? According to Procter & Gamble Co. study (Shiller, Burns and Miller, 1996) there exists a limit, when more is becoming less. P&G was increasing numbers of Head & Shoulders variations and sales were decreasing. People become confused of the amount of options, so they rather selected a different product. After P&G reduced the amount of available varieties by almost a half, sales jumped immediately by 10%. This study illustrates that if we offer too many options, we increase the effort customers have to make in order to pick one. Also, many contact options increase the probability of channel switching. In addition, every single offered channel costs money. Therefore organization should pick 3 - 5 contact channels that are expected to do the job right, efficiently, and with the lowest customer effort.

2.4.3 Improving the performance of representatives

The performance of the service department is influenced by performance of each representative. Service centers are usually putting excessive importance on training, at the expense of coaching. Recent research shows that organizations which are putting more emphasis on coaching are performing better. Training is good for introducing new systems or products, or for teaching new employees. Coaching is better in improving rep's future performance and customer effort reduction. It's one-on-one assistance from supervisor, tailored to individual's needs. Coaching can take place before the rep will start to work, but has higher impact if is ongoing during real time calls. In order to create a high-performing environment the company should focus on three factors which have a significant impact on delivering the world-class service - *trust in the judgement of representatives, understanding the big picture and supporting representatives' environment* (Dixon and Toman, 2013).

2.4.3.1 Trust in the judgement of representative

At first, company should stop putting additional pressure on reps by measuring time of individual call. Every call is different: the customer is different, the complexity of issue can be different. Sure, service center should have some standards that have to be followed, like greeting customers in a proper way, or asking representatives to be as friendly as possible. But following step-by-step procedures, using always the exact words or expecting solving the same problem of a different customer in the exact same time is only creating additional pressure. There is a difference between a customer who says “My iPhone have a problems when accessing my Yahoo email servers after the 7.1 software update” and the customer who says “I have pressed a button and my screen is black”, especially if the other customer replies on a question “What brand of phone do you have?” with an answer “O2.” People have different level of technical understanding and should be treated accordingly. When company have too strict procedures, the whole call can turn into a robotic interaction resulting in anything but excellent service.

2.4.3.2 Understanding the company’s goals

Every single call a rep makes can affect the image of whole company. Frontline employees who understand the connection between their everyday job and the achievement of organization are more likely to perform better. They need to know that they are representing the company and the success of every employee is in their hands. A Canadian financial company created a methodology for employees to customize the service goal of the organization and to enable them select areas they would like to contribute to. The methodology is based on workshops and is consisting of four steps (Dixon and Toman, 2013):

Norming

Team is discussing values of the organization, ensuring they understand what they mean.

Brainstorming

The members of team discuss what can they do that will positively impact those values. Now, they think about the company as a whole and the way their everyday work affects the common goal.

Refining

After many ideas are brainstormed, team picks ideas that are the most practical and deliver the highest value for the organization.

Polishing

Finally, the team will discuss how to implement selected ideas into daily work.

2.4.3.3 The rep-customer interaction

While reps should have certain amount of freedom when interacting customers, Dixon and Toman (2013) identified several loyalty behaviors which should be followed step by step during the call process:

Customer engagement

Reps should demonstrate confidence and high, professional level of interaction throughout the call. The tone of voice and pace of the customer's speech should be matched, so the customer's personality can "govern" the call.

Identification of needs

Active listening and identification of customers needs should be accompanied by the rep's assurance that they clearly understand known (and potential unknown) needs customers have.

Offering relevant options

Reps should offer customers relevant, available, options tailored for their needs. If there are multiple available options, reps should provide customer with consultative recommendations.

Informing the customer

Next step is to provide customer with the sufficiently detailed explanation, so the customer can make an informed decision. The ideal case is if representative shows his high expertise in underlying matter, using words tailored for customer's level of technical terminology.

Showing commitment

In the last phase of interaction, rep communicate all actions taken and/or ensure customer about solving their issue. Finally, rep explains next steps that have to be undertaken clearly and in a way that shows customer understanding with his situation.

2.4.3.4 Supporting representatives' environment

Strong rep support has the highest impact on representatives' performance, yet is the hardest to achieve. Without good environment, it will be hard to achieve any of previously discussed goals. Dixon and Toman (2013) believe that there are three conditions that have to be **simultaneously** met for the realization of maximum peer support:

Supporting mutual help among reps

The organization must provide an environment in which is normal that colleagues are helping each other. This help should not be viewed as something extra, but as a part of the job.

The best-practice sharing

It is highly likely that representatives share their ideas and experiences during breaks (for example in smoking room), or outside the work. It is questionable if shared ideas are positive or only tips how to "cheat system". Therefore it is critical to encourage employees to share the best and most beneficial ideas, or unique issues, never experienced before.

Receptive representatives

To ensure the best practices sharing, some companies created systems enabling best-practice sharing among representatives. This might be special software or forum, not controlled by management. Reps will be able to discuss basic problems without the need of asking supervisor. Moreover, the best-performing reps will get the opportunity to take a greater leadership role.

2.4.4 Measuring improvements towards better customer experience

The performance of individual peers can be measured by the amount of calls they handle, or the average time they spend with customer regarding the issue complexity. As has been told earlier, those metrics will not support the overall customer experience improvements. Of course, the customer experience management is about the efficiency in terms of reduction of cost, but more importantly about improving the loyalty. Dixon and Toman (2013) have been searching for the ideal way to measure overall customer satisfaction with the service centre and based on their findings, created Customer Effort Score in 2010. It was based on a simple question in a form of post-interaction survey: *“How much effort did you personally have to put forth to get your issue resolved?”*. The answer was measured on a 1-5 scale (1-very low effort, 5-very high effort). The problem of this metric was that customers viewed 5 as very bad and 1 as very good, so they were often marking 2, which wasn't able to show improvements over time. Also, some customers understood this question as how much have they had to try to resolve the issue. Three years later, authors of the effort metric introduced a new version of CES, called CES v2. Again, based on one simple question, but with a lower chance of misinterpretation. Customers were asked whether they agree or disagree on the scale 1-7 with the statement: *“The company made it easy for me to handle my issue”* (1-Totally agree, 7-Totally disagree). The research shown that the answered results of a new question were strongly correlating with the customer loyalty and 12% more predictive towards loyalty. Another discovery was that the service centre experience is more impactful on a customer loyalty if the switching cost in selected market segment are low and/or customer haven't a strong attachment to products or services.

2.5 Customer relationship management

Proper customer insight can decisively help management to understand market trends and evolution of customers' needs. Effective information-based decision-making leads marketing and technological orientations of organizations to "superior performance" (Hsieh, Lai & Shi; see Valos and Bednall, 2009, p. 187). Additionally, understanding the evolution of customers' needs can decisively influence the future customer experience strategy. According to Harris and Davenport (2006, 2010), high-performing organizations are putting more emphasis on analytical orientation than their average-performing competition.

The continuous corrections in long term relationship will increase customer's positive perception of products or services and also increase the dependence of customer's purchasing behavior on company's conditions (Tohidi and Jabbari, 2011). In other words, improving relationship delivers results after a certain time, and proper use of system such as CRM is increasing organization's control over this relationship, as the information system helps employees to identify and manage customers' needs and requests. Most CRM software versions enable to collect valuable social data that can, if used properly, induce a suitable atmosphere to facilitate up-selling. Furthermore, social data collected and maintained in CRM can create a base for real customer centric innovation (Woodcock, Green and Starkey, 2011).

Peelen (2005) defined CRM as '*a process that addresses all aspects of identifying customers, creating customer knowledge, building customer relationships, and shaping their perceptions of the organization and its products.*' The CRM software uses intelligent approach to connect all customer-related data and individual transactions (Tohidi and Jabbari, 2011). Those data might come from sources such as call centers, mobile, email, fax, SMS, web, etc. Various sources input data, those are processed by CRM software into useful information that will help employees with day-to-day work and provide basement for creation of applicable knowledge. In addition, information software will influence consistency of data input, as this is done by different employees, with different preferences, level of experience or education and positively shape their use of generated information.

The analytical software such as CRM can increase cross-selling and up-selling, and also improve customer retention (Khan et al., 2011). CRM is a great solution for strategic and marketing purposes, and to provide increase of sales efficiency as it can help to optimize offers for individual customers with different preferences. The proper use of CRM can decrease time employees and managers need to accomplish their tasks. As Bahrami and others (2012) claim, today's CRM technology allows organization's employees to retrieve required information faster. Time saved thanks to software can be used for different value-delivering processes. This is drawn on Khan et al.'s (2012) statement that thanks to CRM, staff's capabilities can be used for creativity and innovation instead of monotonous data processing.

2.5.1 The CRM implementation

The way of implementation of CRM system significantly depends on business strategy of company (Chung et al., 2012). CRM should be implemented only in focused version, to cover only the most important or problematic areas. Spending resources for full-scale implementation, that will also cover areas of business where are few or no problems would be time-consuming and will increase the cost and confusion. Also, according to Chung et al.'s research (2012), company should identify extend of the marketing and innovative differentiation as these have significant impact on the CRM system. So before an organization will implement the CRM software, management should recognize firm's strategic issues and regarding to those findings create the best software architecture. Company's aims and impact on business strategy have to be considered rigorously prior to CRM system construction or adoption (Peelen, 2005). As CRM is gathering information, the longer the company uses this software, the more valuable are data inside the database. Therefore it is highly likely that sooner or later the stored data will have higher value than the price paid for the entire CRM solution. If implemented and used properly, CRM system can support employees from various divisions of company in delivering better experience for customers.

3 Analysis of customer experience practices in the Company

3.1 Dobré Mobily

Dobremobily.sk is a part of Slovakian company CICCompany (CIC) established in March 2009. Before, the firm was operating and selling products under the brand PDMobily (Prievidza Mobily) in the period 2007-2009. The trading company CIC is focused on selling mobile phones and accessories and is experiencing rapid annual growth since its inception. CIC's gross revenues have grown from less than €150.000 in 2009 to €10 million in 2013. Most of 2013 revenues are originating in wholesale. Turnover of retailing subsidiary - Dobré mobily Slovakia has risen from €0,7 million in 2012 to €1 million in 2013. Dobré Mobily Czech Republic had turnover of 8,4 million CZK (€0,35 million) in 2013. Company is currently employing 40 people. The fast pace of growth is supporting company's CEO and co-founder, Igor Čaniga's vision of creation international wholesale and retailing company in the future. The main long term goal of the CEO is to become number one mobile phones e-commerce in Slovakia.

3.2 Analysis of customer experience practices in competition

At the end of 2013, there were almost 7000 e-shops in Slovakia, 30% more than the previous year (aktualne.sk, 2014). The main online competitors are Mobilonline, MP3 and MobilneTelefony. The main competitors in retail are DatesMobile, Digitall and also MobilOnline. Big players in electronics like DatArt or Nay were excluded from the comparisons as they are offering wide range of electronic products and DobreMobily doesn't have enough resources to compete with them. The differences between competition are only in the size of the customer base, number of stores and the way they communicate with customers. None of them has developed unique product or service which will make it a stage 2 CX company (according to Bean and Van Tyne's 2012 metrics).

Figure 3.1: Mobile phones retailers in Slovakia

Source: Facebook, websites of companies, 2014

Company	No. of stores in SK	Own service centre	Mobile optimization	No. of Facebook fans
Mobilonline	12	Yes	No	16872
DatesMobile	14	Yes	Yes	N/A
MP3	2	Yes	No	1309
Dobré Mobily	9	Yes	No	1537
MobilneTelefony	1	external	No	245
Digitall	21	Yes	No	11525

Figure 3.2: Mobile phones retailers in Slovakia: customer opinions

Source: najnakup.sk, heureka.sk, 2014

Company	Najnakup		Heureka.sk	
	Customer rating	No. of votes	Customer rating	No. of votes
Mobilonline	4.5/5	2303	91 %	1825
DatesMobile	N/A	N/A	N/A	N/A
MP3	4.5/5	1010	97 %	4085
Dobré Mobily	4/5	210	90 %	446
MobilneTelefony	N/A	N/A	90 %	1194
Digitall	N/A	N/A	73 %	77

Mobilonline

Customer support: email, call, click-to-chat, FAQ

Customer support is operating between 9:00 and 16:00

Transport: up to 24 hours delivery for €4,99 with GLS, or 2-3 days €3,49 with Slovak Post.

MobilOnline is currently number one Slovakian e-shop focused on selling phones. Customers can also buy electronics (TVs, players, freezers, fridges, microwaves..) and watches. The e-shop is online since year 2001.

This is the only company from the entire competition that cares about social media presentation and both major price comparison portals.

DatesMobile

Customer support:email

Transport:free up to 2 days

DatesMobile has updated their web page only recently, before they were focused almost solely on retailing. They have stores in Slovakian premium locations, in the most visited shopping centers.

MP3

Customer support: email, call

Customer support is operating between 9:00 and 18:00.

Transport:free up to 2 days delivery for €4,99.

E-commerce is focused mainly on selling mobile phones, but also offers headphones, watches, MP3 players, navigations, car radios and notebooks. MP3.sk is the biggest online shop which offer MP3 players and mobile phones.

The website is operated by the company Arašid, s.r.o..

MobilneTelefony

Customer support:email, call, click-to-chat

Customer support operates between 8:00-18:00

Transport: up to 5 days, delivery costs €5 with Slovak Post and €4,50 with DPD.

Digitall

Customer support: email, call, click-to-chat

Customer support operates between 9:00-17:00

Transport: up to 2 days, delivery costs €3,99 using courier. In case of paying cash on delivery, there is additional payment of €1,50.

Digitall.sk is focused mainly on selling mobile phones and accessories but also offer computers and navigation systems. Company is also making special promo actions on the site called “Last Minute”, with reduced price for a set period of time (the remaining period of time is dynamically decreasing on the site). Additionally they strongly use Facebook as a communication channel with customers, by putting there news and additional relevant content, together with making a lottery where can one compete with a ticket obtained by purchasing any product, or correctly answering a Facebook question. Facebook questions are posted once a week on average. Digitall is the only company on the edge of entering the stage 2 in Bean and Van Tyne's (2012) customer experience metrics.

3.3 Analysis of customer experience practices in Dobré Mobily

E-commerce store of Dobremobily has implemented three channels for contacting customers: click-to-chat, email, call. All of them are working during business days, from 9:00 to 16:00. Website also provides FAQ (frequently asked questions). Almost all products are placed in different stores across Slovakia, and there isn't a big central warehouse. When a customer makes an order, the goods are sent from the retail store where the product is placed. This causes high frequency of mistakes. On average, one in 50 packages has the incorrect product or is missing some accessories. In order to compete with other online shops, phones on the e-shop are less expensive than those placed inside retail stores. The price difference of products in store and online is caused by higher operational costs of stores.

Service centre

Company has its own service centre, where customers can bring or send not working or damaged goods. The complaint process starts with filling an application form, available on e-commerce website. The three steps self-service process ends up with generating a PDF file, which customer has to print and send with a complained product. Customer can also bring the product to any store and hand over the phone. The repair process for products after the warranty takes usually only one day, but as supplying car visits stores only twice a week, it takes additional 3-7 days for product to be delivered from the store to the service center and back. The complaint process for products still under warranty takes longer (usually around 25 days) as phones are serviced in official manufacturers' service centers.

The service centre has one employee working every day, from 9:00 to 17:00 and the second employee, for whom its just a part time job, from 15:00 to 18:00. The full-time contract employee is paid in fix + the percentage of profits for serviced devices. According to his words, this causes that he prefers to repair products with more expensive service fees first than products which are waiting longer for being repaired.

The CRM software

The company uses its own developed CRM solution. The current version of the cloud based software provides information only about the wholesale partners - suppliers and the customers.

Information available in the software:

- information about the customer or supplier (address, contact person, bank account, priority, what product do they buy/sell)
- the history of cooperation
- enables employees to add notes (the name of employee is automatically included)
- enables employees to add files to each customer

The software is still in development.

The customer service

On average, customers call 60 times a week, use click-to-chat 30 times a week and email 100 times a week. The reasons for contacting customer service, according to customer service center employees, are following:

- 30%: Problems with payment fulfillment, especially when they want to use monthly installments (buy on a loan through Home Credit or Quatro)
- 20%: They are asking for a contact for courier or the transport company
- 15%: They ask for the availability of goods
- 15%: They inform about the complaint process
- 30%: Other issues

Customers contact the customer service more than once especially when they have problems with fulfilling all papers for a loan.

The customer service is currently operated by two employees (Monika and Aneta). There aren't set or defined any processes, or steps, that has to be followed. The company doesn't monitor callbacks rate or their purpose. Employees are allowed to create special offers or discounts for customers who have experienced problems of any kind with the Dobremobily services.

3.4 Analysis of customer experience practices in retail stores

The analysis of the customer experience in stores was done by quantitative research, conducted in period from 30.7. to 13.8.2014. After customers have exit the store the author asked them questions from prepared survey. The survey for store in Czech Republic was different from the one asked in Slovakian stores, as in Slovakia Dobremobily has also e-commerce. The customer effort (how long does it take for customer to find what they are looking for; and how long does the entire purchasing process take) wasn't a survey question itself, as the time length is very subjective factor and every customer can have a different perception of a long time period. - For achieving the most objective results, the customer effort of every single customer was evaluated by the interviewer, based on the observation. As the positive mood and smile of salesmen also affects customers' mood and therefore improve the overall experience, the frequency of smiling of staff was also observed. Finally, the author interviewed supervisors and also some other employees of stores to identify the strongest problems inside the individual store or the entire company. In every Slovakian store, 30 customers were interviewed, in Czech Republic it was 60 as there is only one store. Salesmen in stores are paid in minimal wage plus 10% of their store's profits.

For the best practices sharing, all stores are connected on Skype, in one mutual discussion. The biggest problem of retail stores is in high fluctuation of employees (50% per year). The fluctuation is the highest in summer as the amount of customers is the lowest and wages are accordingly low. The fluctuation is a huge problem, especially in Slovakia, because stores here have only two employees. So when one employee leaves (usually they say it one week to one day before they do so), the other employee has to work 12 hours a day everyday until the second employee is found and trained. The training process takes one week, during which new salesperson spends two days on the company's headquarters and five days in different stores.

3.4.1 Czech Republic

The company has only one store in Czech Republic - in Shopping gallery Vaňkova, Brno. Yet it is the best performing one (in terms of profits) from all company's 10 stores. The findings are following:

- 56% of interviewed customers made the purchase. The rest didn't find what they were looking for, or the product was too expensive, or just came for help
- 30% purchased something at least once in the past
- 20% made the repeat purchase
- 23% customers were searching for the brand DobreMobily intentionally
- 6% of customers weren't offered a help from staff, the remaining 94% found the level of staff's help as excellent - the average mark was 1,1 (1-excellent, 5-the worst)
- The average customer effort of customers who made a purchase was low - 1,6 (1-customer found what was looking for almost immediately; 2- customer was searching for the goods 2-5 minutes; 3- customer was searching for the goods 5-10 minutes; 4- customer was searching for the goods 10+ minutes, but still purchased)
- Staff smiled on average 9 out of 10 interactions

"I came here, because here they always give me a good advice I search for", Customer

Problems of the store:

- Czech e-commerce doesn't exist, and customers ask for it
- The average repair process of goods under warranty is 32 days as the supply car doesn't come so regularly from Slovakia
- The store doesn't have any business cards for customers who ask for it
- Some products are placed in awful old paper boxes and when customer asks for wider selection, they are offered to choose from those boxes.

Employees were performing well in general, they also kept positive atmosphere on the workplace.

3.4.2 Slovak Republic

In Slovakia, the company has 9 stores, located in all major cities. The research was the same as in Czech Republic, except customers were also asked how they find the clarity of offered goods and the look of the store (if they think the goods are ordered well and if they like the store design). The evaluation of the store look as well as the help of employees was done on 10 points scale, where 10 was considered as the best. Always when customers came just to pick up goods ordered through e-shop, it was supposed to be noted. During the research this didn't happen a single time, so customers usually order phones to their home address. Ultimately they were asked if they will recommend DobreMobily to their acquaintances. In every Slovakian store are only two employees which are switching so there is always only one employee working that particular day. Research was done in 7/9 stores - stores in Prešov and Košice are only two months old and were excluded.

3.4.2.1 Žilina

Salesperson: Pavol

The store in Žilina is small and placed in the main entrance of Mirage Shopping Center, located on the main square in Žilina. Of interviewed customers:

- 61% have bought something
- 43% of customers have purchased something in the past
- 38% were searching for the brand DobreMobily intentionally (the rest didn't know about the store or came to the shopping center for a different reason and stopped near the store for an impulse purchase)
- The average score of store clarity and design was 8,4, so in customers' perception the store is more or less nice and organized well
- The average score of employee's help was 9,2 - the lowest score from all
- 59% of customers will recommend Dobremobily to acquaintances
- The average customer effort was 1,9 /5 - relatively low
- Salesperson was not smiling at all

The salesperson Pavol is very loyal - previously had been working in many different jobs and find this one as the best. He can imagine to work there until retirement. On the other hand he needs training or ideally one on one coaching, as he:

- Does not smile at all
- Does not prioritize - when there are customers waiting in the row and the current customer is hesitating to pick one product from many, he does not offer him advice about the best selection, but is waiting until the final product will be selected. In one case, this lasted around five minutes (and there were two another customers waiting)
- Uses technical language when talking to all customers - When an older woman came and asked about the difference between two phones, he only said specifications. On her following question what is the difference between ARM 7 and ARM 8, he only replied that the latter is more powerful processor. (The right answer should be the latter is more powerful processor, so the phone runs more smoothly, has lower tendency to freeze, and can multitask better - run more applications at the same time) The customer looked like she don't understand the differences at all, but rather didn't asked more questions.

3.4.2.2 Prievidza

Dobremobily has headquarters in Prievidza. There, they also have two stores and a service center, where customers can get their broken phone repaired in a short time (usually in one to two hours, but it depends on the seriousness of the damage). Questions about clarity of the store, visit/purchase ratio and the help of employees were evaluated separately for each store, the rest of the questions were rated together. The customer effort was evaluated separately.

Dobremobily Prior

Salesperson: Martin

This store is the oldest one from all and therefore is expected to have the most loyal customers. Is located in the main entrance of the oldest shopping center in the city.

- Customers find the store as nice and very well organized - the average clarity and design score was the highest with the value of 9,4
- The average score of employee's help was 9,6 - excellent
- The average customer effort was only 1,2 /5 - The lowest. The employee was able to realize what customer want very quickly and offered relevant product almost immediately
- 30% of customers who entered the store bought something
- 66% knew about the store and came here intentionally
- Every surveyed customer will recommend Dobremobily to acquaintances
- Employee smiled 7 out of 10 interactions

Salesperson Martin likes his job and is providing very low effort shopping experience. He is highly experienced, as one of the longest employed salesmen in the company.

Dobremobily Tesco

Salesperson: Jozef

Dobremobily store is located in the only hypermarket in the city, Tesco, ahead of cash registers.

- The average score of the clarity and the design of store was 8,6
- They liked the help of the employee and marked it with 9,8 - excellent
- The average customer effort was 2/5, but it was caused by very detailed help of the employee, who provided excellent advice for each customer
- 33% of customers who entered the store bought something
- 26% knew about the store and came here intentionally

- Employee was smiling 6 out of 10 interactions

The selling process was well performed by the employee. The only observed imperfection was the inability to offer alternatives. - When a customer asked for a specific, but unavailable product, salesman only said “We don't have”, but the alternative products were available.

Dobremobily Prievidza - both stores:

- The conversion rate in Prievidza was 31%
- 63% of customers have bought something in the past
- From those who made a purchase, 89% have bought something in the past
- 73% customers will recommend Dobremobily to acquaintances

3.4.2.3 Bratislava

Dobremobily Tesco Extra

Salesperson: Juraj

Tesco Extra is a hypermarket with expanded shopping center. The store is located on the crossroads, between the way to the hypermarket and the way to the rest of shopping centre, where are retail stores and the food court.

Of customers who entered the store and talked with the salesperson:

- 18% have bought something
- 54% knew the store is there and searched for it intentionally
- 27% have bought something in the past
- 50% of customers who bought something made the repeat purchase
- Customers find the design of store and the clarity of offered products as more or less nice and well. The average score was 8,5
- The help of employee was marked with 9,3 - very good
- The average customer effort was 2 out of 5
- Employee smiled at 7/10 customers

Dobremobily Kamenné námestie

Salesperson: Pavol

The company plans to create the general warehouse for all e-shop purchases in this store. This should start operating in the beginning of September.

The store is operating only since October 2013 and is located in the old town of Bratislava, in the city center. According to the salesperson, there are averagely 10 foreign speaking tourist a day. For the relevant customer loyalty results, foreign customers were not surveyed and excluded from the research.

- 38% of customers who spoke with salesperson bought something
- 53% of customer knew the store is there before they came
- The average score of the store design was 8,5 - the same as in Tesco Extra
- 33% of customers have bought something in Dobremobily in the past
- From customers who bought something, 60% already bought something in the past
- The average score of salesperson help was 9,8 - the best
- The average customer effort score was 1,4 - very low
- While salesperson was smiling only in 3 out of 10 interactions, but the general approach was highly professional

Dobremobily Bratislava - both stores:

- The average conversion rate was 28%
- 30% of customers have bought something in the past
- From those who made a purchase, 57% have bought something in the past
- 66% of customers will recommend Dobremobily to acquaintances

Stores weren't different from other stores, in terms of design and the offer clarity, yet scored the lowest average score in this category, excluding the store in Žiar nad

Hronom, which is smaller and has older design. This is probably caused by higher expectations from customers in the capital city, as there are the biggest shopping malls in the country and widest opportunities of shopping experiences.

3.4.2.4 Banská Bystrica

Dobremobily Tesco

Salesperson: Peter

The store in hypermarket Tesco, in Banská Bystrica is the newest one from all seven stores where the research took place and was opened in February 2014. Employee Peter works here since April. Of interviewed customers:

- None have purchased something in Dobremobily in the past
- 27% knew about the store and searched for it intentionally
- The average score of store design and the offer clarity was 8,9 -high
- Customers liked the help of the salesperson and marked it with 9,6 on average
- 60% will recommend Dobremobily
- The conversion rate of customers who entered the store was 20%
- The average effort of the customers who made a purchase was 1,7
- Salesperson smiled in 6 out of 10 interactions

Employee Peter said he is not happy, and might **leave** the company in the future.

3.4.2.5 Žiar nad Hronom

Dobremobily Tesco

Salesperson: Peter

The store is operating 3 years and is located ahead of T-Mobile store, so when a customer buy a new phone with contract, can go to Dobremobily to buy accessories.

From customers who entered the store:

- 33% bought something in the past
- 47% knew about the store before they came
- Store had 40% conversion rate in the day of research
- 33% of customers who bought something have bought something in the past
- The average score for the clarity of offered goods and the look of store was 8,3 - the lowest
- The help and approach of the salesperson was averagely marked with 9,3
- 73% of customers will recommend Dobremobily to acquaintances
- The average customer effort was 1,3 - very low
- Employee smiled at customer in 3 out of 10 interactions on the average

The salesman is working there only for two months and is unexperienced:

- Is not showing the goods immediately when a customer asks about the product
- Is not good at offering relevant goods for specific customers - Offered three times phone from Huawei to one woman who was clearly asking for Samsung. She was wearing expensive clothes and it was deductible that brand of product is important for her. Moreover she wasn't showing any interest in purchasing Chinese brand.

3.4.2.6 Stores in Slovakia - comparisons

In stores where the research took place weren't measured any significant differences.

The store design and the product offer clarity

The lowest average score for the store design and the product offer clarity 8,3, was measured in Žiar nad Hronom which also has the oldest design. The highest score in this category 9,4 was measured in Prievidza Prior, which is the oldest store but was redesigned recently.

The intentional visits of the store

In Banská Bystrica, where the store is operating only since February, only 27% of customers came to the shop intentionally. Even lower percentage of customers, 26% came intentionally to the store in Prievidza Tesco. That is probably caused by Prievidza citizens' habits to visit the other store in Prior, where 66% of customers came intentionally.

The customers intentions to recommend

The most and also the least recommending customers are in Prievidza, where only 47% of customers in Tesco store will recommend the brand while every surveyed customer in Prior store will do so. This is another proof that loyal customers of Dobremobily in Prievidza prefer to go to the store in Prior. In addition, 60% of customers in this store have already bought something in the past.

Figure 3.3: The customers' evaluation of store and their loyalty

Source: Own research (n=210 customers), 2014

The store location	Customers previously purchased something in Dobremobily	Customers who came to the shopping mall intentionally to visit the Dobremobily store	How customers liked the store design and the product offer clarity (10-the best)	How many customers will recommend Dobremobily to their acquaintances
Banská Bystrica	0 %	27 %	8,9	60 %
Bratislava - Tesco	27 %	54 %	8,5	54 %
Bratislava - Kam. Nám.	33 %	53 %	8,5	66 %
Prievidza - Prior	60 %	66 %	9,4	100 %
Prievidza - Tesco	40 %	26 %	8,6	47 %
Žiar nad Hronom	33 %	47 %	8,3	73 %
Žilina	43 %	38 %	8,4	59 %

Salesmen

Customers find the most useful the help from employees:

- Pavol from Bratislava (9,8)
- Martin from Prievidza (9,6)
- Jozef from Prievidza (9,8)

The first two are working for the company over a year and their results are influenced by their experience. Jozef works on this position only over a month so his result was surprising.

The lowest customer effort was provided by these salesmen:

- Martin from Prievidza (1,2)
- Peter from Žiar and Hronom (1,3)
- Pavol from Bratislava (1,4)

While the smiling frequency might influence the overall shopping experience, there wasn't recognized it has any connection with the intention to recommend the brand or the evaluation of the employee's help. It looks like that in specialized stores, the ability to give the good advice in a short time is more appreciated by customers.

Figure 3.4: The evaluation of employee's performance

Source: Own research (n=210 customers), 2014

The store location	The average score for the help of salesman, according to customers (10 - the best)	The average customer effort, measured by the researcher (1- the best, 5 - the worst)	The smiling frequency of the employee	The name of employee
Banská Bystrica	9,6	1,7	60 %	Peter (from BB)
Bratislava - Tesco	9,3	2	70 %	Juraj
Bratislava - Kam. Nám.	9,8	1,4	30 %	Pavol (from BA)
Prievidza - Prior	9,6	1,2	70 %	Martin
Prievidza - Tesco	9,8	2	60 %	Jozef
Žiar nad Hronom	9,3	1,3	30 %	Peter (from ŽnH)
Žilina	9,2	1,9	0 %	Pavol (from ZA)

3.4.3 Retail stores - conclusion

As Dobremobily operates longer in Slovakia, there were more customers who bought something in the past. The store in Vaňkovka, Czech Republic has generally more accessories than the average store in Slovakia. Not having the requested product (usually some kind of accessory for the phone) was almost always the reason why customers didn't bought something inside the store (minority of customers only came for the help or were comparing prices). And that is a big problem, especially when only 34,1% of customers in Slovakia and 56% of customers in Czech Republic bought something.

Figure 3.5: The comparison of Slovakian and Czech stores

Source: Own research (n= 270 customers), 2014

	Slovakia	Czech Republic
Customers purchased something in the past	33,7 %	30 %
Customers purchased something during the visit	34,1 %	56 %
Customers came to the store intentionally	44,4 %	23 %
Customers will recommend the brand to their acquaintances	65,6 %	N/A

3.4.3.1 The Customer Experience in stores

Customer experience was evaluated through four multidimensional factors (identified by Bagdare and Jain, 2013):

Leisure

Some of the stores have inside leather sofas, so when a customer is accompanied, the other person can sit there and wait until the customer will get the product or information they came for. The most of stores have also audio systems and playing chill out music.

Joy

The biggest problem of Dobremobily stores is in insufficient amount of goods - customer who couldn't find what he came for wasn't pleased at all.

The most impactful factor positively influencing customers' happiness was when employee professionally stucked the display foil, free of charge. Afterwards, customers always evaluated the salesperson's help with 10/10.

Distinctive

Dobremobily is too small company for investing money into memorable store designs, additionally their stores aren't big enough to have an extra space for something truly unique. Most of the stores have plasma TV with products advertisements, and almost all have shelves with build-in led lights, so products are beautifully exposed. Stores are using old, ugly, paper boxes for additional goods, where are placed unexposed products. This is a problem, because when a customer asks for one of these products, for example a cover for phone, and there are 10 different colors available, salesmen always put the box in front of the customers so they could choose one they like the most. In that moment the only thing in customer's view of sight is the "premium" product they want to pay for, placed with other products in an ugly box.

Mood

The customer can have different mood setting before entering the store, but pleasurable experience in retail store affects it positively. Smile can transfer from salesperson to a customer. The overall atmosphere in the Brno Vaňkovka store was the most friendly, and employees were joking together. What can improve customer's mood is how far does they have to go from their home to the store, or how far is the closest parking from the store.

The customer effort

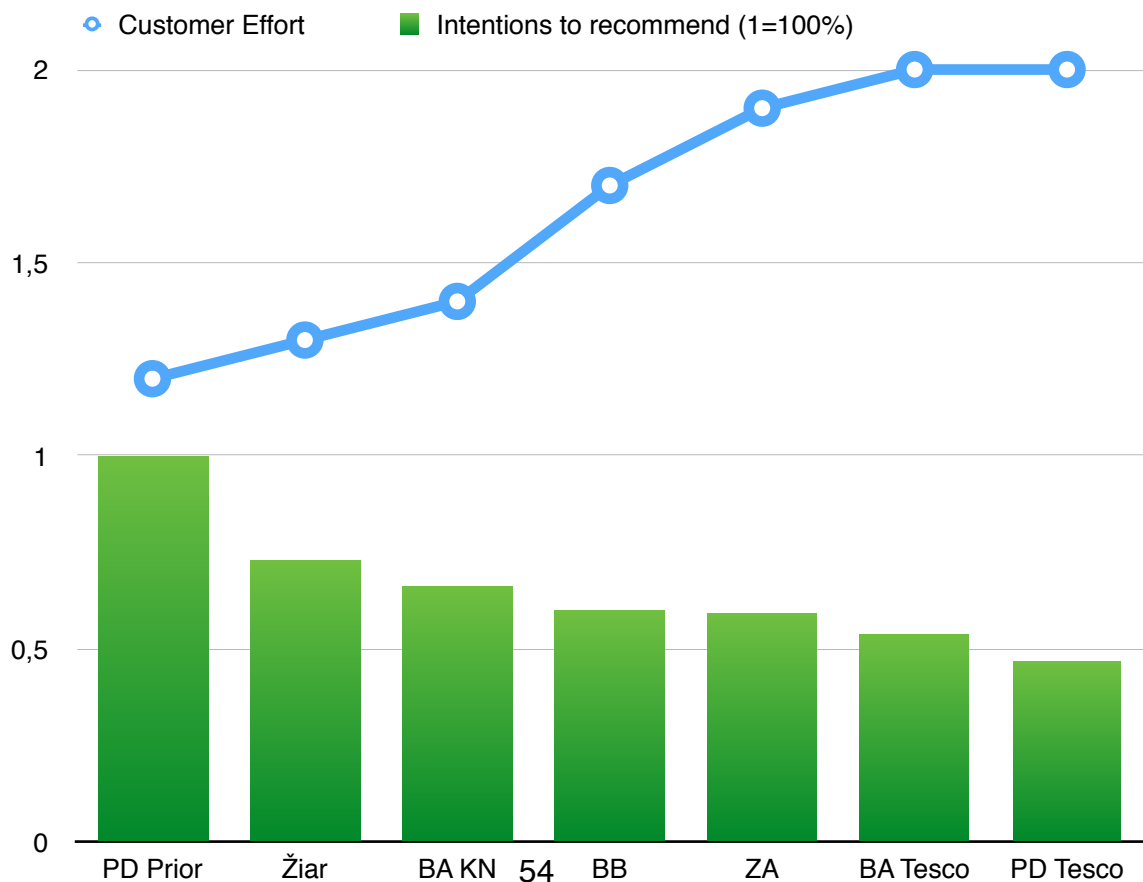
Every store is small enough to allow employee to reach for any product within tens of seconds. Excluding individual talents of each salesperson, the customer effort gets higher when employee is busy serving another customer. In those situations customers were usually walking around the store and searching for the desired product. In all stores were accessories categorized by the device they are intended to use for, but there was no nameplate of the product category. The categorization was helpful for the salesperson, but not so much for a customer.

The relation between the customer effort and the customer's intention to recommend

The only relationship between the data was observed between the customer effort and the wiliness to recommend. As Figure 3.5 shows, shorter time the entire interaction took (with the help of employee), more customers were determined to recommend the brand.

Figure 3.6: The customer effort vs Intentions to recommend graph

Source: Own research, 2014



3.4.3.2 Problems of stores

-Majority of employees weren't offering alternatives when customer asked for currently or permanently unavailable product.

-The protection foils for displays of older phones were discounted - some were only for €0,80 including the sticking on the phone done by employee. This is very cheap, considering the fact that those accessories aren't available anymore in other electronics shops, so there is no competition. On the other hand some phone covers, bought by the company for +- €10 are sold for €30.

-Every store is using ugly old paper boxes for storing additional goods and when customer is picking one product from many, salesmen put the box on the sales counter ahead of customers.

-Customers were unhappy when found out that products have different prices on the e-commerce website and in stores. Additionally they couldn't order their product from the website and pay it immediately as it takes some time for the order to be processed. If they wanted the internet price, they had to order it online and come another day, or several hours later.

-Employees don't have chair on their workplace. They would welcome one, especially for Sundays, when they have averagely only 10 customers per day.

-Employees were complaining about low salaries - they are paid minimal wage plus additional bonuses from profits of their store. So mainly in summer months, when profits are the lowest, they have problems.

4 Proposals for improving the customer experience

4.1 The improvements of online site

Moderated forum

The e-commerce page should implement the forum, where customers can discuss together their questions and issues. In order to secure the high quality of discussion, the forum should be moderated by the customer service employee.

Forum implementation will allow customers to discuss the recent topics, or the most occurring problems. The information provided by customers can be additionally used to improve the overall customer experience in the future.

Costs:

-The internet page needs to be slightly redesigned. Design was made by external company, and redesign should cost around €300.

-Internal costs are in the implementation made by the company's software developer, this should take him around one week. Additionally, one employee from the customer service should check the forum time to time, to ensure the high standard and notify the management about rising issues, if they will occur.

Customer product reviews

Company should modify the webpage to allow customers to rate the product they have purchased. By doing so they will enable other customers to make more informed purchase decisions and eliminate the potential disappointment from buying the wrong product. One month after purchasing a product should be customer asked by email to review it on the web form that will be available on the page.

Costs:

- This modification again requires a slight modification of the page design interface. Therefore it should be done at the same time the moderated forum will be introduced.
- To keep information about the product purchases of each individual customer and automate the entire process, the CRM system should be modified. The implementation of this feature should take the software developer no more than three days, including the e-commerce page architecture modification.

Social media online presentation

Dobremobily's Facebook page is the worst one from the entire competition. Company should promote their page at least in a way like Mobilonline do - the company asks customers to like or interact with their Facebook page after making a purchase. The ideal way of the social media presence management is the one provided by Digitall. Constantly update the content and create contests where customers can win some accessories. This way the new devices or accessories can be presented and marketed. Content published on Facebook can also consist of articles written on the e-shop blog.

Also, if Dobremobily will implement the product review option, customer can share their reviews on Facebook using one button.

Costs:

- Creating and maintaining Facebook page is free of charge.
- The only costs are internal, as there has to be an employee who will take care about the page. The implementation of the share button takes few minutes.

Informing customers about the price differences in the stores and online

As the operational costs of stores are higher than those of the e-shop, prices there are higher. The problem happens when a customer search for a product, check the price, sees on the page that the product is available in store located in his city and decide to go and buy it there, without making an online order. Then, after reaching the store they find

out that the price is different, usually by €5-€20. In order to reduce this negative surprise, company should write on the page of each product that the price inside the retail store is different. Then customers will know that if they want to pick the product in store, they should make an online order before they will go there.

Costs:

-The only cost of this improvement is the modification of webpage system - add one line in the product availability section. This should take the web developer less than one hour.

Mobile optimization

Company should invest into mobile optimization as today more people have phone with access to the internet than ever. People are using their devices also to buy goods over the internet and 81% of all impulse purchases are done by smartphone (McCale, 2013). Also, while making the purchase decision inside physical store, some customers are comparing prices with competition on their mobile browsers. Optimizing site interface for touch input will improve ease of use for mobile devices. According to Jim Yu (2013), 52% of tablet users prefer shopping on their tablets than their PCs.

McCale (2013) made a research focused on behavior of users when shopping on their mobile device with following results:

- 30% of customers abandon their carts if the checkout experience isn't mobile friendly
- 57% of all mobile users will leave if they have to wait 3 seconds for a page to load.
- 41% will immediately go to a competitor's site after a bad mobile experience

Carroll (2012, see Wu et. Al 2013) identified retailing atmosphere as one of the key success factor in online stores business. Wu and others (2013) furthermore recognized that displaying well-organized content can enhance the loyalty of existing customers, and increase the purchase intentions. Mobile optimization will increase attractiveness of e-commerce and improve overall atmosphere on mobile devices. Also, site will become more transparent on small screen devices. Dobremobily's current conversion rate of

users accessing through mobile phones is only 1,34% and the amount of visits from mobile devices has risen 68% over year (Google Analytics, 2014).

Costs:

-Costs for mobile optimization are high, as the web developer has to create a new site that is connected to actually used database. In addition, the new mobile page has to be designed. Total costs are around €500 for the page design and around one to two months of the developer's work.

4.2 The improvements of retailing

Category nameplates

The products in stores are currently categorized. Phones are categorized by manufacturers and accessories are categorized by devices. Some expensive premium accessories have their special place inside the store. The problem is that customers have problem in finding the accessories for their phones as there are no nameplates for individual accessories category. And when salesperson is helping another customer, customers are wondering around the store, or if they don't find what they are looking for in a short time, they leave the store.

Costs:

-Costs of paper and printing of the nameplates are irrelevant. The only cost is the additional work that has to be done by an employee, but they don't have almost anything to do during Sundays anyway.

Boxes for stored products

Not every piece of goods is exposed to a customer inside the store. Especially protection foils for displays and some older pieces of accessories. Those are placed in old paper boxes used for transporting goods when they were ordered from the supplier, and are shown to a customer when they are picking one of many. All of those boxes are so old, that they are covered with stickers that hold them together. While the investment

into new beautiful boxes with the printed logo of company isn't high, the overall shopping experience looks much better.

Costs:

The high quality paper box with printed logo in size 370x290x90mm costs €0,40 in Saveta paperworks (can be ordered online) (Kartonove obaly, 2014).

There is also an option for a 3% discount for the order exceeding €50, so 150 pieces would cost €58,2 including the transport cost.

Borrowing phones to customers who needs to get their phone repaired

The company has many old phones which aren't intended to be sold anymore. Those phones could be borrowed to customers who come to claim their phone. This can give company considerable advantage over the rest of the market, as people are used to have their phones almost all the time, and when they are without them they are limited in many ways. Having only a phone without saved contacts isn't enough. Smartphones running Google Android or Apple iOS store saved contacts also on the cloud, which makes them accessible from the web browser and user can also print them. So with the borrowed phone, salespersons should also give a paper card with following look:

-Front page:

Logo of the company with e-commerce web address on the top.

Service centre and customer centre phone numbers and email addresses on the bottom.

-Back page with the following text:

We are working hard to repair your phone in the shortest possible time.

Until then, you can view or print your contacts on following address:

For Android: <http://contacts.google.com/>

For Apple iOS: <https://www.icloud.com/>

There are averagely 1-2 claimed products on each store. Exceptionally, the number of claimed products rises to 4.

Costs:

-The firm should select 40 phones which will be used solely for borrowing purposes and place 4 of them on each store.

-The printing of 1000 business cards (100 for each store) costs €50-€120, depending on their quality, and can be ordered online (vizitki.sk, 2014)

Improving the performance of salesmen

Not offering alternatives when the asked product was unavailable was the mostly occurred observed problem in stores. The company should provide a training for its employees focused on cross-selling, up-selling, using can-do attitude and lowering the overall customer effort. In addition, salesmen should be trained to use appropriate and understandable language when talking to non-technical customer. The author also recommends to invest into one on one coaching for employees who are happy in their job and plan to work there in the future. Especially Pavol in Žilina said he can imagine to work as a salesperson for Dobremobily until retirement, so investing into his coaching will return many times. The most demotivating factor, according to employees, are low wages in summer when there aren't many customers compared to the rest of the year (employees are paid in minimal wages + 10% from profits of their store). In order to keep them motivated, the firm should give salesmen €20 salary bonus in July and August. This should also lower the fluctuation of employees, which is highest during those months.

Costs:

Training

- €500-€600 will cost the transport of 26 salesmen to and from Prievidza
- Food and beverages for all employees can cost €150-€250
- Training can be provided by members of management or by external company for €300-€500 per day. External companies mostly offer two days training for €500-€1000 plus travel expenses. The company's contract with all shopping malls says the store has to be open everyday, so employees have to be divided at least into two groups and the training should take at least two days.

- Training total costs can vary from €1500 to €2500, even more, depending on all provided services.

Coaching

- Transportation cost of the coach is depending on the selected store
- Coaching can be done internally by a member of management or externally for €30 - €150 (Koucovia.sk, 2014).

Salary increase in summer months

- Giving salary bonus €20 for each salesmen in the firm for two months a year will cost €1040 per year.

4.3 The improvements of customer service and CRM

The update of CRM

Customer relationship management software should be modified to allow adding regular customers. The current version of the CRM is cloud-based and already fully operational, but only for managing wholesale partners. To enable adding regular customers will require creating additional subpage and more storage of servers (which still have a lot of free capacity). A new record should be created every time a new customer purchases a product. Each record should include the following data: Customer's name and surname, product itself, email and phone number, and the software should allow employees to add notes for each customer. In addition, always when an existing customer purchases a new product, it should be noted to their profile. When an existing customer will contact a customer centre, employee will search him by a name and will have all already saved data immediately available. All stored data can be used for marketing purposes, as well. The company can create or improve customers' online habits with Dobremobily. Once a month a newsletter can be emailed to every customer in the database. The newsletter can consist of two parts:

- The first part can have articles from e-commerce's blog and introduction of new products
- The second part can consist of new accessories (added during the last month) compatible with device(s) the customer owns.

Additionally, a birthday date can be saved to customer's profile. Salespersons can save the birthday date of customers (with their approval), so system can automatically send them a 10% discount coupon with one week validity.

Costs:

- CRM system is already operational and cloud-based (accessible from any store), so programming a subsection for regular customers will take around two to four weeks, including testing.
- Implementing the automatic newsletter function into the system will be more tricky. Products in the database are already paired (every piece of accessory has defined the phone it fits with) so this will save a plenty of time. Newsletter has to have an attractive design. Generating a unique mail for thousands of customers will be a heavy load for servers, so this feature has to be well-tested before the start of use. Programming of this function can take three to six months, including testing.

The CRM system should be updated to allow noting down interactions between representatives and customer, no matter what communication channel will be used. Then, reps can take notes after every interaction with customer, into his profile.

The representative-customer interaction

When calling with a customer, representatives should always use can-do attitude and share anticipation by actively supporting customers in their perception. In order to provide the most positive experience they should follow step by step Dixon and Toman's process:

- Customer engagement

Reps should demonstrate confidence and high, professional level of interaction throughout the call. The tone of voice and pace of the customer's speech should be matched, so the customer's personality can "govern" the call.

- Identification of needs

Active listening and identification of customers needs should be accompanied by the rep's assurance that they clearly understand known (and potential unknown) needs customers have.

- Offering relevant options

Reps should offer customers relevant, available, options tailored for their needs. If there are multiple available options, reps should provide customer with consultative recommendations.

- Informing the customer

Next step is to provide customer with the sufficiently detailed explanation, so the customer can make an informed decision. The ideal case is if representative shows his high expertise in underlying matter, using words tailored for customer's level of technical terminology.

- Showing commitment

In the last phase of interaction, rep communicate all actions taken and/or ensure customer about solving their issue. Finally, rep explains next steps that have to be undertaken clearly and in a way that shows customer understanding with his situation.

After a rep will send email, or will end the call, or chat session, notes about the interaction will be written into customer's CRM profile.

Better forward resolving issues

The most occurring repeat calls are related with buying the product on loan. Every time a customer orders a product, he receives an email confirmation. When they buy a product and select an option of paying using Home Credit or Quatro, the confirmation email also includes one sentence describing the entire process that has to be done. The process is tricky (fulfilling the form on the loan agency's page, waiting for confirmation, sending the signed papers to the loan company, waiting for confirmation from Dobremobily, waiting for the product to be delivered) and should not be written in one sentence. The entire process should be written in clear points, with approximate time period each step takes (including the average waiting time for the responses).

Decreasing the workload of representatives

The reason for 20% of all calls is the request for contact number of the courier. In this case, representative calls the courier company, asks for a number of the responsible courier and calls back to the customer. When the company sends a package with product to customer, they receive unique package number. Afterwards, the package number is sent via SMS to the customer. The SMS should also include the phone number of the courier company, so the customer can check the phone number of the courier by himself - it will save customer's time as well as employee's time.

Measuring improvements in customer care

It is very important to measure the overall customer experience provided by the customer service centre regularly, so the firm can realize if the way it's going is right or wrong. The best way to measure it is to ask the customer how much do they agree with the following statement: *"The company made it easy for me to handle my issue"* (1-Totally agree, 7-Totally disagree) (Dixon and Toman, 2013). The question can be asked through a phone call or email.

4.4 The Customer experience strategy

The strategy for improving the organization's customer orientation will be based on the elements identified by Bean and Van Tyne (2012):

1. Commitment from the CEO

The CEO is determined to create a number one retailer and e-shop with mobile phones in Slovakia. He realizes that the firm has to go an extra mile to achieve this and he believes in the idea of customer oriented company.

2. Innovations and ideas

Company currently doesn't have any innovation that will set it apart from the competition, but will start borrowing phones to customer who will bring their phone for a repair.

3. Know the Do-fors of the service of product

The author believes that the most important element of the entire retail shopping interaction for the customer is finding what he came for, and being served was fast as possible.

4. Know the market

The customer experience of the competition has been analyzed and the improvements for catching up have been proposed. These include better communication through social media and mobile optimization.

5. The design of customer experience

The entire sales interaction has to be well explained during trainings. Not only how to do it in the best way, but why it is better. Every single interaction matters. Every word. Every answer. Everything. And salespersons must understand that they are part of something bigger and their performance affects results of the entire company, of every other employee inside the company. Company must also increase the products availability, because not having product a customer asks for demotivates employee and

makes customer sad (sometimes even angry, when they were traveling a longer distance just to buy it).

6. Use of new platforms for improving the customer experience

Using Facebook for managing the social presence gives the company a unique tool for instant communication with its customers. The firm has only 1500 Facebook fans and should focus more on increasing the social base of customers.

7. Measuring the value of the customer experience

The CX of customer service will be measured by the level of agreement with Dixon and Toman's statement about the company's help. The customer experience of stores has been measured by research in field and can be repeated after a certain time in order to see improvements. The functions, ways of contact and devices compatibility of online store has been compared with the competition. The great indicator of e-commerce improvements are overall scores on price comparison portals like Heureka or Najnakup.

8. Using the customer experience for creating an emotional connection

Customers who have emotional connection with the company are more trustful. It is very hard to create this for a retailing company focused on selling phones. Enabling customers to review a purchased product will lower the customer's chance to purchase a wrong product and have a negative experience during its use. Giving a customers present on their birthday in form of a discount coupon can delight them. Employees on the customer service department should be motivated to help customers with solving any ongoing issue, mainly if their request doesn't require any additional costs to be completed (Some customers who are currently without the internet connection might ask for a football game result or a number for the closest pizzeria. For employee its only one additionally minute on google, for the customer it's a helping hand they need)

9. Involving customers for the customer experience improvement

The firm should pay more attention into Facebook and also implement the discussion forums. Those will be their contact points with customers where they can notice new requests, trends or rising issues.

10. Using small teams for developing new ideas

The organization is making a company event twice a year. There are brainstormed new ideas. On the next session, not all employees will work together, but will be placed into teams of five people with at least one manager. The team will have a goal to innovate any company process or create a new idea. At the end, every team will present what they came up with and other employees will discuss the pros and cons.

11. Staying connected to customers

It is important that every new process, product or service Dobremobily will introduce will get it closer to the customers, not vice versa. This can't be only a sentence, it has to be a commitment accepted by the entire management.

12. Continuously improve and innovate the existing experiences

If the company wants to become the number one on the market, it must constantly control the competition and ensure they are providing the same or better services than others. If they will ever become a number one phone e-shop on Slovakian market, they will need to continue in constant improvements so they can remain on the top. In order to stay at the top and step ahead of the competition, they must constantly improve.

5 Conclusion

Dobremobily is already a well-established company on the mobile phones market in Slovakia. The aim of thesis was to develop a customer-oriented strategy for the company, and to offer improvements to increase the level of customer loyalty.

The thesis has provided insights to the mobile phones market in Slovakia, introduced main competition and their customer experience practices. The thesis analyzed company's level of service in retail stores, online shop and customer centre, and provided a set of recommended solutions that will enhance the relationship between customers and the company. The critical success factor of the customer experience approach implementation is the belief of the entire management in the value the new approach will bring in the future. Then the regular salesmen can understand the company's big picture and not only how to treat the customer, but also why every detail when interacting with customers matters. The applied recommendations will be the most impactful when every single employee will believe in company's mission of providing the most delightful customer experience. The proposed solutions and their priority are as follows:

Very high priority

(should be implemented as soon as possible)

- Improve representatives' communication by coaching them to follow a step by step guideline
- Improving performance of employees by providing them more training and one on one coaching for salesmen who are loyal
- Category nameplates in retail stores
- Purchase new boxes for stored products in retail stores
- Inform customers about the price differences in the stores and online on the webpage
- Pay more attention to social media presentation
- Add the phone number of the currier company into SMS template used for announcing the number of ordered package

High priority

(should be implemented within 12 months)

- Implement a moderated forum and customer product reviews on the webpage
- Start borrowing phones to customers who needs to get their phone repaired
- Give salesmen salary bonuses in summer months to reduce fluctuation
- Improve CRM software to enable managing regular customers

Medium priority

(should be implemented when company will have enough free resources)

- Mobile optimization of e-commerce
- Automatic newsletter for customers

The outcomes of this paper are believed to serve as a guideline to improve the customer satisfaction with company's services and overall shopping experience and will result in the increase of the customer loyalty. In order to provide the best customer experience practices in the long term, the customer experience should be measured and improved regularly. Implementation of moderated forum and higher social media focus will provide additional information for enhancing the customer experience in the future.

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7 Appendices

Appendix A: Customer Effort of Dobremobily's customers during phone calls

Source: Company data, 2014. Diagnostic form is by Dixon and Toman (2013)

Simply answer the "yes/no" diagnostic questions. Each question that receives a "no" response indicates a potential area of high customer effort.		
Attributes	Effort Diagnosis Questions by Attribute	Response: Yes or No (Y/N)
Navigability	Is information written in customer (versus company) language?	Y
	Is the site navigation designed for the customers you want to have use it?	Y
	Is the information accessible to customers in a variety of ways (event-based, product-based, and question-based)?	N
	Is it easy to access the Web site (e.g., easy authentication or login)?	Y
	Have you ensured that your most-leveraged content is not buried in your Web site (users can find most content and access most functionality relatively quickly)?	Y
	Is it reasonably easy to contact customer service via the Web site?	Y
	Are customer service phone numbers intuitively organized?	Y
	Are there an appropriate number of phone numbers visible to customers?	Y
Information Quality	Do you make an appropriate amount of your knowledge base available on the Web site?	N
	Is information prioritized intuitively for the customer?	Y
	Is the information of high quality?	N
	Is the site language appropriately tailored to the customers you want to have use it?	Y
	Do you prioritize service information based on seasonal differences when appropriate?	N
	Do you prioritize service information based on call volume drivers?	N
Functionality	Can customers complete all reasonably simple service tasks on the site?	Y
	Is the site functionality appropriately tailored to the customers you want to have use it?	Y
	Once a customer completes a transaction, do you proactively offer related transactions or information?	N
	Can customers track the status of an issue or purchase online?	N
	Do you offer auto-fill or saved customer information whenever possible?	N
	Do you have discussion boards?	N
	If so, do you monitor them for quality?	N
	If so, do you have employees participate in discussion boards?	N
Do you provide incentives to "power users" to participate in discussion boards?	N	
Metrics Do you track...	Number of clicks between pages	N
	Number of searches	N
	Length of time on the site	Y
	Number of pages visited	Y
	Ease of password reset	N
	Number of failed login attempts	N
	Age of knowledge base articles	Y
	Frequency of customers tracking status	N
	Web issue resolution: number of live channel customers who first tried to resolve issue on the site	N

Appendix B: Customer Effort on Dobremobily website

Source: Company data, 2014. Diagnostic form is by Dixon and Toman (2013)

Simply answer the "yes/no" diagnostic questions. Each question that receives a "no" response indicates a potential area of high customer effort.		
Attributes	Effort Diagnosis Questions by Attribute	Response: Yes or No (Y/N)
Resolution	Do you provide incentives to reps around issue resolution?	N
	Do you routinely reinforce the importance of issue resolution with reps?	N
	Do you monitor reps for accurate issue diagnosis?	N
	Do you treat customers preferentially on their second (or greater) call?	N
	Do you root cause the sources of multiple contacts?	N
	Do you allow reps to treat different customer personality types differently (i.e., provide emotional resolution)?	Y
	Do you require reps to own each issue to resolution (even when it requires involvement from other parties in the organization)?	N
	Do you allow reps to call customers back?	Y
	Do you encourage reps to forward-resolve appropriate related issues?	N
	Have you audited internal policies to ensure that they are not causing multiple calls to resolution?	N
	Do reps have the ability to e-mail customers with follow-up information?	Y
	Do reps offer appropriate alternative solutions when they have to say no to a customer?	N/Y
	Do you inform customers when certain issues can and cannot be resolved?	Y
Transfers	Are customers routinely routed to the appropriate specialists when necessary?	Y
	Do you offer warm transfers when necessary?	N
	If not, do you avoid making the customer repeat information?	N
Call Processes	Do your escalation reps track when and why they say "no" or "I can't do that"?	N
	Do you act to change resolution obstacles (when appropriate)?	N
	Do you only ask customers for information that you immediately need?	N
	Do you avoid asking customers for information that they have already provided through the IVR?	N
	Do you avoid asking customers for information that you could get from internal sources (e.g., account information, filed information)?	N
	Do you call other stakeholders on your customers' behalf to save your customers a step?	N
	Do you require customers to fill out forms only when it is absolutely necessary?	Y
	Generally, are your forms written in customer (versus company) language?	Y
	Do you collect rep feedback on language used in forms?	N
	Do you offer customers the option of returning forms in alternate channels (e.g., fax, e-mail, online)?	N
Do you confirm receipt of information?	N	
Wait and Hold Time	Do you inform customers of queue location and approximate time?	N
	Do you offer callback functionality during peak periods?	N
	Do you monitor for excessive hold time?	N
	Do you set customer expectations around time to resolution?	N
Metrics Do you track...	Issue resolution rate	N
	Callback rate	N
	Callback type analysis	N
	Transfer rate	N
	Warm versus cold transfer rate	N
	Customer Effort Score—CEB's customer effort metric	N
	Measures of customer time spend (e.g., hold time, time spent in IVR, wait time, etc.)	N
	Quality assurance: accuracy of information	Y
Quality assurance: issue diagnosis	Y	

