Enhancing Customer Experience within the Mobile Telecommunications Industry

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ENHANCING CUSTOMER EXPERIENCE WITHIN THE MOBILE
TELECOMMUNICATIONS INDUSTRY

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Abstract

Given that organizations find it increasingly hard to differentiate products and services, customer experience is viewed as the 'new battleground'. New digital technologies, such as mobile telecommunication services, are not immune from this and providers are increasingly having to consider all aspects of their offering – concentrating not just on the technology, but on the wider information system of which that technology is part. With that in mind this paper provides outline results that examine the issues of customer experience in the context of initiatives put in place within a major mobile telecommunications provider. Specifically, the work has a focus on initiatives put in place within retail shops that were designed to integrate activities within the business that were not clearly related and thus had negative impact of customer experience. Though the results are partial they illustrate increased organizational buy-in to the importance of customer experience, improved consistency of information across related parts of the business, marginal improvements in relationships between store staff and the contact centre and the impact of non-functional and emotive factors in providing a differentiated services. Perhaps unsurprisingly improved integration within and across the organization results a positive impact on customer experience.

Keywords: Customer experience, mobile phone industry, action research.
1 INTRODUCTION

Organisations competing for the same customers with the essentially the same products, have differing levels of success, due to a wide variety of factors. Published statistics indicate, for example, that 85% of business leaders propose that differentiation by price, product and services is no longer a sustainable business strategy (Shaw and Ivens 2002 quoted in Millard 2006). A significant percentage (71%) of those leaders stated a belief that “customer experience” is the new battleground. Unfortunately, the same survey found that 44% of customers’ experiences were bland and uneventful.

Translating this issue to the technology arena, it is argued that a shift is taking place in the analysis of people’s interactions with digital products – moving from evaluating performance to researching experience (Light 2006). This change is, in part, due to the increased connectivity, mobility and domestication of digital services and reflects the increasing relevance that digital devices have to issues of lifestyle and how people choose to express their identity (ibid). New digital technologies (e.g. mobile telephony products and services) present unique problems in relation to the customer experience and, while these are increasingly recognised, they tend to be consistently overlooked during the delivery process. Our assertion here is that good customer and user experiences do not come by default: They are not modular ‘add ons’ but, rather, need to be designed and skillfully crafted by thinking about people, human behaviour and social interaction in combination with the technology.

In this paper we explore the above assertion (and its ramification) through the analysis of early results from a case study in a major mobile telecommunications provider (referred to as TelCo hereafter). The case study concentrates not only on the technology, but on the improvement of the customer experience by addressing factors that relate to the overall information system of which handset use is part. Specifically, the study relates to improving the level of service provided by retail shops and the paper is structured as follows. Section 2 provides an overview of the relevant literature on customer experience and, in particular, how it might be measured. Section 3 justifies action research as the method of study and provides an overview of TelCo. Section 4 sheds light on the organisational setting. Section 5 present the data analysis and results from a multi-staker perspective. Section 6 critically examines the literature on customer experience and action research, and present a view of the next steps and potential iterations. Section 7 provides the summary and conclusions.

2 IMPORTANT FACETS OF CUSTOMER EXPERIENCE

Customer experience encompasses every aspect of a company’s offering: the product and service, the quality of customer care, advertising, packaging, ease of use and reliability to name but a few. Poor experience is generally conceptualised as an ‘expectation gap’ - the difference between what the
customer thinks they should be getting (built up by marketing promises and other experiences) and the experience that they receive (as a result of operational design for efficiency) (see Millard 2006). Competing on customer experience consequently means "orchestrating all the customer experience 'clues' that are given off by products and services that customers detect in the buying process" (Berry, Carbone and Haeckel 2002, p.85).

These clues that make up the customer experience are easily discerned – in essence, anything that can be perceived or sensed, or recognised by its absence, can act as a clue. Consequently, there are clues from the products and service itself (e.g. handset and mobile service), the physical settings (e.g. store layout) and from the employees (e.g. store and contact centre staff) in the form of gestures, comments, dress and tone of voice etc. Carbone and Haeckel (ibid) suggest it is the composite of all the clues that make up the customer’s total experience. These clues can be subdivided into two categories:

- Functioning of the goods or services
- Emotion – This includes: smells; sounds; sights; tastes; textures; as well as the environment in which it is offered. This category can be further broken down into: clues emitted by things (mechanics) and clues emitted by people (humanics).

Table 1 – Summary of customer experience categories

<table>
<thead>
<tr>
<th>Customer Experience Clue Categories</th>
<th>Examples</th>
</tr>
</thead>
</table>
| **FUNCTIONAL**<br>Rational / objective clues that relates to operation of the good or service | • Can I download this music video?  
• How long does the battery last on this phone? |
| **EMOTIONAL – mechanics** – clues emitted by things | • Is this a welcoming, friendly store?  
• Does the store layout allow for private conversations about my account? |
| **EMOTIONAL – humanics** – clues emitted by people | • Can I talk to someone face to face about any issues I may have?  
• Is this person knowledgable about my requirements or issues? |

Berry et al (2002) argue that the emotion clues are just as important to the customer experience and work synergistically with functional clues. This view is supported by Shaw (2005) who suggests that sensory experience is vital when looking at the entire customer experience. Importantly, however, the typical measurement frameworks used in industry concentrate on customer satisfaction and are inherently functional in their nature. One of the most influential is that developed by the global marketing information firm J. D. Power and Associates. In the UK mobile telecommunications market, their survey and reports are widely seen as the barometer for assessing what rating a company has and how it is performing against other players in the market. J.D. Power measures overall satisfaction for contract customers by measuring seven key factors, with the relative weightings in brackets: Image (23%); Offerings & promotions (14%); Call quality / coverage (18%); Cost (14%); Handset (7%); Customer Service (14%); Billing (10%)
In point of fact, it is increasingly hard to differentiate mobile operators on most of the above factors. Most operators offer tariffs that match competitor deals, coverage and call quality is indistinguishable due to the mass roll-out of cell sites, and all operators have similar handset ranges and offer similar billing services - only in areas of image and customer service do they really differ. It is therefore argued that there is a clear potential for considering emotional factors as a core aspect of customer experience in practice (and including it in any measurement frameworks). Meyer et al (2007) argues that few of the people responsible for various aspects of customer experience, have given sustained thought to how their separate decisions affect/shape it however. Consequently, a company (or, indeed, a related network of organisations) must deconstruct its overall experience into component experiences and it is likely (and therefore observable) that customer experience will be disjointed while companies struggle to build the management competency to deal with consistency of experience across the organisation. Meyer (ibid) proposes that organisations may choose to review past, present or potential patterns of customer experience data, with each pattern yielding different types of insight.

The key learning here is that by default mobile origination has historically tended to focus on functional cues. If experience is the new battle ground however, it is clear that a far more systemic and balanced approach is neccesary that concerns function, mechanic and humanic clues more equally. The questions that arise are: a) what forms should this balance take and b) what organisation barriers need to be overcome.

3 THE RESEARCH APPROACH

3.1 Action Research as a Basis

Addressing the issues noted above clearly involves interaction with practice. Consequently, the methodological approach adopted for the work herein was that of action research, which has a dual imperative of solving current practical problems while expanding scientific knowledge – purposefully engineering organisational change (see Baburoglu and Ravn 1992, Baskerville et al. 2004 for example). Typically, the process of research is iterative in nature and involves the researchers and practitioners acting together on a particular cycle of activities, which are generally classified as problem diagnosis, action intervention and reflective learning (Avison et al 1999). The cycle employed for this study is illustrated at Figure 1.
As part of the drive for rigour in action research, Baskerville and Wood-Harper (1998) suggest the researcher must aim to bring about improvements through making changes in a problematic situation. The authors contend that the action researcher has dual aims leading to dual cycles of enlightenment - the reflective analysis of the meaning and full implications of action research, suggesting a model for applicable to unstructured and integrative issues and in its contribution to theory, it is little more than glorified consulting. As a consequence of this criticism, McKay et al (2001) argue for a deeper more reflective analysis of the meaning and full implications of action research, suggesting a model for action research that includes both a problem solving interest cycle and a research interest cycle. Those authors contend that the action researcher has dual aims leading to dual cycles of enlightenment - the researcher must aim to bring about improvements through making changes in a problematic situation but must also aim to generate new knowledge and new insights as a result of their activities.

As a point of note, emphasising the creation of knowledge or theory in action research is generally considered as important (Coughlan et al. 2002; McKay et al 2001). This importance lies in dealing with criticisms of the approach in that, while it has broad relevance to practitioners and is applicable to unstructured and integrative issues and in its contribution to theory, it is little more than glorified consulting. As a consequence of this criticism, McKay et al (2001) argue for a deeper more reflective analysis of the meaning and full implications of action research, suggesting a model for action research that includes both a problem solving interest cycle and a research interest cycle. Those authors contend that the action researcher has dual aims leading to dual cycles of enlightenment - the researcher must aim to bring about improvements through making changes in a problematic situation but must also aim to generate new knowledge and new insights as a result of their activities.

As part of the drive for rigour in action research, Baskerville and Wood-Harper (1998) suggest the following guidelines, which we have used to evaluate the outcomes of the research to-date:

- Research should be set in a multivariate social situation.
- Observations should be recorded in an interpretive frame.
- Researcher-led action should intervene in the research setting.
- The method of data collection should include participatory observation.
- Changes in the social setting should be studied.
- The immediate problem in the social setting is resolved during the research.
- The research should illuminate a theoretical framework that explains how the actions led to a favorable outcome.

Figure 1 – Typical action research model and fit case study - Source: (Susman 1983)
3.2 **The Case Study Setting**

The action research was conducted within TelCo, who are a mobile telecommunications company with network operations in several countries servicing millions of customers. The research was conducted in the context of the UK business, which has core areas covering communications (voice and video calling etc.), media and entertainment (television, music, sport etc.) and information services (wireless Web, news etc.).

Supported by the traditional key directorates, namely Sales and Retail, Marketing, Customer Services, Technical, Finance, Logistics and Human Resources, Telco has a significant contact centre operations and several hundred retail points of presence. The case study was formally sponsored by Sales and Retail, but the steering group included senior managers from Customer Services, Technical and Marketing.

4 **CURRENT STUDY**

At the start of 2007, TelCo decided to take a serious look at improving its customer service following perception issues with its service levels, and as a result of the senior management view that this area was important in the fight to win and retain customers. These manager felt that more should be done to equip the store staff with tools that allows them to engage with customers. They also felt the store environment was too "sterile” and unwelcoming. This suggests that they felt not enough attention was being paid to emotional clues. A number of initiatives were underway in different functions (such as the contact centre and logistics areas), but a decision was taken to focus on Retail shops and the experience received by customers at this touch point. A programme was initiated to drive this initiative where the key stakeholders were taken as the customers, store staff, the channel support team (group of contact centre agents focused only on stores), the steering group and the project team.

Importantly during the initiation of the programme, there were many voice conferences with a team in another geographic region, who had been looking and delivering solutions in the area for a number of years. The programme team consequently visited this region in order to understand how and where learning from that environment could be applied to the UK Market. The list below is a summary of the learnings the regional team advised the UK programme team to heed:

- Buy in throughout the organisation
- Consistency of information across all teams
- Building relationships between store staff and contact centre
- Measurement: Mystery shopping; Exit surveys done by stores; Customer Satisfaction surveys
- Continuous validation and improvement: Evaluating impact on stores; Evaluating impact on customer experience; Training
In March 2007, the programme team undertook an exercise to understand why existing Telco customers come into Telco stores. The table 2 below provides a summary view of this.

Table 2 – What is currently driving customers into Telco Stores

<table>
<thead>
<tr>
<th>Store</th>
<th>Upgrades</th>
<th>Repairs</th>
<th>Bill Payment</th>
<th>Bill Queries</th>
<th>Other - channel support</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sunderland</td>
<td>12</td>
<td>15</td>
<td>3</td>
<td>12</td>
<td>17</td>
<td>59</td>
</tr>
<tr>
<td>Eastbourne</td>
<td>5</td>
<td>2</td>
<td>0</td>
<td>2</td>
<td>6</td>
<td>15</td>
</tr>
<tr>
<td>Bristol</td>
<td>9</td>
<td>7</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>17</td>
</tr>
<tr>
<td>Leeds</td>
<td>3</td>
<td>23</td>
<td>4</td>
<td>9</td>
<td>3</td>
<td>42</td>
</tr>
<tr>
<td>Canterbury</td>
<td>4</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Telford</td>
<td>7</td>
<td>4</td>
<td>2</td>
<td>5</td>
<td>4</td>
<td>22</td>
</tr>
<tr>
<td>Dundee</td>
<td>5</td>
<td>13</td>
<td>3</td>
<td>4</td>
<td>7</td>
<td>32</td>
</tr>
<tr>
<td>Total</td>
<td>45</td>
<td>65</td>
<td>12</td>
<td>32</td>
<td>38</td>
<td>192</td>
</tr>
<tr>
<td>%</td>
<td>23%</td>
<td>34%</td>
<td>6%</td>
<td>17%</td>
<td>20%</td>
<td>100%</td>
</tr>
</tbody>
</table>

Based on these results a cross section of retail stores managers and associates attended a workshop, where the analysis was reviewed and the ‘match’ between the results and ‘feeling on the ground’ was verified. Store managers were also asked for suggestions as to what tools/changes would enable them to serve the customer better and provide a superior level of customer service. In summary these target areas were classified as follows:

- **Billing and channel support:** It was seen that checking bills, making payments by credit card and setting up credit cards together with some channel support queries such as changing address and personal details would be resolvable via the Customer Service in Store self service solution (CSIS 1). This solution was already available to customers via the handset and via the web already, but importantly, not widely known about.

- **Coverage:** A more realistic version of the network coverage checker was requested. The previous versions overstated coverage and therefore often mislead customers.

- **Repairs:** At the same time a project was set up to trial the setup of a repair centre in the store, where customer could leave their phones for either hours or days (depending on the nature of the issues), they would be fixed and the customers could pick up at their convenience.

- **Upgrades:** A project was kicked off to make changes to the sales system to ensure the stores could offer the same value upgrades deals as the contact centre. This was previously not the case and often lead to customers coming into store and being disappointed because the store could not give the same deal they had been offered or heard about from the contact centre.

- **View of customer care systems:** The Customer Service in Store phase 2 (CSIS 2) project was also kicked off to deliver a deeper view of the customer’s account than CSIS 1 provides. The aims of CSIS 2 are to show what services the customer has, provide a view of any outstanding issues/cases they had and to make readily available the interaction notes from the contact centre. In essence, this project is oriented around providing an easier dialogue with the customer and enabling face-to-face discussion on the issues.
CSIS 1 is the focus of the data gathering exercise, which was undertaken to redress the balance of cues and gain a better understanding of the organisations barriers that might hamper efforts. Following the deployment of the solution instore, a trial ran from the middle of June 2007 until the middle of August 2007 approximately. Prior to the trial, store staff were interviewed in order to get information on their attitude towards the current in-store customer service. Store staff were also asked to get customers to complete the online attitude questionnaire after they had used the new in-store customer service. In addition, we visited the stores on a weekly basis to observe customers and staff using the new service. Store staff were also asked to collect details on customers who agreed to be contacted and interviewed by the researcher at a later date. Once the trial had finished, store staff and channel support staff were interviewed again by the researcher to find out what they thought of the new in-store customer service in relation to the old in-store customer service provision.

The solution did enhance the emotional clue set for the stores as it give them a tool to interact more meaningfully with the customers and made them more knowledgable about the customers they were serving.

5 RESULTS

5.1 Pre-trial store staff attitude

10 participants from 5 trial stores took part in this data collection exercise. There were 5 females and 5 males, all within the 18-34 age range. The responses were based on a five point Likert attitude questionnaire. In addition, staff were also asked to provide an explanation for the responses that they gave for each statement. Table 3 provides a summary of the results.

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current system has many advantages</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Current service needs lots of improvement</td>
<td>6</td>
<td>3</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Explain customer service to customers</td>
<td>7</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customers dissatisfied with customer service</td>
<td>7</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Examples of the the types of comments store staff provided to explain their responses to the Likert statements are as follow:

- “can take up to 40 minutes sometimes to get an issues resolved, like getting a new sim”
• “Customers’ would be happier with a face to face service where store staff can solve problems without phoning the call centre”
• “more help needed to deal with problems in a more flexible way”
• “most times I put customers on the phone to talk to customer services, freeing up store time”
• “Customers don’t want to speak to a call centre; they want the store staff to sort it out for them. People don’t like talking to call centres”
• “Too reliant on call centres. We should be able to solve problems quicker. You’re often on hold for ages. Customers find this really annoying”

5.2. Customer attitude towards CSIS 1 during the trial

Overall 35 Telco customers completed the online attitude questionnaire. A 5 point Likert scale format was also used to collect the attitude data from the Telco customers. However, not all the customers provide details on their age group or gender. From the data collected, there was an almost 50-50 split between male and female customers. In terms of age, there was a good spread between age groups (18-24, 25-34, 35-44, 45-55) apart from the last age group (55-64). There was no recorded entries for this group. Table 4 below provides a summary of the results. Table 4 below provides a summary of the results, where each column shows the cumulative effect as the sample increased.

Table 4: Mean Customer attitude score towards in-store service

<table>
<thead>
<tr>
<th>Statement</th>
<th>Sample of 8customers</th>
<th>Sample of 17customers</th>
<th>Sample of 21customers</th>
<th>Sample of 30customers</th>
<th>Sample of 35customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Happy to use CSIS 1 again</td>
<td>3.9</td>
<td>4.0</td>
<td>4.2</td>
<td>4.2</td>
<td>4.1</td>
</tr>
<tr>
<td>Sales person knowledgeable about service</td>
<td>4.1</td>
<td>4.1</td>
<td>4.2</td>
<td>4.2</td>
<td>4.2</td>
</tr>
<tr>
<td>CSIS 1 needs improvement</td>
<td>3.5</td>
<td>3.0</td>
<td>3.0</td>
<td>2.9</td>
<td>3.0</td>
</tr>
<tr>
<td>Feel confident using CSIS 1</td>
<td>3.4</td>
<td>3.6</td>
<td>3.5</td>
<td>3.6</td>
<td>3.7</td>
</tr>
<tr>
<td>CSIS 1 service was friendly</td>
<td>3.7</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>CSIS 1 was helpful</td>
<td>4.5</td>
<td>4.2</td>
<td>4.2</td>
<td>3.8</td>
<td>3.9</td>
</tr>
<tr>
<td>Use CSIS 1 on handset in future</td>
<td>3.8</td>
<td>3.7</td>
<td>3.6</td>
<td>3.8</td>
<td>3.9</td>
</tr>
<tr>
<td>Use CSIS 1 service on internet in future</td>
<td>3.5</td>
<td>3.6</td>
<td>3.7</td>
<td>3.8</td>
<td>3.7</td>
</tr>
<tr>
<td>Enjoyed in-store experience</td>
<td>3.8</td>
<td>4.0</td>
<td>4.0</td>
<td>3.9</td>
<td>4.0</td>
</tr>
</tbody>
</table>

As part of the data collection process the aim was also to conduct in-depth telephone interviews with customers after they had completed the online attitude questionnaire. However, only 5 customers agreed to be contacted by the researcher to discuss their in-store experience. Of those 5, only 3 were available for a telephone interview. For two of these customers, their specific problems had not been
resolved in store. For example, one customer had gone to the store to enquire about the possibility of changing their make of phone as they had been experiencing problems with it. They did not take out any insurance cover on their phone and were told that they would have to pay if they wanted a new phone. The customer felt frustrated about this as they had been a Telco customer for several years and they expected better treatment. Although they were aware that they were offered insurance when they signed the contract, they felt that as they were still under contract with Telco, they should be allowed to have a new phone without incurring any personal cost.

The second customer appeared to have problems with their sim card which would, apparently, dial up the number of a premium rate line at regular time intervals. As a result of this, the customer had a large monthly phone bill. The customer felt that they should not have to pay for the excess charges as the fault was the sim card. At the time of the interview the issue, was still unresolved. The third customer who was interviewed, stated that they found store staff to be very helpful and preferred going into the store to get an issue resolved rather than phoning the call centre. The reason for this is that they had, on previous occasions, spent a long time on the phone to the call centre without getting the issue resolved to their satisfaction. On this occasion, the store staff, using CSIS 1, were able to resolve their bill query issue.

5.1 Post-trial store staff attitude

5 participants from 3 trial stores took part in the post-trial evaluation. A 5 point scale Likert format was used, once again, to collect the data. The staff were all male and in the 18-34 age range. In addition, staff were also asked to provide an explanation for the responses that they gave for each statement. Table 5 below provides a summary of the results.

Table 5: Post-trial Store Staff Attitude

<table>
<thead>
<tr>
<th>Statement</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Neutral</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
</tr>
</thead>
<tbody>
<tr>
<td>New system has many advantages</td>
<td>1</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>New service needs lots of improvement</td>
<td></td>
<td>5</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Explain new service to customers</td>
<td></td>
<td>3</td>
<td>2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customers dissatisfied with new service</td>
<td></td>
<td></td>
<td>1</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>The new service helps me do my job more effectively</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Work relationship with call centre improved</td>
<td></td>
<td></td>
<td>4</td>
<td>1</td>
<td></td>
</tr>
</tbody>
</table>

Examples of the types of comments store staff provided to explain their responses to the Likert statements are as follow:
• “CSIS 1 looks more professional in the eyes of the customer, don’t need to say I’ll phone through to customer service to get problem sorted”
• “Would still like more functionality like change tariff”
• “Better customer experience, as long as it didn’t take too much time from sales”
• “Touch screens would be a good idea as it would speed up sales”
• “Still get scripted conversations with call centre”

5.3 Post-trial channel support staff attitude

Two members of the channel support team were interviewed after the trial had been completed. They (one male and one female) were both in the 18-34 age group. The channel support staff who were interviewed after the trial felt that the new in store service was better than the previous one. For example, they felt that the store staff they dealt with were now more informed as a result of having access to CSIS 1 in-store. However, they felt that store staff expected them to be more flexible when it came to resolving customer issues and could be quite demanding at times. From a call centre perspective, they felt that they had to stick to the stated policy when dealing with these enquiries. For example, channel support staff had recently contacted call centre staff wanting to offer an exiting customer a “500 minutes plan” that was currently on offer. This promotion was specifically designed to attract new customers and store staff asked call centre staff to be more flexible and allow them to switch exiting customers to this new offer.

In terms of managing the process of a customer enquiry, channel support staff felt that there should be one file that contains all the relevant information regarding a customer’s enquiry to speed up the resolution process.

6 DISCUSSION

6.1 The Findings from a Stakeholder Perspective

From a customer perspective the CSIS 1 solution, in general, offered the opportunity for an enhanced ‘in-store’ customer experience by better integrating cues and, if nothing else identifying systemic issues that hampered the customer experience. For example, issues that may have required them to contact the call centre in the past could now be resolved in-store. This point is evidenced the high average scores obtained for statements such as: ”I thought the sales person was knowledgeable about the CSIS 1 service” and ”Overall, i enjoyed my experience in the store today”.

In terms of store staff perception, many felt that the introduction of CSIS 1 increased their ability to provide an improved in-store experience for customers. This point is evidenced in
comments such as: “Customers are pleased that issues can be explained in store, like bill queries” and “CSIS 1 looks more professional in the eyes of the customer. Don’t always need to get them to phone through to customer services to get their problems sorted”.

The store staff also felt that they would like to have more functionality from CSIS 1 to improve the in-store customer experience as the following comment suggests: “Should be able to take off add ons as well adding them”.

In terms of the working relationship between store staff and call centre staff, the store staff were neutral in terms of the effectiveness in CSIS 1 improving this relationship. Several of the store staff felt that call centre staff were "too scripted" in their interactions with customers and store staff. This led to a sense of frustration on both the part of the customer and the store staff. The call centre staff who were interviewed as part of this study, in contrast, actually felt that their relationship with store staff had actually improved due to the fact that the store staff seemed “better informed” in relation to the information provide by CSIS 1. So clearly this provides a good systemic example of where one part of a companies information systems hampers another part.

Although, the store staff who were interviewed were on the whole positive towards the introduction of CSIS 1, several commented that they were conscious of the fact that, by taking over some of the services provided by the call centre, it could also have an impact on their core function (as they saw it) of selling goods and services to customers. This attitude is partly reflected by the observations carried out in the 5 trial stores. For example, one of the selected trial stores did not participate fully in the trial and at one stage asked to be withdrawn from the trial as they had “too much to do”. This attitude was reflected in the poor data collection obtained from this store. In addition, the store staff did not appear to have been briefed on how to use CSIS 1 and how to get customers to complete the online attitude survey. This attitude was also observed, to a lesser extent in one of the other stores. In this case, an assistant manager did not know where to locate the CSIS 1 application on the PC and did not appear to know anything about the customer evaluation aspect of the trial.

In some stores, staff mentioned that there was no “incentive” for them to encourage customers to provide online feedback on their in-store customer experience. Some staff stated that it was a “hassle” to get customers to complete the online survey. From the observations conducted throughout the trial, the main emphasis was on selling goods and services to customers and completing sales as quickly as possible. The lack of incentive may also have had an impact on store staff attitude towards customer experience. As one sales assistant commented “we’re told to concentrate on sales and make sure we hit our targets”. Therefore as feelings and emotions are important drivers in consumer choice, it is important for mobile phone service providers to offer a combination of an exchange and communal relationship with customers. This could be achieved through a change in emphasis in the culture and
training of the company and rewards given to staff for offering an enhanced relationship with customers.

With hindsight, a number of key anomalies occurred, which, again, demonstrate a lack of systemic thinking within the organisation. Firstly while the project was being paid for by the sales and retail directorate, at the senior management level it was the customer service function that were more engaged, more open to alternative ideas and more supportive in steering the programme. This may have been because ultimately the customer service function end up with the consequences of poor customer experiences in stores, typically with calls into the contact centre. Also because the only measure for success in stores and possibly in the sales function, is sales numbers. Secondly, the company is relatively young and does not have a cross business view of programme management, seeking instead to look at programmes as a collection of related projects, rather than a set of initiatives that should achieve business objectives, which may have to be achieved through changes in people, process, technology and the organisational set-up. This leads to a point solution approach to issues, rather than holistic solutions.

6.2 Implications for Theory and Practice

There is strong supporting evidence for the use of emotional factors in developing and improving the customer experience. There appears to be a strong and proportional correlation between how friendly a customer views the service received, and how that customer rated the overall experience. There also appears to be a strong link between friendliness and a customer confidence in using the solution again in the future.

Through this exercise Telco has recognised that measuring customer experiences on continual and comprehensive basis is a key factor in beginning to improve the customer experience further. Moving forwards an independent company will be employed to evaluate the Telco shopping experience compared to the other leading competitors. This is being done to determine the customer satisfaction and brand loyalty linkages resulting from the customer experience. It will identify Telco competitive strengths and weakness and would allow Telco to use the insights and development standards of measurement. These will be standards that have the highest impact on the loyalty of Telco customers. This mystery shopping exercise will, covertly, evaluate 200 Telco stores and 100 of each major competitor’s stores. The stores will be geographically distributed.

Also in an attempt to develop more emotional clues, Telco has produced a new warmer, friendly and engaging store design, which will be retrofitted to all existing stores. Telco are changing the recruitment criteria and are looking to recruit against customer experience behaviours. Telco have reviewed and are changing the in store uniform, and are attempting to recruit more female staff, to align better with the demographics of their customers.
In summary organisations must measure customer experiences, to keep track of what their customers think. They must be conscious of the functional and emotional clues that either intentionally or unintentionally emanate from products and services, while ensure key teams are aligned. All this supported by continues measurement support should any organisations aims to improve the customer experience. Measurement is useful but is only an indicator. What the study has also shown us is that the systemic attitude hinted at in the literature is not carried out fully in practice as evidence by the customer examples quoted. Here it would appear that there a deeper issues at work, linked to an insufficient amount of cross functional working and therefore reduced organisational alignment and also a legacy reward, recognition and remuneration structure, which tends to focus mainly on sales, with little link back to customer service.

6.3 Reflections on the Action Research

In reflecting on the action research itself, the study was run as a formal project with a project team, sponsor’s group, weekly reporting and key decision points that impacted the direction that the case study took. This limited the flexibility of the project to change tack at certain points and spend time and resource looking at interesting research cycle observations. The focus was primarily on how customer experience could be improved in-store and, to-date, we have not started a second research cycle looking at learning arising from the first – examining incentives, training and culture, as a way of “further” improving the customer experience. An overall evaluation of the outcomes to date is presented in Table 6 below.

Table 6 Evaluation of outcomes

<table>
<thead>
<tr>
<th>Validation Criteria</th>
<th>Observation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Research should be set in a multivariate social situation</td>
<td>The research was conducted in a multi-stakeholder environment, within a sat moving telecommunications environment, where personnel with diverse roles and experience were keen to see a positive change.</td>
</tr>
<tr>
<td>Observations should be recorded in an interpretive frame</td>
<td>Whilst action research is inherently interpretive (see Cavaye 1996) typical data collection methods employed here included in store observations with different stake-holders. The interpretation was grounded and relatively rich.</td>
</tr>
<tr>
<td>Researcher-led action should intervene in the research setting</td>
<td>Researcher-led action was realized initially via the steering group and continued in a highly participatory manner through workshops with store teams and channel support.</td>
</tr>
<tr>
<td>The method of data collection should include participatory observation</td>
<td>Impact analysis captured via various data collection methods and evaluated in a participatory manner during the trial and roll-out of the CSIS 1.</td>
</tr>
<tr>
<td>The immediate problem in the social setting is resolved during the research</td>
<td>A solution was proposed and implemented in the form of the CSIS 1 – Customer experience was improved, but additional projects are being instigated and more research cycles would be beneficial.</td>
</tr>
<tr>
<td>The research should illuminate a theoretical framework that explains how the actions led to a favorable outcome</td>
<td>The focus on emotional clues and the benefits of organizational alignment support the literature. Also the participatory approach taken engendered more buying than would have been possible otherwise.</td>
</tr>
</tbody>
</table>
7 CONCLUSIONS

This work has considered the issues of customer experience in the context of initiatives put in place within a major mobile telecommunications provider – in particular, the inclusion of emotional aspects of customer experience. The work took the form of an action research study and we have presented outline results of the first cycle of research. Overall, the results obtained from the trial are encouraging and broadly speaking, the conclusions are threefold:

- Increased organisational buy-in to the importance of customer experience was gained. Telco now more readily recognises that customer experience “clues” are gathered for both functional and emotional aspect affect of a store visit.
- Improved consistency of information across related parts of the business was seen to a degree though, more importantly, inadequacies were highlighted. It is now clear that TelCo must give more consideration to the incentive, rewards and culture mechanisms that have to support the companies focus from pure sales to in-sales and customer experience.
- While improved relationships were intended, the tensions that exist between both customers and store staff and call centre staff have not been impacted in a major way in the first cycle of research. This is due to less than optimal organisational alignment between the contact centre and store staff, leading to disparate experiences, as opposed to a seamless end to end experience. Additionally, the functionality of CSIS 1 was relatively limited.

The implications of these points indicate a strong need for a second cycle of research. Indeed, activities have already commenced in relation to Mystery shopping, store redesign, recruitment and performance management, gender balance in stores and well as extra functionality though technology-led support by CSIS 2. Overall, however, the inclusion of emotional factors in understanding and measuring customer experience has had positive effect.

8 REFERENCES

Millard, N. Learning from the wow factor – how to engage customers through the design of effective affective customer experiences. BT Technology Journal – Vol 24 No.1 – January 2006.