The Key Successful Factors of Customer Service Experience

Emergent Research Forum Papers

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Abstract

Customer service experience is an emerging research topic for researchers to further study. This study is to investigate the influences and relations from the complexity of customer service experience by the two-year project. To our knowledge, there is no theoretical grounding to discuss and analyze the antecedents and influences of customer service experience. Service providers gradually have understood the significance of customer service experience in service encounters and contexts. This study is to examine the important factors by employing the analytical network process to enable service providers to make proper strategies to deliver valuable and memorable customer service experience.

Keywords

Customer service experience, analytic network process, factors, service science.

Introduction

Customer service experience is composed of a series of services delivered to customers. The understanding of customer service experience as the sum of all cognitive and emotional responses to a business's experience incentives has important effects (Jüttner et al., 2013). Besides, customer experience service is the sum of all experiences a consumer receives from a supplier of services or goods during their relationship with the supplier and the consumer. Consequently, customer service experience can be regarded as services interacting with service providers and customers enable customers to meet their basic needs and achieve appropriate emotions.

According to Lemke et al. (2010), making quality of customer experience strategies for service providers can increase customer values and relations and improve business performances. That is, service providers provide customers with quality customer service experience in order to not only fulfill customer requirements but also increase customer satisfaction and loyalty. The ultimate objective for service providers is to maintain a long-term customer relationship with their customers and continuously create opportunities for business profits via increasing repeated service interactions and activities.

However, providing quality of customer service experience has been an essential issue for service providers (Klaus and Maklan, 2013; Miao and Mattila, 2013). The quality of customer service experience could be directly and indirectly affected by different dimensional factors including service quality, service operation, employees, information technology, customer expectation and etc. In other words, customer service experience is considered as an extremely complex process of service interactions between service providers and customers. The definite understanding of customer service experience is particularly necessary for service providers to take into account. Accordingly, investigating the problems within customer service experience has been gradually a main research direction by researchers across different fields.

Previous studies emphasized the importance of building the customer service experience measurement and discussed the feasibility of managing customer service experience (Klaus and Maklan, 2013). Spohrer and Kwan (2009) proposed the important issues of understanding the quality of the customer experience and working to communicate the appropriate image of service providers to attract potential customers and improve the customer experience. The relationship between service environment, customer redisposition and service experience and attempted to propose a proper evaluation of service

experience. The study tries to explore the following research questions: (1)What are the key factors influencing the quality of customer service experience? (2) How do service providers evaluate the performance of customer service experience after applying the key factors?

Literature Review

Customer service experience

Since customer service experience has been an important issue, there are lots of studies focusing on studying the antecedents, design and management of customer service experience. We reviewed several pioneer studies to clarify the definition and statement of customer service experience. Customer experience is the personal interpretation and involvement of the service process in each service encounter to represent how those things make customers feel. Helkkula (2012) noted that the experience can be "real" and physical, or "virtual" and observed, or perhaps a holistic phenomenon that combines both "real" and "virtual" elements including a single event or a process of events.

Tumbat (2011) mentioned that the display and control of customer emotions are considered as an attribute of the service experience in service contexts. Well customer emotion management is essential in understanding customer performance for customer service experience. Meyer and Schwager (2007) addressed that customer experience as the internal and subjective response customers have to interact with a service provider. Zomerdijk and Voss (2009) proposed that customer experience is a holistic concept that encompasses every aspect of a service provider's offering. Teixeira et al. (2012) described that the there are several service elements including physical environment, people (such as customers and employees), and service delivery process to help customers co-create desired experiences. Table 2 shows the definition of customer service experience.

Determinants of customer service experience

Employee

Employees are the main role to interact with customers during customer service experience delivery. Verhoef el al. (2009) noted that front-line staff is one of sensory stimuli to create quality customer experience. Zomerdijk and Voss (2009) proposed that both the frontstage and backstage employees can create the contextual elements of customer experience by understanding their roles and the core of customer experience. Meyer and Schwager (2007) stated that customer experiences result from service activities and interactions with several factors and the front-line employees play an important role therein.

Customer

Providing proper customer service experience not only takes the perspective of service providers into account but also has to listen to the viewpoint of customers. Gentile el al. (2007) outlined that successful customer service experience should be taken customers' senses, emotions, thoughts, acts, values and relations into account for service providers. Brocato et al. (2012) specified that when service providers understand their customers' viewpoints, a better chance of successful service experience can be achieved.

Environment

Besides, service environment is a place where customers perceive their service experience. Service providers should pay attention to build an atmospheric service space to affect customers' positive emotions. Wong (2013) mentioned the service environment also plays an experiential role and service providers have to prioritize their effort in crafting the service environment for quality customer service experience. Walls (2013) proposed that service providers have to focus on providing the right setting in order to enhance customer service experience. Siu et al. (2012) advanced that improving service contexts (including functionality, signs, symbols and cleanliness) can enhance customers' consumption experience.

Technology

Furthermore, information technology nowadays plays an essential actor within customer service experience. Neuhofer et al. (2012) emphasized that the advanced technology can enable service providers to enhance the quality of customer service experience and co-create value with customers. Innovative technologies influence the success of customer service experience with in the tourism service sector (Aldebert et al., 2011).

Knowledge

Creating both service providers and customers' knowledge should enhance customer perception of service experience. Service providers can design and plan the meaningful and valuable service activities including enhancing social relationships, intellectual development, self-discovery, and overcoming physical challenges in order to achieve memorable customer service experience (Tung and Ritchie, 2011). Alba and Williams (2012) described that specialized knowledge can reveal aspects of service that can benefit from customer involvement to have pleasure experience. Figure 1 shows that the determinant of customer service experience offers us a clue to further investigate what factors affect the criteria.
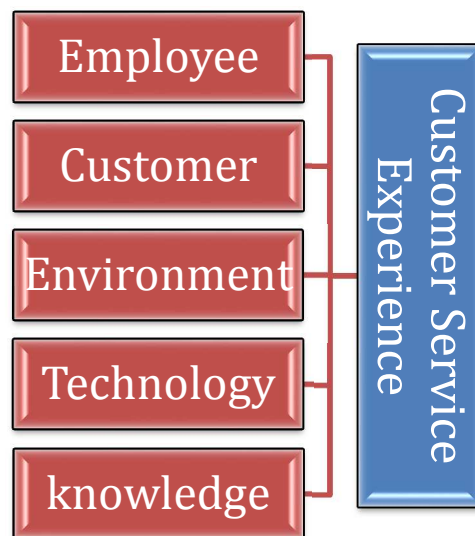

Figure 1. The determinants of customer service experience

Research Method

The Analytic Network Process (ANP) is a general theory of relative measurement used to derive composite-priority-ratio scales from individual-ratio scales that represent relative influence of factors that interact with respect to control criteria (Neimira and Saaty, 2004). ANP is a generalization of the Analytic Hierarchy Process (AHP) to deal with the complex decision problems. AHP can solve the linear problems by revealing the layers of factors. However, the problems in reality are not always regarded as the structure problems such as the factors with a casual relation that it is difficult to deal with via AHP. According to Saaty (2001a), Saaty (2001b) and Neimira and Saaty (2004), the main analysis phases of ANP are defined as follows:

1. To determine the key problem and build an ANP model: To explore and determine the key factors to build an ANP model by analyzing the problems in practice is necessary. The key elements that should be determined influence the decision and grouped as clusters for each network. Each decision network must have a cluster of alternatives. Figure 2 shows the ANP structure of customer service experience.
2. To define the scale of the evaluation: Before the comparisons of elements, clusters and alternatives, the scale should be apparently defined. This study is to adopt the proposed scales of Saaty (2001a) and Saaty (2001b).

3. To formulate the links and implement paired comparisons among the clusters, elements and alternatives: The critical weights can be computed by conducting paired comparisons of the clusters, elements and alternatives. The weights are valuable to reveal the importance of the clusters, elements and alternatives in order to make right decision strategies. Equation 1 shows that a matrix (A) to represent the importance by comparing paired elements. a_{11}, a_{12}, ..., a_{1n} present the results of paired comparisons.

$$A = \begin{bmatrix} 1 & \cdots & a_{1n} \\ \vdots & \ddots & \vdots \\ 1/a_{1n} & \cdots & 1 \end{bmatrix}$$

4. To compute the eigenvectors and the largest eigenvalue via paired comparisons: This step is to compute the weights within each layer. Hence, ω is the eigenvector and λ_{max} is the largest eigenvalue of the matrix (A).

$$\omega = \sqrt[n]{\prod_{i=1}^{n} a_{ij}} \Big/ \sum_j \sqrt[n]{\prod_{j=1}^{n} a_{ij}}$$

$$A \cdot \omega = \lambda_{max} \cdot \omega$$

5. To test the consistence of the results of paired comparisons: Consistency index (C.I.) and consistency ratio (C.R.) are two important indicators to evaluate the results of paired comparisons. The values of C.I. and C.R. should be equal to or less than 0.1 that reveals the reasonable consistence the results of paired comparisons. Saaty proposed random index (R.I.) to define suitable values based on the numbers of layers.

$$\text{C.I.} = \lambda_{max} - n/n - 1$$

$$\text{C.R.} = C.I./R.I.$$

6. To build a supermatrix: A supermatrix which is to represent the dependence relations between elements is composed of several sub-matrixes. There are three supermatrixes including unweighted supermatrix, weighted supermatrix and limiting supermatrix.

ANP is an appropriate method to investigate the influences and relations between factors that can be regarded as a decision tool (Neimira and Saaty, 2004). ANP is applied to all kinds of fields to increase the efficiency and effectiveness of making decisions and select solutions. However, to our knowledge, there is less research applying ANP to the issue of customer service experience. To examine the key factors and influences of customer service experience, ANP is indeed a suitable way to be employed in this study. Meanwhile, we will plan to conduct interview to identify the phenomenon of customer service experience. Hence, researchers can directly walk into the domain applications to explore and find out the possible research questions and problems. This study would like to investigate the problem in the service industry. The evaluation for selecting a proper service sector is necessary. This study plans to interview 6~10 service providers.
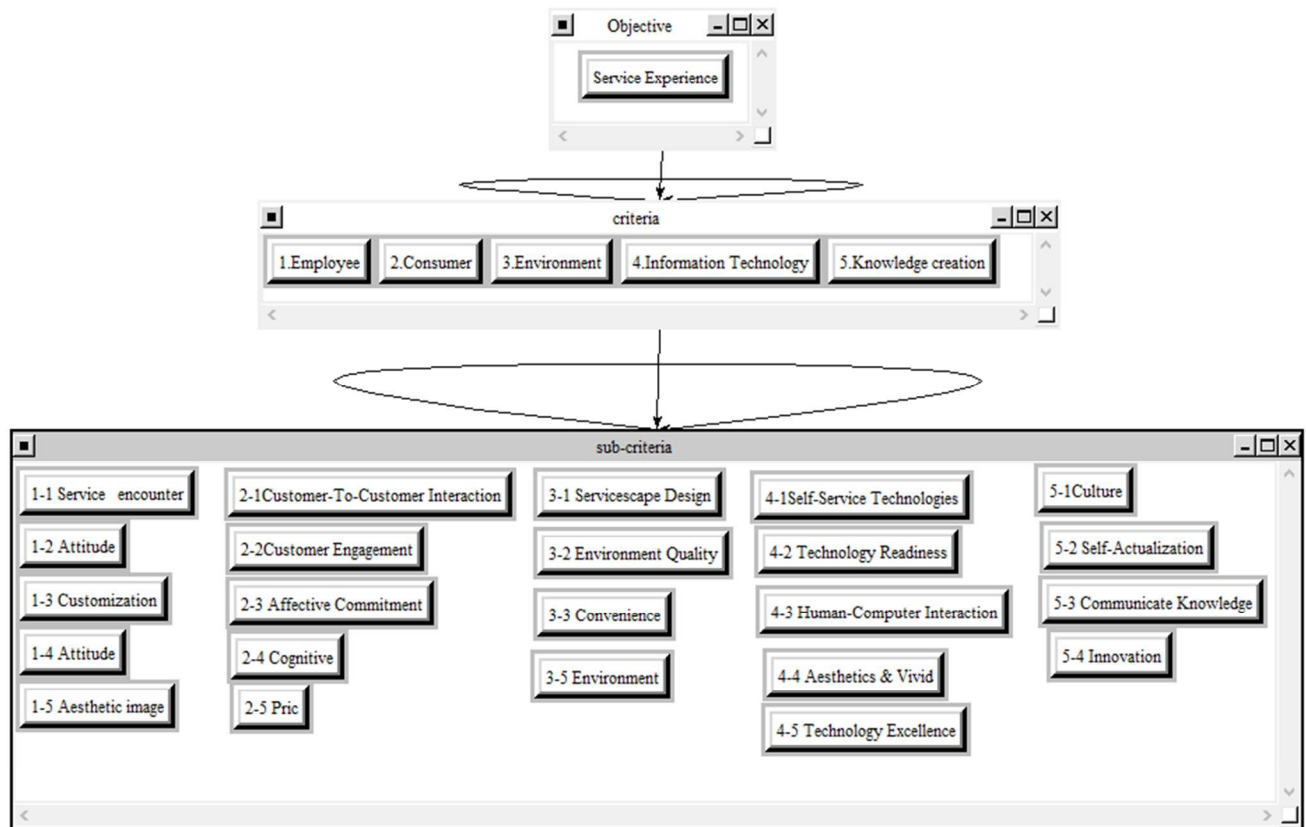
Figure 2. The ANP structure of customer service experience

(Employee)	Customer	Environment	Technology	Knowledge
Customer	1	2	2	2
Environment		1	2	2
Technology			1	1
Knowledge				1

Criteria	Weight
Customer	0.33275
Environment	0.30603
Technology	0.20070
Knowledge	0.16051
Total	1

$\lambda_{max}=4$ 、 C.I=0.00 、 C.R=0.00

Table 1. The importance of paired comparison based on Employee

(Customer)	Employee	Environment	Technology	Knowledge
Employee	1	2	2	2
Environment		1	2	2
Technology			1	1
Knowledge				1

Criteria	Weight
Employee	0.28650
Environment	0.37329
Technology	0.15269
Knowledge	0.18750
Total	1

$\lambda_{max}=4$ 、 C.I=0.00 、 C.R=0.00

Table 2. The importance of paired comparison based on Customer

ANP Results

As mentioned earlier, this study has to collect real data by interviewing several senior managers from tourism factories in Taiwan to understand the influences of the key factors of customer service experience. Table 1 shows that the most important factor is Customer (the value of the weight is 0.3375) via the paired comparison based on the consideration of Employee. Table 2 shows that the most important factor is Environment (the value of the weight is 0.37329) via the paired comparison based on the consideration of Customer. Table 3 shows that the most important factor is Employee (the value of the weight is 0.36104) via the paired comparison based on the consideration of Environment. Table 4 shows that the most important factor is Environment (the value of the weight is 0.28990) via the paired comparison based on the consideration of Technology. Table 5 shows that the most important factor is Environment (the value of the weight is 0.31436) via the paired comparison based on the consideration of Knowledge. The results can obviously help service providers to focus on the key factor to make the right decision and strategy in order for high quality customer service experience. The unweighted supermatrix, weighted supermatrix and limiting supermatrix will be further built.

(Environment)	Employee	Customer	Technology	Knowledge
Employee	1	2	2	2
Customer		1	1	1
Technology			1	1
Knowledge				1

Criteria	Weight
Employee	0.36104
Customer	0.20753
Technology	0.20160
Knowledge	0.22981
Total	1

$\lambda_{max}=4$ 、 C.I=0.00 、 C.R=0.00

Table 3. The importance of paired comparison based on Environment

(Technology)	Employee	Customer	Environment	Knowledge
Employee	1	1	1	1
Customer		1	1	1
Environment			1	1
Knowledge				1

Criteria	Weight
Employee	0.26524
Customer	0.19633
Environment	0.28990
Knowledge	0.24851
Total	1

$\lambda max=4$ 、 C.I=0.00 、 C.R=0.00

Table 4. The importance of paired comparison based on Technology

(Knowledge)	Employee	Customer	Environment	Technology
Employee	1	1	1	1
Customer		1	1	1
Environment			1	2
Technology				1

Criteria	Weight
Employee	0.25910
Customer	0.22688
Environment	0.31436
Technology	0.19965
Total	1

$\lambda_{max}=4$、 C.I=0.00、 C.R=0.00

Table 5. The importance of paired comparison based on Knowledge

Conclusion

In the era of experience economy, service providers not only focus on the quality of services but also emphasize the quality of customer service experience. Customer service experience is composed of a series of service activities and interactions between service providers and customers. That is, customer service experience is considered as a complex service system, however, there is no theory to describe and explain the phenomenon within the service system of customer service experience. According to the ANP results and literature review, five critical factors (employee, customer, environment, technology and knowledge) are identified to influence customer service experience. Furthermore, it is necessary to investigate critical factors and relations of customer service experience for service providers to effectively manage and measure customer service experience.

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