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Reconceptualisation of Customer Experience Quality (CXQ) Measurement Scale

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Abstract

Customer experience quality (CXQ) has gone forth as one of the emerging concepts among top management and becoming an uppermost-prioritized research stream in customer-orientation philosophy. Customer management strategy must focus on the efforts to create a unique, compelling and memorable customer experience because of its significant impact on business sustainability and prosperity. Therefore, it is imperative for business firms to unlock the core dimensions of CXQ that lead to great and wonderful experience to their customers. However, there is still limited empirical evidence that address this question: How to conceptualise and operationalise CXQ? The primary purpose of this paper is to revisit the existing literature on customer experience and consequently refine and conceptualise CXQ in the context of automotive industry. The proposed CXQ scale is adopted from Mehrabian and Russell's Pleasure-Arousal-Dominant (PAD) Theory. Evidently, through rigorous literature search, it is plausible to incorporate a new dimension, Peace of Mind (PoM) in PAD theory, which will be proposed and known as PADPoM. The research findings could be deployed as a guideline to formulate impactful customer experience management strategy.

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1. Introduction

Customer experience quality (CXQ) has become the main agenda for both the practitioners and academic scholars. Customer management strategy has now been more focus on efforts to create a unique and memorable customer

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experience because it will in turn influence business sustainability and prosperity. Indeed, firms can no longer compete solely on providing superior value through their core products. They must move into the realm of quality customer experience management by creating emotional bonds with their customers and co-creation of memorable experiences (Bitner, Ostrom, & Morgan, 2008). However, the scholars and practitioners are still struggling to evaluate and measure the customer experience quality (Chang & Horng, 2010; Klaus & Maklan, 2012). It is important for the marketers to learn and understand how to evaluate customer experience quality in determining the client future behavior.

1.1. Purpose of The Study

In this research, we would like to bring attention to the understanding of how customers perceived and evaluate the experience quality. It is imperative for the firms to learn, adapt and create memorable and excellent experiences. Thus, the purpose of this study is to operationalize CXQ and develop a multidimensional measure of customer experience quality and assess its psychometric properties.

2. Conceptualization of the construct

2.1. Mehrabian -Russell (PAD) Theory

The focal point of customer experience quality is creating a unique and memorable experience to consumers that deliberately influence emotion and future behaviour. Yet, according to (Chang & Horng, 2010), there is scarcity of empirical studies on CXQ. Empirical research must use suitable measurement scale based on valid conceptualization of the construct. Competing theories and approaches to understanding Customer Experience Quality have been proposed, and the most promising approach appears to be the Mehrabian and Russel model, such as PAD Theory (Mehrabian & Rusell, 1974). The PAD theory is based on the scale that integrates three (3) independent emotions designed to capture information concerning the pleasure, arousal and dominance dimensions. PAD is best used when a researcher is interested in measuring emotional responses to environmental stimuli. The scale has wide-ranging bipolar applications to assess consumer reactions towards products, services, and shopping environments. It is said that emotion influences perception (Phelps, Ling, & Carrasco, 2006). This measurement scale presents a more accurate way in assessing emotions in respond to product, services and shopping atmosphere (El Sayed, El Sayed, Farrag, & Belk, 2003; Yani-de-Soriano & Foxall, 2006). However, PAD model does not capture the effect of the peace of mind of consumers towards environmental stimuli.

Klaus and Maklan (2012) introduced customers' service experience (EXQ) scale that comprises four dimensions namely product experience, outcome focus, moments of truth, and peace of mind. However, this measurement combines both cognitive and affective. Even though they have agreed that experience is an overall emotion perception by the customer (Klaus & Maklan, 2012), the EXQ scale still does not measure the overall customer experience quality. The new measurement to be developed will measure overall customer experience quality derived from the perspective of hedonic and affective. Peace of mind dimension, which has been introduced in EXQ, will be adapted to this new measurement.

Lee, Lin, Huang, and Fredrickson (2013) define peace of mind as the internal state of peacefulness and harmony. In the automotive context, there will be a lot of interaction between the customer and the brand especially during the car gradual maintenance process. Thus, the peace of mind is acted as a customer's assessment of all the interactions with the brand, which then will influence the customer experience quality. The Peace of Mind scale is still exclusive and quite difficult to comprehend; hence it requires further refinement to represent consumer's emotion precisely. As such, this study attempts to integrate PAD theory with Pease of Mind dimension that has not been scrutinized by other scholars. The novelty of this paper is the addition of a new dimension (peace of mind) to the PAD scale, which will then named as Pleasure-Arousal-Dominance-Peace of Mind (PADPoM).

2.2. Customer Experience Quality

Customer experience is the aggregate and cumulative customer perceptions created during the overall process of learning about, acquiring, practicing, retaining, and sometimes disposing or discontinue the product or service (Carbone & Haeckel, 1994). This entire process will involve customer emotion and perception. Dasu and Chase

(2013) concur when they suggest that “emotions define the importance of an experience.” Goods and services are external to customers, whereas experiences are primarily personal where customers tend to subjectively and emotionally evaluate the experience quality (Chang & Horng, 2010). As for this reason, we could learn that customer experience quality is conceptualised on an overall customer journey through emotion toward products, services or even brand, which is at affective level.

At this juncture, few researchers have conceptualized and developed the quality experience scale. Chang and Horng (2010) have introduced quality experience model, which consist of five dimensions that are physical surrounding, customer themselves, service provider, other customer and customer companions. The model is as shown figure 1 below:

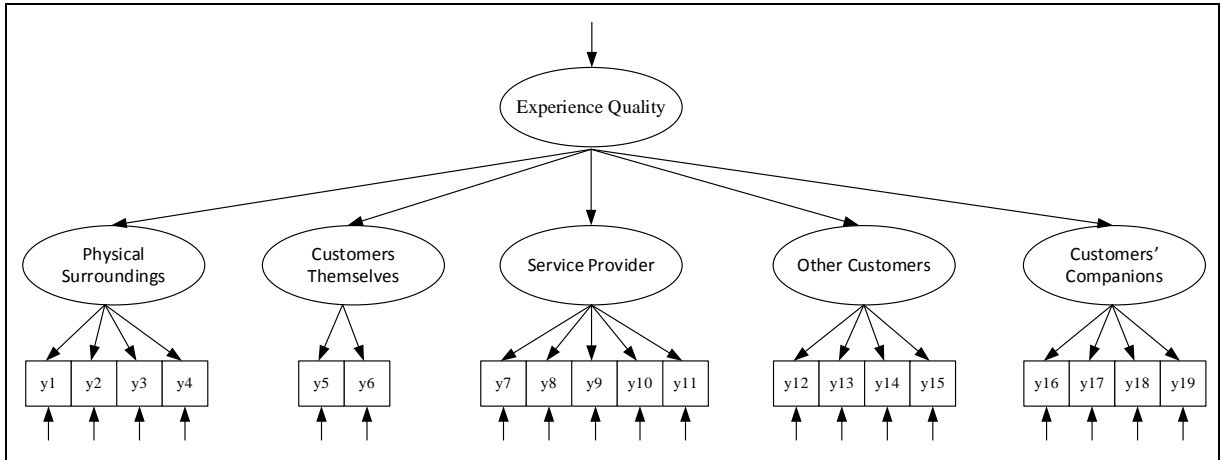


Figure 1: Experience Quality Model by Chang and Horng (2010)

This model is design for service industries. Although they have conceptualized experience quality as the customers’ emotional judgment about the entire experience, all five dimensions are at environment stimuli and cognitive level. Customer experience quality should be measured at the affective level because emotion is strongly related to emotional or feeling phase.

Succeeding, Klaus and Maklan (2012) have develop customers’ service experience quality (EXQ) scale which comprises of four dimensions which are product experience, outcome focus, moments-of-truth and peace-of-mind as shown in figure 2 below:

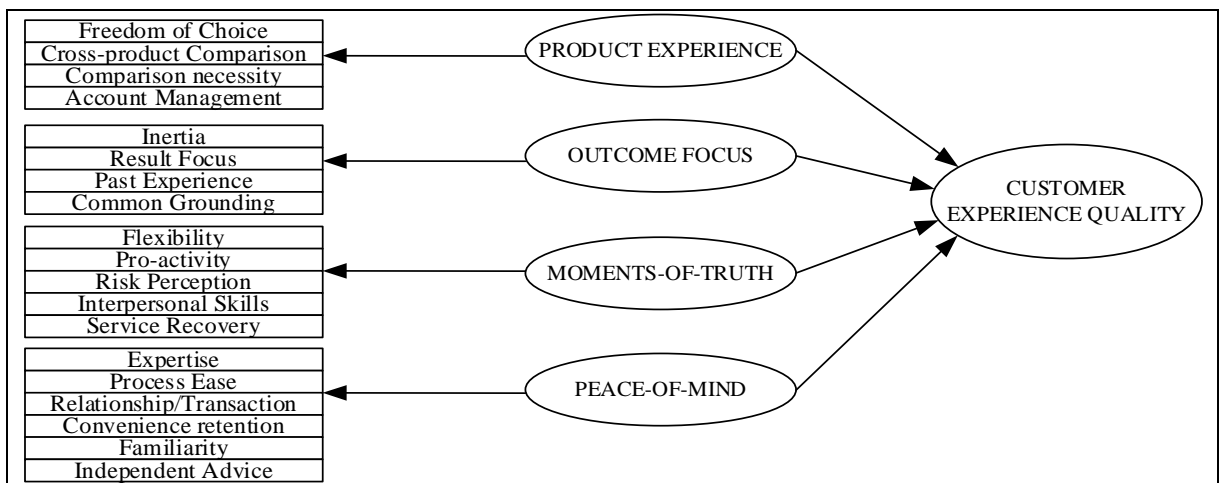


Figure 2: Customer Experience Quality (EXQ) model by Klaus and Maklan (2012)

However, in 2013 they redefined EXQ as customer experience quality as “the customer’s cognitive and affective assessment of all direct and indirect encounters with the firm relating to their purchasing behavior”. This concept is more relevant to service quality. As suggested by Edvardsson (2005), there are two categories of service quality clues, which are of experience related to functionality and clues of experience related to emotions. The product experience and outcome focus is inclined to the functionality aspect. Whereas the moment of truth and peace of mind are more to experience associated with emotion.

Based on the above argument, we believe that the customer experience quality should be measured at the affective (feeling) perspective only because the cognitive assessment is more significant at the environment stimuli or the driver to customer experience quality. The customer experience quality should measure the overall superiority emotional experience toward a brand after the cognitive assessment.

3. Methodology

3.1. Research design

A two-stage approach will be used in conducting the research. At stage one, a qualitative approach will involve three activities. The activities are preliminary interview of key-informant (industrial interview), focus group and senses experiment. Subsequently, in the second stage, there will be only two activities which are scale development in measuring CXQ using method that been adapted from Gilbert A Churchill Jr (1979) and Gilbert A. Churchill and Iacobucci (2005) and results of pilot study of CXQ scale. In this stage, a pilot study shall be conducted by acquiring 150 respondents (30 respondents for each brand) to rate their experience in a given time. The target group will be PROTON, PERODUA, TOYOTA, NISSAN and HONDA urban young adult car users aged between 25 to 45 years old with a minimum of one (1) year ownership of B-Segment car such as Perodua: Myvi, Alza; Proton: Iriz, Saga, Satria Neo; Toyota: Avanza, Prius C, Rush, Vios; Nissan: Almera, Grand Livina, Latio, X-Gear, and Honda: City, HR-V and Jazz. To achieve the minimum power of 0.8, G*Power statistic software that created by Faul, Erdfelder, Lang, and Buchner (2007) will be used to determined sample size requirement for this study.

3.2. Data analysis

A descriptive analysis of aggregated data such as the mean rating and standard deviation of a particular attribute will be used to provide useful marketing information such as their purchasing behavior of automotive products. Multivariate analysis such as exploratory factor analysis (EFA) will be utilized to determine factorial structure of the construct (customer experience quality) and confirmatory factor analysis will be conducted to assess the psychometric property of the results derived from EFA. To run this analysis, we will use Structural Equation Modeling (SEM). According to Urbach and Ahlemann (2010) Partial Least Square SEM (PLS SEM) is the best to be used when we are exploring prediction and theory development. Due to this, PLS SEM is chosen; the software to be used is Smart PLS.

4. Conclusion

The main intention of this paper is to acquire a new measurement scale to measure customer experience quality. It is the first outcome to be produced from this research. It highlights the relevant arguments on how to evaluate customer experience quality from the affective perspective. Future articles to be brought forth from this research will discuss in greater details on the aspects of experiments, methodology, instruments, descriptive and inferential results, as well as managerial implications of this research. Findings from this research should assist the local automotive producers to further improve their services to compete in the global market.

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