

CUSTOMER EXPERIENCE: A CONCEPTUAL OVERVIEW

~ Ph. D. Professor **Sorin-George Toma** (Faculty of Business and Administration, University of Bucharest, Romania)

E-mail: tomagsorin62@yahoo.com

~ Ph. D. **Ștefan Catană** (Faculty of Business and Administration, University of Bucharest, Romania)

E-mail: catana.stefan90@yahoo.com

Abstract: Customer experience constitutes an important concern of the top management of business organizations as it represents a prerequisite for achieving their long-term objectives. In this respect, knowing, analysing, and managing the customer experience has proved to be a highly effective tool for any company in obtaining and preserving its competitive advantage. The paper aims to define the concept of customer experience from multiple perspectives and outline its main characteristics. In order to achieve the goals of the paper, the authors employed a research methodology based on collecting, analysing, and synthesizing quantitative information from numerous secondary sources of data through desk research. The paper shows that customer experience constitutes a multidimensional, complex, and context-based concept.

Key words: customer experience, customer, concept, business organization

JEL Classification: M00, M31

1. Introduction

The last decades have witnessed the rapid expansion of the globalization process all over the world. In the age of uncertainty, companies are competing in an increasingly turbulent environment (Toma, 2013; Toma and Marinescu, 2013; Toma and Marinescu, 2015). In order to face the numerous and various challenges raised by a plethora of factors, such as disruptive technologies, hyper-competition, digitalization, demographic increase, ageing society, or climate change, companies have to identify, design and implement innovative business models and successful strategies in the Fourth Industrial Revolution (Tohănean and Toma, 2018; Toma and Tohănean, 2018; Tohănean, Toma and Dumitru, 2018). This is why different methods, techniques, and models from key disciplines (e.g., management, marketing, quality management, strategy, finance, accounting) have been used by managers to achieve business excellence (Grădinaru, Toma and Marinescu, 2016; Toma and Naruo, 2017).

Customer experience constitutes an important concern of the top management of business organizations as it represents a prerequisite for achieving their long-term objectives. In this respect, knowing, analysing, and managing the customer experience has proved to be a highly effective tool for any company in obtaining and preserving its competitive advantage. This is why delivering memorable and emotionally engaging customer experiences has become a new differentiator (Shaw and Ivens, 2002; Mascarenhas, Kesavan, and Bernacchi, 2006) and, therefore, one of the key objectives of business organizations from different industries, such as the hospitality and tourism industry (Hwang and Seo, 2016; Kenyon, Robinson and Musgrave, 2020). In other words, "the ability to create comfortable, intimate, exciting, and rewarding life experiences for customers is the crucial organizational skill for our time" (Tisch and Weber, 2007, p.19).

In recent years customer experience has received greater consideration both in the scientific and business environment. On the one hand, scholars consider that customer experience already represents a challenging research topic. On the other hand, practitioners have understood that customer experience constitutes an area of intense competition for business organizations.

The paper aims to define the concept of customer experience from multiple perspectives and outline its main characteristics. The paper is structured as follows: the second section reviews the literature. The research methodology is displayed in the third section of the paper. The fourth section exhibits the results of the research. The paper ends with conclusions.

2. Literature review

As a rather modern phenomenon, customer experience has gained increased attention from many researchers, especially since the beginning of this century. It has emerged in the 1980s and been studied from different perspectives and in various contexts, such as restaurants, hypermarkets, hotels, hospitals, or stadiums. The customer experience literature has significantly expanded and, therefore, several conceptual models have appeared in the last decades.

Customer experience represents not only a challenging but also a complex concept. This is why defining it has remained a rather difficult attempt. Without an agreed-upon definition, customer experience is:

- the „aggregate and cumulative customer perception created during learning about, acquiring, using, maintaining and disposing of a product or service” (Carbone and Haeckel, 1994, p.18).
- considered as „events that engage individual in a personal way” (Pine and Gilmore, 1999, p.12).
- “a blend of a company’s physical performance and the emotions evoked, intuitively measured against customer expectations across all moments of contact” (Shaw and Ivens, 2002, p.6).
- seen as „an evolution of the concept of relationship between the company and the customer” (Gentile, Spiller and Noci, 2007, p.397).
- „the internal and subjective response customers have to any direct or indirect contact with a company” (Meyer and Schwager, 2007, p.118).
- involves “the customer’s cognitive, affective, emotional, social and physical responses to retailer” (Verhoef, et al, 2009, p.32).
- „comprised of the cognitive, emotional, physical, sensorial, and social elements that mark the customer’s direct or indirect interaction with a (set of) market actor(s)” (De Keyser, et al, 2015, p.14).
- „a complex practice area that requires clear vision, the right tools, and great execution to succeed” (Griebeler, 2015, p.2).
- „the aggregate of feelings, perceptions and attitudes formed during the entire process of decision making and consumption chain involving an integrated series of interaction with people, objects, processes and environment, leading to cognitive, emotional, sensorial and behavioural responses” (Jain, Aagja and Bagdare, 2017, p.649).
- „a cognitive and affective state which arises from cultural meanings given to a set of interactions between a customer and an object” (Waqas, Hamzah and Salleh, 2021, p.139).
- defined as „your customers’ perceptions – both conscious and subconscious – of their relationship with your brand resulting from all their interactions with your brand during the customer life cycle” (SAS Institute, 2021, p.1).

Even though explaining customer experience is a rather relatively recent academic attempt there are a plethora of definitions in the literature. However, there is no consensus concerning what constitutes customer experience (Hwang and Seo, 2016) as its definitions have varied during the time (Gentile, Spiller and Noci, 2007).

3. Research methodology

In order to achieve the goals of the paper, the authors employed a research methodology based on collecting, analysing, and synthesizing quantitative information from numerous secondary sources of data through desk research. In this respect, the authors identified and gathered information from articles, reports and books found in electronic databases (e.g., Science Direct, Springer, Emerald) and libraries (e.g., the Central University Library Carol I of Bucharest).

4. Results and discussion

Starting from the above-illustrated definitions within the literature review, there are several key characteristics of the concept of customer experience that can be outlined. First, there is no universal definition of this concept as there are many approaches to customer experience that lead to various meanings of it. For example, some authors emphasize the role of customer involvement (Varshneya, Das and Khare, 2017) whereas others put the accent on context (Helkkula and Kelleher, 2010).

Second, customer experience represents a multidimensional concept (Skard, Nysveen and Pedersen, 2011), composed of several specific elements. Initially, researchers saw customer experience as an immersive consumption experience and identified five dimensions but later they added new dimensions (Table 1).

Table 1: The dimensions of the concept of customer experience

Authors	Dimensions
Fornerino, Helme-Guizon and Gaudemaris	<ul style="list-style-type: none"> • sensorial/perceptual • affective • physical • social • cognitive
Gentile, Spiller and Noci	<ul style="list-style-type: none"> • sensorial • emotional • cognitive • pragmatic • lifestyle • relational
Brakus, Schmitt and Zarantonello	<ul style="list-style-type: none"> • sensorial • affective • intellectual • behavioral
Verhoef, Lemon, Parasuraman, Roggeveen, Tsiros and Schlesinger	<ul style="list-style-type: none"> • cognitive • social • affective • physical

Source: Fornerino, Helme-Guizon and Gaudemaris, 2006; Gentile, Spiller and Noci, 2007; Brakus, Schmitt and Zarantonello, 2009; Verhoef, et al, 2009

Third, there are some important features of the concept of customer experience as follows (Klaus, 2015; Jain, Aagja and Bagdare, 2017; Komulainen and Saraniemi, 2019):

- customer experience is omnipresent and occurs when consumers interact with a product and/or a service;
- it is crucial for any successful business as it is a driver of consumption;
- customer experience and value are two intertwined concepts;

- it represents a holistic concept;
- customer experience comprises various types of customer's responses (e.g., emotional) to the service provider;
- it refers to the whole phases of the process of acquisition of a product and/or service: before, during and after the acquisition;
- customer experience may be divided into four areas: process, outcome, time and location;
- it involves co-creation by the participants as their interaction is inevitable.

Fourth, customer experience is basically a human phenomenon that occurs in different contexts that incorporates cognitive and affective states. More and more customers are expecting higher levels of satisfaction and, therefore, more pleasant experiences from the part of business organizations.

Conclusions

The past decades have witnessed an expansion of the literature associated with the concept of customer experience. Customer experience has become a subject of interest for many researchers and practitioners all over the world, especially since the beginning of this century.

The paper illustrates a conceptual overview of customer experience. It shows that customer experience constitutes a multidimensional, complex, and context-based concept. Also, the paper emphasizes some of the key features of customer experience by taking into account different perspectives. Further researches may identify other characteristics of customer experience and deepen the analysis of this concept.

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