

Exploring how Organisations Design for Customer Experience in Non-hedonic
Service Contexts

Vol 1

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Exploring how Organisations Design for Customer Experience in Non-hedonic Service Contexts

Customer experience is one strategic option for organisations wishing to differentiate their service offering. Little research however has been conducted to explain how service design and management practices influence customer experience in non-hedonic contexts, settings in which the objectives for the design of the delivery system are not experiential. The objective of this research is to address this gap in academic knowledge.

The conceptual framework used as the basis of the empirical research demonstrates how four experience mechanism constructs, incorporated into the design of the delivery system, facilitate the customer's involvement in the delivery of the service and influence how they perceive the experience that emerges as a result. To explore the relevance of the framework two case studies were conducted. Data was collected principally through interviews with employees working at various levels throughout the organisations hierarchy and with customers. Observations and secondary source material also provided additional evidence.

The thesis provides an original and distinct contribution to knowledge, through three main findings: Firstly, the research found evidence that the conceptual framework was relevant to the design of the delivery system and in customers' perception of their experience. This challenges assumptions in existing literature that experience might not be a relevant design consideration in non-hedonic service contexts. Secondly, the findings provide a point of distinction between experiences in hedonic and non-hedonic contexts. Finally the study extends experience design theory demonstrating how in the contexts studied, the experience mechanisms act as antecedents for the experience a customer perceives.

Whilst conducting only two case studies limits the impact of the findings, the propositions formulated to explain the key themes identified, can be used as a vehicle through which future quantitative research can be carried out, therefore extending the generalisability of the study beyond the contexts studied.

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Chapter 1: Introduction

1.1 Research Context

The service sector is a significant element in the economic output of western economies (Department for Business, Innovation and Skills, 2015; Henderson 2015). Whilst the sector has continued to grow in importance, the increased use of technology and more efficient procurement and cost control has resulted in a drive to reduce prices (Shaw 2007). The consequence of this, as Shaw (2007) points out, is a tendency for differentiation to disappear as services become increasingly more commoditised (Pine and Gilmore 1998; Shaw 2007). In these circumstances service providers are finding service satisfaction and reliability alone are not sufficient to maintain the loyalty of their customers (Schneider and Bowen 1999; Stuart and Tax 2004; Lemke et al. 2011). To maintain a competitive advantage, service providers are beginning to recognise the need to explore alternative ways to differentiate their service offering (Chauhan and Manhas 2014). The concept of Customer Experience, the “*internal and subjective*” impression (Meyer and Schwager 2007, p.118) customers form from their mental and physical participation during the delivery of the service, is one strategy receiving increased attention in academic literature (Berry et al. 2002, Haeckel et al. 2003; Voss 2004; Teixeira et al. 2012).

Providing a compelling experience helps to shape attitudes and influence behaviours (Klaus et al. 2013a) and is central to the assumptions driving Service Dominant Logic, that is, that value is co-created through the experience of using the goods or services a customer acquires (Vargo and Lusch 2004; Lemke et al. 2011). Positive experiences help promote customer satisfaction and loyalty (Chahal and Dutta 2015; Jaakkola et al 2015; Fernandes and Cruz 2016; Lemon and Verhoef 2016) for example, and increase the likelihood of customers making repeat purchases (Roth and Menor 2003; Pullman and Gross 2004; Stuart and Tax 2004; Voss and Zomerdiijk 2007; Verhoef et al. 2009; Zomerdiijk and Voss 2011; Klaus et al. 2013). Voss and Zomerdiijk (2007, p.100) advocate “*customers are more likely to make repeat purchases and provide positive word of mouth recommendations when they [have] had a good experience*”. Klaus et al. (2013) also notes the probability of a customer

switching to an alternative organisation decreases when the provider is able to deliver a series of positive experiences.

Whilst customer experience is a key element in the design of delivery systems in hedonic service contexts such as in the leisure and entertainment industries (Zomerdijk and Voss 2011; Mody and Suess 2017) organisations across a range of sectors, not traditionally thought of as experiential (Appendix1) are recognising it as an important component in differentiating their service offering (Voss and Zomerdijk 2007; Voss et al. 2008; Zomerdijk and Voss 2010; McColl-Kennedy et al. 2015), and crucial for developing a sustainable business performance (Pine and Gilmore 1998; Klauss et al. 2013; Maklan et al. 2017).

Pine and Gilmore (1998) suggest that customer experience is a relevant innovation strategy in both business-to-customer and business-to-business contexts. They contend experiences are relevant to all service sectors when the delivery system is intentionally used “*to engage individual customers in a way that creates a memorable event*” (Pine and Gilmore 1998, p.98).

Research by Candi et al. (2013) also demonstrates that innovating for customer experience is not confined to larger service providers. They demonstrate how small and medium-sized enterprises operating in non-hedonic service sectors have benefited by either creating new offerings in which customer experience is a key element or by enhancing the experience of the existing service offering. They conclude that developing experience as a point of difference provided both short and long-term benefits in overall profitability.

The increasing numbers of these organisations has prompted Pine and Gilmore (1998, p.98) to suggest differentiation based on customer experience will become “*the next competitive battleground*”. To exploit customer experience as a competitive strategy however, literature suggests that the design of the service delivery system needs to move beyond simply delivering consistent service encounters (Stuart and Tax 2004) to staging personal and memorable performances (Pine and Gilmore 1998; Gilmore and Pine 2002; Pulman and Gross 2004; Stuart and Tax 2004; Lemke et al. 2011). As individuals interpret events and react to similar stimuli in different ways however (Hume et al. 2006;

Brunner-Sperdin and Peters 2009), the experience that emerges through the customers involvement in the delivery of the service is unique, existing “*only in the mind of the individual customer*” (Pine and Gilmore 1998, p.99). Similarly, factors outside of the service providers control, such as customers’ cultural and social background (Forlizzi and Ford 2000; Gupta and Vajic 2000; Verhoef et al. 2009) or their prior experiences (Forlizzi and Ford 2000) also have an influence on how an experience is perceived. Designing delivery systems capable of providing customers with memorable experiences is therefore difficult (Pulman and Gross 2003, 2004). The advantage however for organisations that can deliver them on a consistent basis is that their competitive advantage is less susceptible to being eroded by their competition (Gupta and Vajic 2000; Voss and Zomerdijk 2007).

1.2 Characterising the Concept of Customer Experience

Customer experience can be defined as a unique and personal interpretation of the sensations or knowledge acquired through direct or indirect interaction with the delivery system (Gupta and Vajic 2000; Meyer and Schwager 2007; Zomerdijk and Voss 2010; Johnston and Kong 2011). As such customer experience is “*subjective, event specific, personal and individually and socially-constructed*” (Helkkula and Kelleher 2010, p.38). The experience a customer has emerges during their participation in and interaction with the service context. The service context includes the processes and technology involved in delivering the service, the environment in which this takes place, and social interaction that occurs across a variety of communication channels between the people involved, namely employees and their customers (Gupta and Vajic 2000; Prahalad and Ramaswamy 2003; Zomerdijk and Voss 2010). The environment in which an experience evolves can be either sensed through a physical real-world setting, observed through an electronically mediated virtual environment, or can result from interacting with a combination of both (Helkkula 2011).

In a summary of how research has focused on different aspects of the concept of customer experience, Helkkula (2011) identifies three sets of complementary characteristics which have emerged from within a number of different disciplines and research perspectives. Helkkula terms these characteristics as:

Phenomenological: Studies focusing on the phenomenological characteristics of customer experience describe the *“internal, subjective, event and context-specific”* nature of the phenomenon (Helkkula 2011, p.375) in which the *“customer and service are inseparable entities”* (Schembri 2006, p.389). The experience perceived is therefore specific to an individual customer in a particular set of circumstances (Helkkula 2011) and a central element in the value they derive from an organisations service offering. Research studying these phenomenological characteristics has largely focused on hedonic experiences (Helkkula 2011) for example white water rafting (Arnould and Price 1993), skydiving (Celsi et al. 1993) and mountain biking (Dodson 1996).

Outcome-based: Outcome based studies have focused on the individual attributes of experience and their moderating influence on other variables such as customer loyalty (Pulman and Gross 2003, 2004; Jaakkola et al 2015); perceived justice (Aurier and Siadou-Martin 2007); perceived risk (Doolin et al. 2005); service reliability, service validity and customer satisfaction (Galetzka et al. 2006); repurchase intentions and negative word of mouth (Holloway et al. 2005).

Process-based: Helkkula, (2011) highlights how process-based studies focus on the different phases of the delivery system through which a customer engages with the service provider (Helkkula et al. 2012a) that is, on *“the chain of activities that must function properly if the service is to be produced”* (Edvardsson and Olsson 1996, p.148). She notes these process-based studies focus on the transformation (Helkkula 2011; Helkkula et al. 2012a) or change within the delivery process creating a cognitive, emotional, or behavioural response in the customer (Edvardsson et al. 2005; Gentile et al. 2007).

1.2.1 Service Operations Management Research

Adding to these process-based studies of customer experience, service operations management has recognised the need for research to understand how service design influences customer experience, moving away from *“the more internally-focused efficiency view of operations management”* and *“recognising the importance of the customer and a more customer-oriented view of operations”* (Johnston 1999a, p.104). Whilst the phenomenon of customer experience has been increasingly recognised as an important research topic for operations management to address (Ostrom et al. 2015),

Roth and Menor (2003, p.155) note that “*linking the customer value concept to the operating strategy and delivery system remains a challenge for SOM research and practice.*” They outline opportunities for researchers to explore how “*design choices and contingencies*” influence the experience customers have and to identify the “*antecedents, [necessary for] delivering successful experiences*” (p.157). Zomerdijk and Voss (2010) also recognise the need for further research to examine how the design of the service delivery system influences customer experience. Similarly, Verhoef et al. (2009, p.39) note whilst the importance of customer experience had been gaining attention in the retail sector, there is “*a dearth of a commensurate level of scholarly research*” on the subject.

Ostrom et al (2015) identified 12 broad research priorities following roundtable discussions and interviews with 200 academics and practitioners, and through a survey questionnaire determined the current state of knowledge of 80 subtopics identified during these discussions. Identifying ways to enhance the customers experience was a clear research priority highlighted during these meetings. Seven important issues relating to customer experience design emerged from this investigation.

1. Managing the customer experience across complex and diverse offerings, touch points, and channels;
2. Understanding the implications of the increasing autonomy of customers in creating their own experience;
3. Enhancing the customer experience in increasingly open contexts (e.g., networks of actors, technology-enabled search, and information sharing);
4. Creating a positive customer experience in the context of dynamic expectations;
5. Creating, managing, and measuring the impact and returns of customer communities;
6. Generating customer engagement especially when there is a greater demand for increased participation; and
7. Identifying customer attributes associated with a positive service experience.

Lemon and Verhoef (2016) also note that “*The literature on customer experience management is rather scarce ... and a relatively new “greenfield” area for future research.*” They provide a summary from a marketing perspective of current knowledge and highlight a research agenda focusing on 5 key elements (Table 1.0). Within each element, a number of research questions are proposed. From the perspective of service delivery system design these have been highlighted on Table 1.0.

Table 1.0 Research Agenda for Customer Experience (CX)

Conceptualisation, drivers and consequences of customer experience
• What are the drivers of CX and how does this differ between industries and cultures?
• What are the components and linkages in an integrated model of CX and the customer journey?
• What are the combined effects of CX at multiple touch points during different phases of the customer journey on overall CX and customer behaviors (e.g., conversion, loyalty, WOM)?
• How do experiences in one domain or industry influence customer experiences in other domains? What are the conditions for such expectation spillover to occur?
Customer journey analysis, design, and management
• What is the optimal design for the customer journey for firms? Or do optimal designs not exist?
• How can touch points be seamlessly integrated across the journey (similar to channel integration)? What models will enable firms to accomplish such integration?
• How do customer choices for touch points in the customer journey relate to each other? Do these choices and influences change over time?
Customer experience measurement
• How can CX be measured while taking into account its rich, multidimensional nature?
• How can we measure the CX construct across multiple touch points and journey stages? Are different measures needed for different stages of the journey?
• How should firms link distinct metrics across the customer purchase journey?
How can integrated touch points make a difference?
New techniques for data collection and analysis
• How can we capture CX data in situ? How can we capture and analyze the raw components of CX without influencing the customer journey or experience?
• How can we incorporate new data and analytics into CX analysis (e.g., social listening, text, photo and video analytics, location-based data) to further understand CX and the customer journey
Customer experience management
• How should organisations be structured in order to successfully manage the customer experience?
• How can CX management be measured, and what is the effect of CX management on business performance
• What are the effects of specific capabilities and mindsets on CX management?
• How do the distinctions between disciplines (functions) within firms impede or enhance the success of CX initiatives?
• How do organizations need to adapt to the complexity of the customer journey?
• How can firms effectively use technology in CX management?

Adapted from Lemon and Verhoef (2016 p.87)

Ponsignon et al (2017) also point out the sparsity of experience design research in experience-centric and cultural contexts. They highlight the limited academic research carried out to identify possible gaps between the intended experience, that is, what organisations believe as important in the design of their service concept and delivery system, and the realised experience, what customers perceive as important. They point out that a “joint approach that simultaneously addresses both provider and customer perspectives is therefore needed to inform customer experience design theory” (p765). Studying experience from a service design perspective therefore is relevant to both practitioners looking to develop a competitive advantage and to the academic service operations research community.

1.2.2 Multilevel Service Design

Service operations management research has conceptualised how service system design influences customer experience at a number of different levels. Each level considers a different design perspective progressively decreasing in scope (Patrício et al. 2011; Teixeira et al. 2012; Teixeira et al. 2017).

Experience can be perceived as a result of engaging with an integrated network of suppliers, partners and consumer communities (Prahalad and Ramaswamy 2003; Teixeira et al. 2012; Tax et al. 2013; Jaakkola et al 2015; Lemon and Verhoef 2016; Teixeira et al. 2017). In this situation the customers’ experience is not limited to their interactions within a single service setting (Prahalad and Ramaswamy 2003). This “*system of systems*” approach (Patrício et al. 2011, p.182) requires a number of service providers to co-operate and collaborate together to enable a customer to achieve their particular consumption goal (Prahalad and Ramaswamy 2003; Patrício et al. 2011; Teixeira et al. 2012; Tax et al. 2013; Teixeira et al. 2017). Barabba et al. (2002) highlight for example, how General Motors OnStar vehicle communication system enables drivers to receive real-time communication with an integrated network of emergency and information services thereby increasing driver safety and security.

At a lower, “service-experience” level (Teixeira et al. 2012; Teixeira et al. 2017) service design focuses on customers’ interactions with an individual organisation’s service system and the experience which emerges as a result. A

distinctive feature of experience design practice at this level lies in the holistic perspective taken when planning customer's interactions and involvement with the service provider. Service design therefore focuses on coordinating the elements of the service system through which a customer's experience evolves; that is the channels and setting through which the customer engages with the service provider, and the people (employees and other customers) and processes involved in delivering the service (Teixeira et al. 2012). The integration of back office systems with little or no direct contact with the customer, with the front office customer facing elements of the delivery system is also an important design consideration. The customer's involvement in the delivery of the service is an additional factor accounted for in the design of the delivery system at this level. The customer's participation in the delivery of the service includes a number of distinct stages i.e. pre-purchase search activities, a purchase and consumption phase during which time they interact with the delivery system through a series of integrated encounters and touchpoints (Voss and Zomerdijsk 2007; Patrício et al. 2011), and an after-sales period of reflection (Neslin et al. 2006; Verhoef et al. 2009; Voss and Zomerdijsk 2007)

Finally at the "service encounter" level (Teixeira et al. 2012), the design of the delivery system focuses on the sequence and duration of the activities which occur during the purchase and consumption phase of the service encounter and on the individual touchpoints and service clues (Berry et al. 2002) through which the customer directly engages with the delivery system. Research conducted in a diverse range of sectors such as Healthcare (Berry et al. 2002), Financial Services (Berry et al. 2006b) and Hospitality (Berry et al. 2006a) has shown that focusing on the service clues which stimulate the customers' sensory perceptions, helps to develop an emotional connection with the service provider which can enhance their overall perception of their experience (Berry et al. 2002; Haeckel et al. 2003; Berry et al. 2006a; Candi et al. 2013). Service clues include elements of the setting which provide tangible evidence of the service being provided such as the ambience created through the interior design and furnishings (mechanic clues) and through the behaviour and attitude of employees and other customers sharing the setting (humanic clues) (Berry et al. 2006a).

1.3 Research Gap and Objectives

Whilst differentiation based on customer experience is a relevant design strategy through which organisations can gain a competitive advantage, the support provided by the academic research community to maximise the effective use of their resources has a number of limitations.

- **Limited strategic guidance has been provided by operations management research**
- **Research carried out focuses predominately on hedonic contexts**

These shortcomings provide an opportunity to explore how the design and configuration of the delivery system influences customer experience in non-hedonic service contexts

1.3.1 Limited strategic guidance provided by operations management research

Despite customer experience being increasingly recognised as a method of developing a competitive advantage (McColl-Kennedy et al. 2015), limited theoretical insights are available to guide the design of experiential operations systems (Roth and Menor, 2003; Pullman and Gross, 2003; Knutson and Beck 2003; Stuart and Tax 2004; Voss et al. 2008; Verhoef et al. 2009; Candi et al. 2013; Ostrom et al. 2015; Lemon and Verhoef 2016; Ponsignon, et al 2017). Wikström (2008) for example, notes that limited research has been conducted to ascertain how the roles of both the provider and customer influence the experience a customer has. Zomerdijk and Voss (2010, p.68/78) also point out that *“the service elements which create the most compelling contexts”* are still unclear and *“further research into the processes, organisation, tools, and techniques of experience design is clearly needed”*.

1.3.2 Research focuses predominately on hedonic contexts

In addition, the case studies available in the extant literature exploring how organisations design for customer experience focus predominately on hedonic service contexts (Candi et al. 2013; McColl-Kennedy et al. 2015), where the pleasure gained from participating in the delivery of the service is a key element both in the design of the delivery system and in the overall value customers derive from the service offering.

Whilst therefore literature suggests customers' have an experience regardless of the type of service or product being purchased (Berry et al. 2002; Voss and Zomerdijk 2007), little research has been conducted into how service design and management practices influence customer experience in non-hedonic contexts (Roth and Menor 2003; Carù and Cova 2003; Helkkula and Kelleher 2010; Candi et al. 2013; Lemon and Verhoef 2016; Bustamante and Rubio 2017). These contexts can be defined as settings in which customers derive little intrinsic enjoyment from their participation in the delivery of the service and where the objectives for the design of the delivery system are not experiential.

1.3.3 Research objective

A research gap therefore exists in service operations management literature to explain how organisations design for customer experience in these “*everyday*”, non-hedonic service contexts (Carù and Cova 2003; Helkkula and Kelleher 2010; Candi et al. 2013). The objective of this thesis therefore is to explore how organisations design their service delivery systems for customer experience at an organisational “service experience” level (Teixeira et al. 2012), in non-hedonic service contexts. In doing so a single research question has been posited:

How do organisations operating in non-hedonic service contexts design for customer experience?

1.4 Research Methodology

Given that little previous research has been conducted in non-hedonic service contexts, an exploratory qualitative research strategy has been developed to address this research question. The conceptual framework upon which the empirical phase of the research is based draws from both service operations management and marketing literature. These publications demonstrate how the design of the delivery system influences customer experience in “experience-centric” organisations, experience in “experience-centric” organisations, for example, Voss and Zomerdijk 2007; Voss et al. 2008; Zomerdijk and Voss 2011, and in hedonic service contexts, see Arnould and Price 1993 (white water rafting), Dodson 1996 (mountain biking), Celsi, et al. 1993 (Skydiving), Schouten et al. 2007 (motoring events). Experience-centric organisations recognise the advantage of differentiating their service offering by crafting their

delivery system to create an outstanding and memorable experience for their customers (Voss 2004; Zomerdijk and Voss 2010, 2011; Tussyadiah 2014). In addition, the conceptual framework also takes account of how the customer's perspective might influence service design. Two conceptions of experience considering the customer's viewpoint have been analysed: the "*experience dimensions*" presented by Pine and Gilmore (1998) in their experience model; and the concept of "*flow*" described by Csikszentmihalyi (1975).

The extent to which the participant is physically involved in, and the degree to which they are psychologically immersed in the activity taking place are key variables common to both conceptions, which influence how an experience develops. Whilst these have been operationalised in research focused principally on hedonic contexts, the literature suggests (Massimini, and Carli, 1988; Csikszentmihalyi and LeFevre 1989; Pine and Gilmore 1998; 1999; Beltagui et al. 2015) that the most salient components might also be relevant in non-hedonic service contexts.

From a synthesis of existing intellectual insights, a conceptual framework has been developed showing how the service delivery system facilitates the customer's involvement in the delivery of the service and describes the outcomes which characterise the experience they perceive. Through this analysis three main elements have been developed:

- Design Choices - the interdependent components of the delivery system in which strategic decisions are made influencing its design and configuration
- Experience Mechanisms - the dynamic elements which mediate how customers engage with the delivery system during the co-creation of the service offering
- Experience Outcomes - the factors that influence a customer's overall perception of their experience

Within each element a number of constructs have been established which represent key factors involved in both the design of the delivery system and in how customers perceive their experience. Relationships which literature suggest connect the constructs have also been detailed on the framework.

The conceptual framework therefore provides a theoretical illustration of how organisations might design their service delivery systems for customer experience and a vehicle through which to explore the constructs and relationships. Cases were sought from which a body of evidence could be obtained in order to determine its relevance. Few measures however are currently available that demonstrate how the performance of an organisation influences the experience a customer perceives (Maklan and Klaus 2011; Klaus 2013b, 2014; Lemon and Verhoef 2016) which makes case selection difficult. Whilst it was recognised therefore that customer experience is a more complex phenomenon than customer satisfaction, customer satisfaction was used as a proxy measure for positive customer experiences in order to select each case. The assumption being made that an organisation providing a high level of customer satisfaction could be expected to be delivering consistently positive experiences to their customers. Two case studies have been selected operating in separate non-hedonic service contexts using this method.

Semi-structured interviews and branch observations using structured observation reports are the main tools through which data in both cases has been collected. Secondary source material also supports the evidence obtained through these primary sources. Interviews have been conducted with four different informant groups. Three of the groups comprised of employees that work at different levels within each organisations hierarchy:

- branch cashiers;
- branch supervisors (that is branch and regional managers); and
- head-office employees employed in the design of the service delivery system.

Customers make up the fourth group to enable an understanding of their involvement in the delivery of the service and of how they perceived the experience to be gained. In case 1, data was collected from 21 employees working a variety of different roles across the branch network and in other delivery channels. Data has also been collected from 29 customers. Similarly, in Case 2 data has been collected from 21 employees and from 30 patients. The interview questions for employees focus on the Design Choice and Experience Mechanism constructs. The interview questions for customers focus on the Experience Mechanism and Experience Outcome constructs. The data

therefore provides two perspectives on how the Experience Mechanism constructs influence the customer's involvement in the delivery of the service.

Interviewing customers and a broad spectrum of employees working at different levels throughout the hierarchy of each organisation provide the study with a variety of perspectives. From this, deeper insights and a realistic impression can be developed of how service system design influences the experience a customer has and how the constructs of the conceptual framework relate to each other.

1.5 Thesis Structure

The remainder of the thesis will be presented in the following format. The theoretical background informing the conceptual framework around which the research strategy was devised will be examined in three chapters. Figure 1.0 describes the key research areas influencing a customers' experience of engaging with the delivery system which the Literature Review explores.

Chapter 2 analyses from a service operations management perspective, the broad design principles applied in delivering an organisations service offering to the standards expected by the customer at an acceptable cost to the provider. Relevant service design models are introduced highlighting key features in the design and configuration of the service delivery system. The second section of the chapter then draws on the extant research focusing on the design of delivery systems in experience-centric service organisations. The chapter then concludes with an examination of three design elements highlighted through this research as important in influencing how a customer engages with the delivery system.

Chapter 3 provides an alternative viewpoint. This chapter concentrates on the customer's perspective both in terms of their involvement and participation in the delivery of the service and in the specific outcomes through which their experience is perceived. The concept of flow and the experience dimensions proposed by Pine and Gilmore (1998) are introduced in this chapter. These conceptions of customer experience highlight a number of important

characteristics which influence how experiences in hedonic service contexts are perceived.

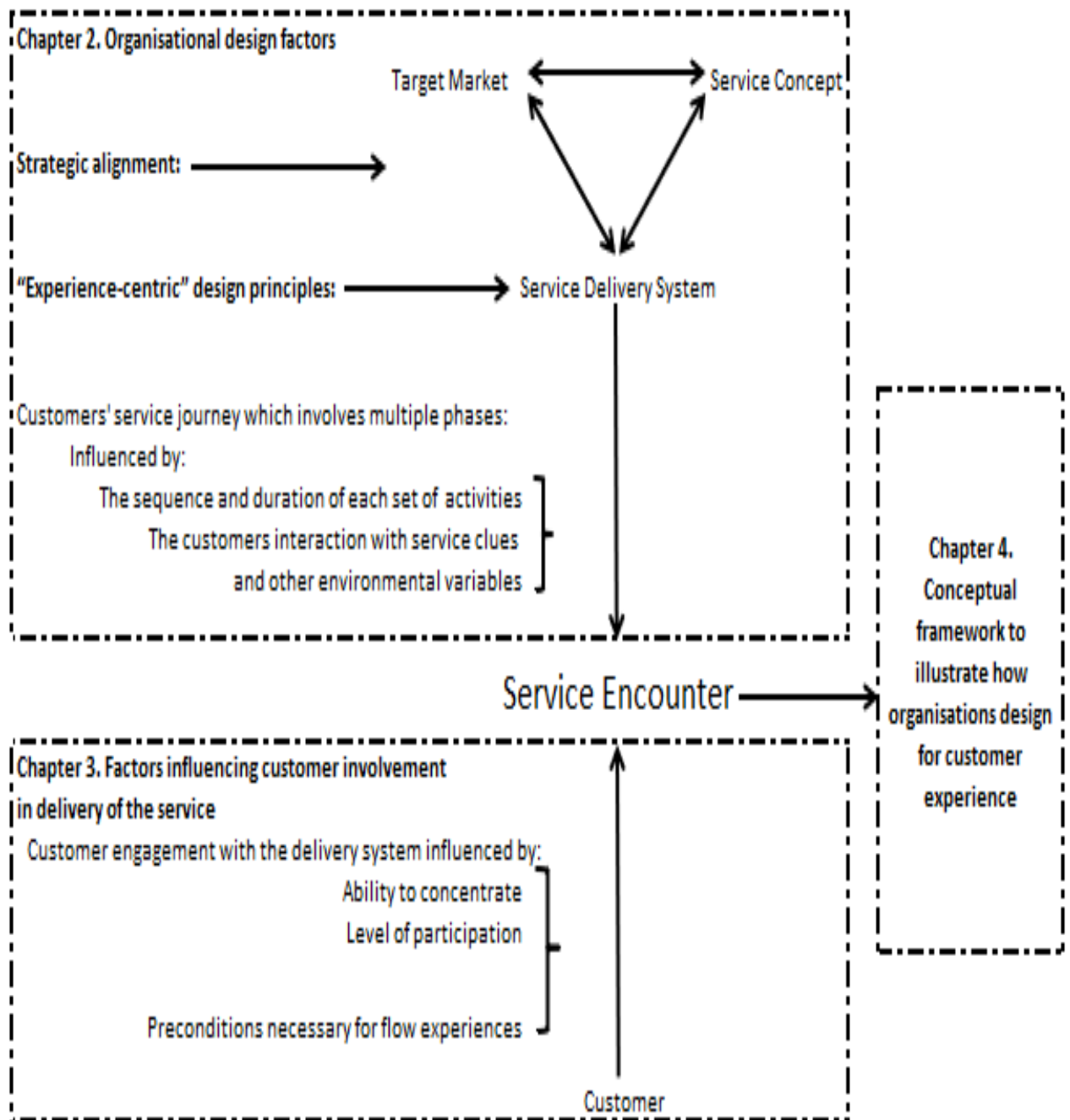


Figure 1.0: Key Research Areas Influencing Customer Experience

Chapter 4 synthesises the different perspectives described in chapters 2 and 3 together into a conceptual framework. The chapter provides a description of each construct within the three main elements of the framework 'Design Choices', 'Experience Mechanisms', and 'Experience Outcomes'. The chapter

also highlights a number of relationships between the Experience Mechanism constructs and the Design Choice and Experience Outcome constructs identified in the extant literature which might explain how the design of the delivery system influences the experience a customer perceives.

The method through which the thesis empirically explores the relevance of the conceptual framework in the design of service delivery systems in non-hedonic contexts is described in Chapter 5. This chapter has three main aims. The first aim is to present a rationale and justification for the deductive approach adopted in the design of the qualitative research strategy. Secondly, the chapter describes the case study method through which the phenomenon of customer experience in non-hedonic service contexts has been explored, and the procedure applied to analyse the data collected. The chapter concludes with a review of the measures that have been taken to maintain the rigor and quality of the research method used.

The findings from the empirical study are presented in two chapters. In the first chapter, (Chapter 6) a summary of the within-case analysis conducted for each organisation is presented. These reports demonstrate the presence and relevance of the conceptual framework in the two contexts studied. This is followed in the second chapter (Chapter 7) by a cross-case analysis of each of the Design Choice and Experience Outcome constructs summarising both the similarities and differences identified in the two cases. The cross-informant analysis of each Experience Mechanism construct is then presented highlighting similarities in both employee and customer data which featured strongly in both case studies. The relationships that connect these points of similarity with the Design Choice and Experience Outcome constructs are also identified. The analysis demonstrated for example, a link between the recruitment policies and ongoing socialisation processes adopted by an organisation (*Organisational Infrastructure - Design Choice*) on the service-oriented behaviours displayed by employees. The signals generated because of an employee's behaviour will stimulate a customer's sensory perceptions (*Sensory Stimulation - Experience Mechanism*) which ultimately influences their emotional response (such as trust, or feeling safe or valued) to the service provided (*Experience Outcome*). Whilst these types of emotions might not be

characteristic features in a hedonic context focused predominately on providing a pleasurable experience, they are nevertheless highly relevant to a positive experience in a non-hedonic context

Similarly, the findings demonstrated that when customers have sufficient knowledge, providing them with a variety of options (*Customer Interface - Design Choice*), to adapt either the outcome or the way in which the service was delivered (*Adaptability - Experience Mechanism*), has a positive impact on both their emotional response and perceived level of control (*Experience Outcomes*). When however, a customer lacks knowledge (*Focused Attention - Experience Mechanism*) providing enough information through the design of the Customer Interface (*Design Choice*) to enable an informed decision to be made, added to the level of control they perceived over the delivery of the service (*Perceived Control - Experience Outcome*). These patterns of evidence suggest the Experience Mechanisms act to mediate how customers engage with the delivery system and perceive the outcome.

In chapter 8 (Discussion chapter) these patterns of evidence are further analysed, and comparisons made with the extant literature that underpin the findings. From this, the chapter draws attention to the theoretical and managerial implications of the research demonstrating how the thesis builds on existing experience design literature. A number of distinguishing characteristics which differentiate experiences in non-hedonic contexts are also established. From this, 9 design propositions are derived to demonstrate how organisations design for customer experience in these contexts. The Interaction construct (*Experience Mechanism*) for example, having a mediating influence on the relationship between each of the four design choice constructs (*Technology and Physical Support; Customer Interface; Organisational Infrastructure and Organisational Integration*) and a customer's emotional response, perceived control and perception of time (*Outcome constructs*).

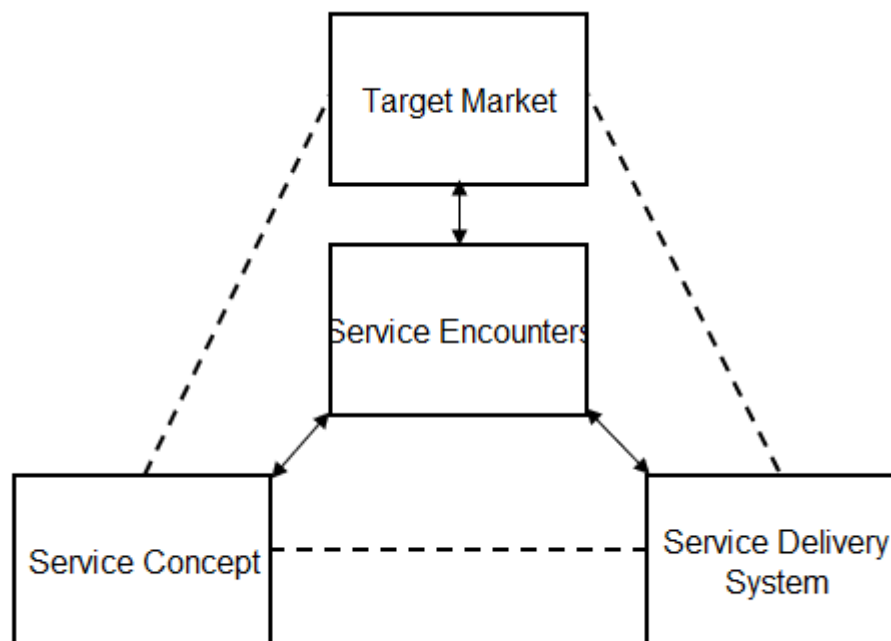
A conclusion to the thesis is provided in chapter 9. Firstly, the chapter summarises the context in which the research has been carried out. It then reiterates why the thesis is original and outlines the distinct contribution that it makes to service operations management research, in understanding how

service delivery systems in non-hedonic contexts can be designed for customer experience. Finally, the chapter then recognises a number of limitations in the execution of the empirical study and highlights opportunities for future research.

Chapter 2: Service System Design

2.1 Introduction

The objective of this chapter is to describe from a service operations management perspective, the design principles which contribute to successful service delivery and positive customer experiences. The chapter will firstly examine the critical components of each element of the Service Strategy Triad presented by Roth and Menor (2003) i.e. the Target Market, Service Concept and Service Delivery System (Figure 2.0). Combining marketing and operations perspectives, this framework provides a foundation upon which an organisation can compete effectively in their chosen market. Following this examination, a number of service design models will be presented. These highlight important aspects in the design and configuration of the delivery system to both maximise its effectiveness and differentiate the service offering.



Source Roth and Menor (2003 p.147)

Figure 2.0: The Service Strategy Triad

However, the customer's experience of engaging with the delivery system is not a factor considered in these design models. To address this lack, the chapter draws on findings from research focusing on "experience-centric" service providers. Service design in these organisations focuses on integrating both

tangible and intangible service clues to evoke a specific emotional response (Voss et al. 2008; Zomerdijk and Voss 2010). Service clues represent anything within the environment in which the service is delivered that can be “*perceived, sensed, or recognised by its absence*” (Berry et al. 2002, p.86). A number of design characteristics which influence how customers perceive the experience that emerges from their interactions with these service providers have been highlighted. The chapter concludes by focusing in greater detail on three broad aspects of service design that arises from the analysis: the customer journey; the sequence and duration of each stage of the journey; and the design of the service context in which the service is delivered. These have an impact on how customers engage with the service provider during the delivery of the service and influence the experience that emerges as a result.

2.2 The Service Strategy Triad

Heskett (1987) observes that successful competitive strategies in high performing service organisations arise from the integration of their organisational structures, that is, their Operations and Marketing functions, together with their management practices. This process includes:

- a) Identifying the market in which the organisation wishes to trade.
- b) Developing a service concept to address the customers’ needs in the identified market
- c) Defining an operations strategy which supports the service concept and determines how the service will be delivered.

Roth and Menor (2003) also note that service strategies are most effective in developing a competitive advantage when there is an alignment between these elements, without which organisations will find achieving their operational objectives difficult (Karwan and Markland 2006; Beltagui et al. 2017). Silvestro and Silvestro (2003) for example emphasise the need for organisations to align their service concept and operational objectives with the service systems designed to deliver them. They provide empirical evidence suggesting failure to achieve this alignment compromises an organisations ability to deliver their service offering and to achieve their wider strategic objectives. Together the elements of the Service Strategy Triad influence the service encounter, the point at which the customer engages with the delivery system (Czepiel et al. 1985), experiences the delivered service and assess the performance of the

organisation (Roth and Menor 2003). Understanding the relationship between the target market, the service concept and the service delivery system (Figure 2.0) is therefore important in appreciating how organisations design for experience in non-hedonic service contexts. These components are described in the following sections.

2.2.1 Target Market

The first pre-requisite of a successful service strategy is to clearly define the characteristics of the target market in which the organisation wishes to trade. Developing a clear understanding of customers' needs within a particular market segment enables managers to design appropriate service concepts to satisfy these needs and to develop operational strategies to deliver them effectively (Heskett 1987; Roth and Menor 2003; Shah et al. 2006). This strategic assessment means an organisation is able to identify:

- a) The size and importance of each niche market it hopes to compete in
- b) The specific demographic profiles, values and lifestyle choices of customers in each niche
- c) The opportunities available to differentiate their service offering relative to their competitors

(Heskett 1987; Caemmerer and Wilson 2009)

In research conducted by Johnston and Kong (2011), they highlight four case studies covering a variety of different service settings (a bank; a delivery and courier service a hospital and a water company) in which similar appraisals of customer's needs were carried out. This provided service designers with information about how customers perceived their experience and what they (the customer) would like in the future (Johnston and Kong 2011). In addition to data being collected by external agencies, customer forums and interviews were also held by employees to visualise directly from the customers' point of view, the experience they were receiving (Johnston and Kong 2011). The information gained, helped service designers to understand their customers motivation for using the service and to identify where changes in their service concept and delivery system needed to be made to improve their experience in the future (Johnston and Kong 2011). The extent to which the service concept is limited to satisfying the needs of a specific market segment or made available to a

broader more diverse group of customers (Karwan and Markland 2006) is a strategic decision which can be formulated as a result of this examination. Developing a comprehensive understanding of their target market also enables organisations to establish effective and useful service standards which relate directly to what customers regard as important (Roth and Menor 2003).

In addition to identifying the specific demographic characteristics of their target market and common values which shape their customers' behaviour (Heskett 1987; Roth and Menor 2003), an important element of an organisation's market research should also include an appreciation of customers' motivation for engaging with the organisation and the goals they wish to satisfy. Chitturi et al. (2008) draws on Higgins (1997) *Regulatory Focus Theory* to demonstrate how customers' consumption goals influence the emotions they experience when interacting with the service delivery system. An individual's goals can be categorised into two independent self-regulatory systems which regulate motivation and behaviour (Kark and Van Dijk 2007; Bullard and Manchanda 2013), promotion goals and prevention goals. Promotion goals motivate customers towards achieving rewards and are associated with advancement, achievement and aspiration (Higgins 1998; Chernev 2004; Kark and Van Dijk 2007; Chitturi et al. 2008). In contrast, their prevention goals aim to significantly reduce the risk of a painful experience from occurring (Chitturi et al. 2008; Bullard and Manchanda 2013) and focus on an individual's essential physiological survival requirements such as those for food, clothing and shelter (Csikszentmihalyi 2000). This results in behaviours that focus on an individual's obligations and responsibilities, and emphasises safety and security (Higgins 1998; Chernev 2004; Kark and Van Dijk 2007; Bullard and Manchanda 2013). Zhou and Tuanpham (2004) for example, demonstrate how attitudes towards investment risk depend on the customer's goals when purchasing a financial product. They identified that financial decisions regarding retirement planning were principally motivated to satisfy longer term objectives aimed at minimising potential loss (that is, they were based on prevention goals), rather than at maximising their potential investment income through financial products that involved greater risk. As there is a strong desire for prevention goals to be fulfilled, these needs take a priority (Cook et al. 2002; Chitturi et al. 2008). Once prevention goals have been met however, the hedonic value associated with

the service offering becomes more significant, enabling higher order promotional or aspirational goals to be fulfilled (Chitturi et al. 2008) such as for instance, developing a self-image and building self-esteem (Csikszentmihalyi 2000). Whilst customers' motivation with regard to purchasing a service offering and their subsequent involvement during its delivery focuses on satisfying either of these fundamental goals, Cook et al. (2002) also point out building self-esteem (essentially a promotion goal) by acknowledging and remembering customers' names or readily accepting their complaints, is relevant regardless of the context in which the service is delivered. Whilst the customers focus might therefore be on satisfying a particular prevention goal, some evidence of their promotion goals being fulfilled should also be expected when exploring service design in non-hedonic contexts.

Chitturi et al. (2008) also demonstrate that when a prevention consumption goal is achieved customers also experience corresponding prevention emotions. Higgins et al. (1997) and Chitturi et al, (2007, 2008) highlight confidence, security, calm and relaxed as characteristic of these types of emotions. Johnston and Kong (2011) also point out that in one of their case studies, the water company, focused predominately on satisfying prevention goals i.e. clean water for drinking and washing; trust, care and being valued were important emotions in how customers perceived their experience. These emotions therefore are also representative of the prevention emotion cluster expected as an outcome when a prevention goal has been successfully achieved. Chitturi et al. (2008) suggest these emotions are different to the promotion emotions aroused during a positive hedonic experience. They highlight emotions such as cheerfulness and excitement as examples of the promotion emotional cluster. This aspect of their research suggests customer's perception of their experience of realising a prevention goal might be different to their perception of the experience when aspirational promotion goals are achieved. Through the strategic assessment the needs and goals that motivate customers' behaviour (that is prevention or promotion) managers are in a more informed position to assess how well these are being delivered by other service providers and potential opportunities available to exploit (Heskett 1987). Through this assessment a clearly defined service concept, the second pre-requisite needed

to develop a successful business strategy can evolve (Heskett 1987; Roth and Menor 2003).

2.2.2 Service Concept

The service concept aligns the benefits and value customers expect to accrue from engaging with the service provider, with the organisations capabilities to satisfy them through their operating strategy and design of the delivery system (Heskett 1987; Goldstein et al. 2002; Teixeira et al. 2017). Through the service concept an organisation is able to both formulate its distinct approach to satisfying customers' prevention or promotion needs and to differentiate their service offering from their competitors. The service concept provides both customers and employees with a "*mental picture or statement*" (Clark et al. 2000, p.73; McKinsey Quarterly 2016; Beltagui, et al. 2017) of the organisations service offering. This defines the specific characteristics of the service being provided and conveys the benefits customers receive (Edvardsson and Olsson 1996; Edvardsson 1997; Clark et al. 2000 p77) which differentiate it from the providers' competitors (Heskett 1987). When communicated across the organisation, this picture helps ensure the service strategy is understood and can be applied by all employees (Clark et al. 2000 p74) and acts as a benchmark against which the delivery system can be measured (Johnston 1999b).

Unless focusing on a particular customer niche, an organisation's overall business strategy might involve a number of target markets (Ponsignon et al. 2011). Separate service concepts therefore need to be developed to satisfy the needs of each particular market segment (Goldstein et al. 2002; Ponsignon et al. 2011). The service delivery system that supports each service concept might also require a different approach in its design. Ponsignon et al. (2011) for example, demonstrated that organisations which trade in multiple niche markets operate different service delivery systems and configurations of front-office and back-office support for each customer segment. In these circumstances, the design characteristics and construction of each delivery system are contingent on the level to which each service concept facilitates the customers' participation in customising the service to meet their particular needs.

Whilst a number of different approaches have been taken in describing the service concept an exact definition is still unclear (Roth and Menor 2003). Clark, et al. (2000) operationalise the service concept as a model comprising of four main elements. Three of these elements refer to what the customer is purchasing (Johnston and Clark 2001): the perceived value to the customer of the service offering; the service outcome or benefits derived from the service offering; and the service experience - the emotions the customer is expected to express as a result of their involvement in the delivery of the service. The fourth element, the service operation, refers to the means through which the service is created and how it is delivered to customers in the target market. Goldstein et al. (2002) also suggests that as well as describing these individual “*What*” and “*How*” elements, the service concept should also illustrate how these elements are integrated. Roth and Menor (2003) present an alternative perspective. In their model, the service concept is kept separate from the target market and delivery system focusing in greater detail on the resources an organisation has at its disposal to deliver a range of core and peripheral service elements. From a synthesis of the models provided by Clark et al (2000) and Roth and Menor (2003), four characteristic features of the service concept can be identified which Clark, et al. (2000) term as “Perceived value”; “Service outcome”; “Service experience” and the “Service operation”

2.2.2.1. Perceived value: This characteristic represents the benefits customers perceive they gain from the service offering set against the cost they are prepared to pay for the service being provided (Clark et al. 2000; Goldstein et al. 2002). Brock Smith and Colgate (2007) conceptualise four major measures of customer value. Each measure demonstrates the value customers acquire through their participation in the delivery of the service in a specific context. Customers’ prevention goals will be satisfied through the “functional and instrumental value” obtained through the particular features, functions and attributes of the service offering which are useful to them (Brock Smith and Colgate 2007; Chitturi et al. 2008). Prevention goals might also be fulfilled through the “cost /sacrifice value” obtained when the costs and other associated sacrifices, for example, time, stress or effort are minimised in the purchase, ownership and use of the service (Brock Smith and Colgate 2007). Once prevention goals have been satisfied, the personal and subjective (Babin et al.

1994) hedonic-related benefits of the service offering ensure that customers' promotion goals can be met (Chitturi et al. 2008). These enjoyment-related aspects help to evoke positive feelings and emotions, and create an element of "experiential value" (Brock Smith and Colgate 2007). Similarly, the "symbolic or expressive value" generated through the emotional connection and meaning attached to the service offering will also satisfy customers' promotion goals enhancing self-esteem and self-worth (Brock Smith and Colgate 2007). As utilitarian (functional/instrumental and cost/sacrifice) and hedonic (experiential and symbolic/ expressive) value act in a semi-independent manner (Babin et al. 1994), customers are capable of perceiving both from a service offering provided by an organisation.

2.2.2.2. Service outcome: This feature of the service concept relates to the tangible benefits the customer is expected to gain as a result of initiating the delivery process (Clark et al. 2000; Goldstein et al. 2002); for example, the varying temporal effects of the benefits accrued – lasting (for example a hip operation) or temporary (for example a haircut) (Edvardsson and Olsson 1996; Johnston and Clark 2001). The service outcome element of the service concept aims to ensure customers primary needs and reasons for engaging the service are satisfied (Edvardsson 1997; Berry et al. 2006a). How a customer perceives the service outcome will influence their overall assessment of the quality of the service being provided (Grönroos 1984; Edvardsson 1997). By focusing on this element service designers can ensure that unrealistic expectations are not created through marketing campaign promises which the delivery system cannot fulfil (Edvardsson and Olsson 1996).

2.2.2.3. Service experience:

Grönroos (1984) makes the distinction between the service outcome characteristic of the service concept, which he terms the "*technical output*", and the "*functional outcome*," which describes how the service is delivered. The functional outcome of the delivery system defines the intangible, "expressive" or psychological aspects which customers experience as a result of their interactions with the delivery system (Swan and Combs 1976; Grönroos 1984; Clark et al. 2000; Johnston and Clark 2001). The service experience component of the service concept therefore firstly describes either the promotion or

prevention emotions the customer is expected to feel during the delivery of the service (Roth and Menor 2003). Once this has been established the explicit sensory clues, the sights, smells, sounds, tastes and textures, which arouse these emotions will need to be identified and incorporated into the design of the setting in which the service is to be delivered (Roth and Menor 2003; Berry et al. 2006a; Stocchi et al. 2016). Similarly, negative clues which distract or prevent customers from achieving their goals should also be highlighted so that they can be removed during the process of designing the physical setting (Pine and Gilmore 1998).

Organisations that focus on developing customer experience as a unique point of difference include a clear statement describing the emotions customers will feel during their experience, in the design of their service concept (Shaw and Ivens, 2002; Haeckel et al. 2003). Johnston and Kong's (2011) analysis of organisations that have focused on improving customer experience noted that a significant emphasis was placed on the development and communication of these Customer Experience Statements. Similarly, Haeckel et al. (2003) recommends developing an "experience motif" that aligns the service clues embedded within the environment in which the service takes place with the feelings and emotions customers expect from a positive experience with the service provider. These statements act as a "*template or specification*" (Johnston and Kong 2011, p.19) against which the quality of the experience customers perceive can be measured and the impact of investments in this area on overall business profitability ascertained (Klauss et al. 2013). Importantly they detail from a customer's point of view rather than from the organisation's perspective, the experience expected and the emotions anticipated as customers interact with various touchpoints throughout the delivery system (Johnston and Kong 2011). Through this process, customers' emotional responses at various points throughout the service encounter can be anticipated (Haeckel et al. 2003) and suitable clues designed to support and enable customers to participate more effectively to achieve their overall goals.

2.2.2.4 The service operation: Having defined the value customers derive from the service offering and both the outcome and the intangible experience they have, the service concept should also match these characteristics with the

design of the delivery channel through which it will be delivered (Apte and Vepsalainen 1993). The service operation therefore describes how the delivery system should be structured and configured to deliver the benefits of the service offering to the customer (Clark et al. 2000). The type of relationship the service provider aims to foster with their customers, either through a standard transaction-based arrangement or one in which a more personalised association develops (Apte and Vepsalainen 1993) will also feature in this description. The design of the service operation (delivery system) will however be contingent on the extent to which the service concept facilitates the customisation of the service offering (see Ponsignon et al. 2011), which ultimately will influence the level of discretion devolved to employees, their expected skill level and the extent to which the delivery process can be automated and routine procedures established (Ponsignon et al. 2011).

The description of the service concept provided by Roth and Menor (2003) includes a number of specific operational elements which have a direct influence on how customers engage with the service provider. These include the “*supporting facilities*”, the physical and structural resources and technology needed for the service to be delivered, the “*facilitating goods*”, the consumable items used during the production of the service and “*facilitating information*”, which enables customers to gain a clear understanding of what to expect of the service being delivered for example, timetables and fee structures. These are central to the design of the service offering which, if taken away, will render any peripheral service elements redundant (Johnston 1989). The peripheral or supporting services help to differentiate the core service and provide additional benefits which enhance the overall value customers derive from the service offering such as retail and café services in a hospital setting (Johnston 1989; Voss et al. 2008; Roth and Menor 2003; Martikainen et al. 2013)

2.2.3 The Service Delivery System

The third pre-requisite of an effective service strategy is the development of a service delivery system capable of providing a service offering consistent with the vision of the service expressed through the service concept (Johnston 1999b; Clark et al. 2000) to the organisations target market. Competitive capabilities such as consistent quality, low cost and accessibility (Roth and

Menor 2003; Oliveira et al. 2002) arise through this alignment, which helps differentiate the service offering (Heskett 1987), enabling an organisation to compete effectively in their chosen market (Frei and Harker 1999). Johnston (1999b) however points out, when inconsistencies occur between the service concept and the design of the delivery system, customers might perceive the outcome as unsatisfactory as expectations created by the service concept will not have been realised.

The service delivery system represents the parallel and sequential activities and processes (Edvardsson and Olsen 1996; Maglio et al. 2009) designed to deliver an acceptable level of performance at the right time to the customer and at an appropriate cost to the organisation. Underpinning the design of the service delivery system, the operational strategy identifies where the resources, that is, the people, technology and shared information available to an organisation (Maglio et al. 2009; Patrício et al. 2011), should be focused to achieve the aims outlined in the service concept. It establishes the policies, procedures and standards that ensure the cost of delivering the service is controlled and quality maintained (Heskett 1987). The operational strategy also helps determine the degree of integration between different management functions (Heskett 1987; Roth and Menor 2003; Voss et al. 2008) and their relationship with other companies (Edvardsson 1997; Roth and Menor 2003).

2.2.4 Customer Input

As well as the internal resources available to an organisation, the extent of the customers input into the delivery of the service is also a key element influencing the design of the service system (Goldstein et al. 2002). The customer's willingness to play an active role in the co-creation of the service and the uniqueness of their particular needs (Larsson and Bowen 1989) are therefore factors to consider. Whilst manufacturing processes are able to focus on ensuring the quality of the output matches the original product specification by reducing material and process variability (Morris and Johnston 1987), the uncertainty created by customer inputs means this is more difficult to achieve in service processes (Larsson and Bowen 1989). Although the customers' participation means a degree of service variability is unavoidable (Frei 2006; Glushko and Tabas 2009), the extent to which the needs of each customer are

accommodated by the delivery system also has an influence on the degree of uncertainty created in the delivery process. In delivery systems which facilitate a wide range of individual customer demands, prior to a customer's arrival the service provider has only partial information of the specification of the service to be provided and the circumstances around which it will be delivered, that is "*what, where, when, and how*" (Larsson and Bowen 1989, p.217). In these situations the risks to service quality and efficiency increase (Frei 2006). Frei (2006, p.93) points out therefore that managing the customer's involvement and the level of variability this creates in the production of the service is "*a central challenge in making a service offering profitable*".

Whilst the relationship between the front and back-office is now seen as more flexible (Zomerdijk and de Vries 2007), the customers' input is generally restricted to the front-office interactive element of the delivery system (Edvardsson 1997). The service processes which facilitate this input are designed to accommodate its unscheduled nature and should be flexible enough to meet customers' particular needs and preferences when required (Glushko and Tabas 2009). Activities which require less input from the customer however can be moved to the back-office thereby increasing the speed of operation, improving production quality and generating operational efficiencies (Collier and Meyer 1998; Metters and Vargas 2000; Glushko and Tabas 2009). Whilst this can lead to lower production costs, these processes are less responsive to customer's needs (Glushko and Tabas 2009). By correctly balancing the relationship between the front and back-office operation and minimising the customers input into some elements of the service process, the organisation is able to maximise the overall efficiency of the process (Chase 1978; Karwan and Markland 2006) whilst being effective in delivering to the standards that meets the customers particular needs (Karwan and Markland 2006). Karwan and Markland (2006) examined for example, how the relationship between front and back office activities influenced the efficiency and effectiveness of the delivery process. In their study of a US government agency they demonstrate how the introduction of additional online services and increased use of technology to automate basic transactions enabled much of the delivery process to be moved to the back-office. They found that this reduced the customers need to interact directly with employees and enabled

front-office personnel to focus on more complex customer issues. Moving the point in the delivery process at which customers interacted with employees reduced the level of customer induced variability (Frei 2006) and enabled the organisation to provide a more effective service to those customers that required direct contact.

Whilst consistency in front-office operations is desirable, when managed correctly the flexibility to accommodate a customer's specific needs for example, when an empowered employee improvises or innovates to satisfy "*an unexpected request or complaint*" (Glushko and Tabas 2009, p.414) can be a valuable asset and a point of differentiation (Frei (2006)). Frei (2006) identifies five sources of variability created as the customer engages with different elements of the delivery system which operational managers need to accommodate or minimise:

Arrival - customers' arrival to initiate the service is often unscheduled and cannot always be anticipated

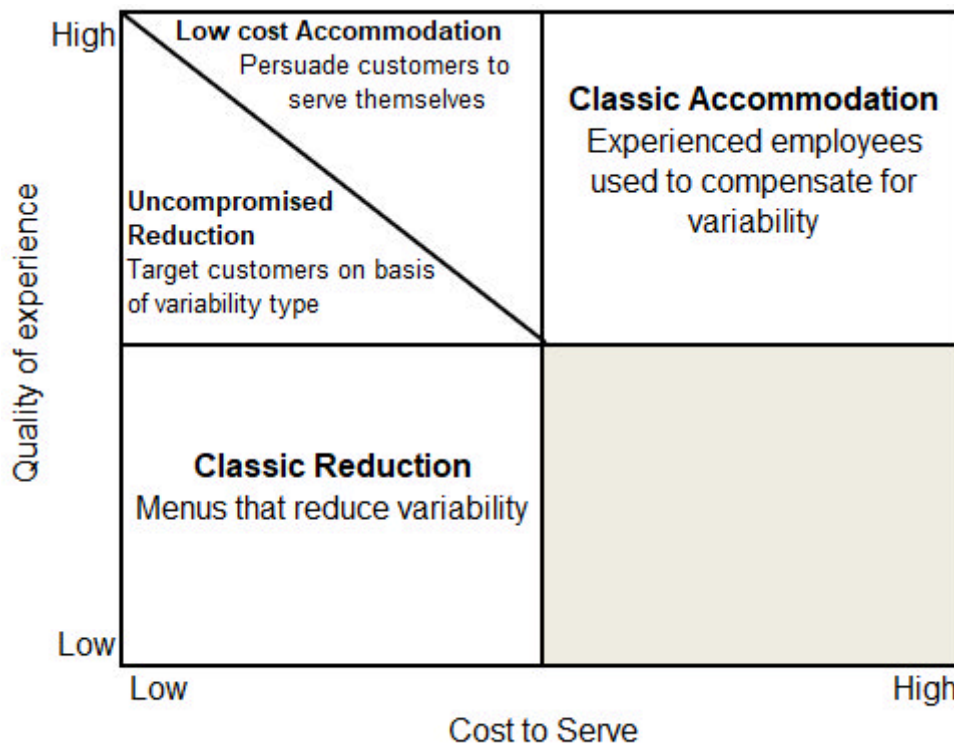
Request - customers' needs are not always standard

Capability - the capability of individual customers varies as they have different levels of knowledge and skill

Effort - the effort customers' are prepared to apply to the delivery of the service varies

Subjective preference - customers have different opinions as to what a good customer experience means

To address this, Frei (2006) proposes four operational strategies (Figure 2.1) to either accommodate the variability created by customers at a cost to the service provider or to reduce it without it having a detrimental effect on the customer's perception of their experience



Source: Frei (2006 p.95)

Figure 2.1 Operational strategies to manage the variability of customers' input

For each source of variability specific tactics are offered which have been found to be effective in minimising the impact of the customers input (Table 2.0).

2.3 Service Design Models

The degree to which the customer participates in the delivery of the service and the variability of their input is therefore a central element in the design of the service delivery system (Chase 1978; Roth and Menor 2003). The extant literature provides a number of service design models which emphasise different operational resources and related design characteristics to effectively manage the customers input. Taken together these models provide a portfolio of the assets available to an organisation in the design of the delivery system. Heskett (1987) suggests the technology and equipment deployed, the layout of the supporting facilities and the organisations operating procedures that influence how employees perform are important design considerations.

Table 2.0 Management practices to minimise impact of the customers' input

	Classic Accommodation	Low Cost Accommodation	Classic Reduction	Uncompromised Reduction
Arrival	Ensure sufficient staff are available	Automate tasks Create self-service options Outsource customer contact	Establish a reservation process Provide off-peak pricing/ limit availability	Create complementary demand without requiring customer to change their behaviour
Request	Ensure employees are sufficiently skilled Train employees to handle different kinds of request	Automate tasks Create self-service options Outsource customer contact	Require customers to make reservations. Persuade customers to compromise their requests Limit range of options available	Limit range of options available Target customers on the basis of their requests
Capability	Make sure employees are able to adapt their approach to match customers' level of skill	Create self-service options that require no special skills	Require customers to increase their level of skill before they can use the service	Target customers on the basis of their capability
Effort	Ensure employees are available that can compensate for customers' lack of effort	Create self-service options with extensive automation	Use rewards and penalties to get customers to increase their effort	Target customers on the basis of their motivation
Subjective Preference	Ensure employees are available who are able to adapt their approach to each customers' specific needs	Create self-service options that will permit customisation	Persuade customers to adjust their expectations to match the value proposition	Target customers on the basis of their subjective preferences

Source Frei (2006, p.97)

Research by Ponsignon et al. (2011) also draws from Johansson and Olhager (2004) to identify 3 similar key service delivery system design characteristics:

- the location and layout of supporting facilities and relationship between front and back-office operations
- the degree of routinisation and automation facilitated through the technology and equipment deployed
- the degree of discretion afforded to employees and level of skill they require to fulfil their roles

Their research highlights how the degree of customisation determined by the service concept influences how employees are expected to perform in their roles. They found that employees require a greater level of interpersonal and technical skills when working in delivery systems which provide a customised

output due to the complexity of the service offering and the tasks they are expected to fulfil (Glushko and Tabas 2009; McCarthy et al. 2010; Ponsignon et al. 2011). Employees were less likely to be working to set routines and were empowered with a greater degree of discretion to make decisions when critical incidents occur in the production of the service (Glushko and Tabas 2009; McCarthy et al. 2010; Ponsignon et al. 2011). In contrast, in the standardised service offerings they studied, the customer's involvement in the delivery of the service was via a standard online ordering form. This reduced both the variability of the customers' input and as a result the degree of discretion allocated to employees, as the tasks they were expected to perform could generally be clearly defined and set out into regular routines. They found that in these circumstances, a single employee with basic technical and interpersonal skills was able to manage both customer contact tasks such as raising enquiries via the telephone and non-customer contact tasks for example, managing customer records and creating offers (Ponsignon et al. 2011).

Roth and Menor (2003) categorised three major areas in which organisations make strategic decisions in the design of the service delivery system, as outlined below.

Structural choices – These include the physical design, technology and equipment employed across the distribution network and the organisations' capacity to accommodate the variability of customer demand, all of which pose practical challenges to people accessing the service offering in both real and virtual environments.

Infrastructure choices – Infrastructure choices consider how the internal architecture of the organisation responsible for establishing the programmes and policies for implementing the service strategy is designed. These strategic options include:

- the values the organisations leaders promote which ultimately determine employees' behaviours;
- the operational policies and procedures that ensure employees are sufficiently equipped to fulfil their roles; and
- the organisational processes and the productivity objectives applied to monitoring quality and measuring performance.

Integration choices – The options available to build and nurture relationships with both suppliers and customers and the methods used to assimilate the knowledge they gain through these associations throughout the organisation.

Grace and O’Cass (2004) demonstrated a correlation between the emotions aroused and levels of satisfaction with a number of key service design components. These include the activities and systems through which the service offering is delivered, that is the core service, employees’ actions and the servicescape (Bitner 1992), the physical environment in which the service offering is provided. Their research demonstrated that in the high-street bank they studied, the organisations operating processes and the environment in which the service was delivered influenced customers’ emotions and level of satisfaction, contributory factors in their perception of their experience. In addition, whilst engaged and satisfied employees has been shown to influence customer satisfaction for example, through the service satisfaction mirror (Heskett et al. 1994; Heskett et al. 1997), the results presented by Grace and O’Cass (2004) also demonstrated how employees’ underlying behaviours are also a contributing factor influencing customer’s emotions and level of satisfaction.

In his theoretical analysis of the key components influencing the design of a delivery system, Normann (2005) also recognises the important of role of people in the delivery of the service. He argues the delivery system should contain a strong human resources component that focuses on the recruitment, development and reward of employees in order to maximise their potential. He also emphasises the importance of ensuring the correct fit between the organisations goals and the behaviours of the employees responsible for delivering them. In addition, the importance of customers as a component in the delivery system is also highlighted. The customers’ willingness to participate and their ability to perform a particular role in the delivery of the service are key variables in the design of the delivery system. The extent to which the organisation wishes to accommodate this level of variability is therefore an important design consideration. The *“ability to involve the client appropriately and emotionally is very often what makes the difference between success and failure”* (Normann 2005 p119).

The service design models highlighted in this section (Heskett 1987; Ponsignon et al. 2011; Roth and Menor 2003; Grace and O’Cass 2004; Normann 2005) demonstrate how an organisations internal resources can be effectively utilised to maximise the efficiency of the delivery system, each model seeking to provide managers with practical guidance, as Roth and Menor (2003, p.148) suggest, “*to effectively deploy operations in order to provide the right offerings to the right customers at the right times*”. Whilst the studies from which these models were drawn, recognise the customers input and their interactions with employees as important factors in maintaining customer loyalty, which in turn is a key determinant of overall profitability (Heskett et al. 1994), the customer’s experience of engaging with the delivery system was not a specific aspect considered in their research design. From this summary however, a number of important features in the design and configuration of the service delivery system can be established:

- the role of technology and equipment in delivering the service offering;
- the physical design and layout of the service setting;
- the roles and configuration of both front and back-office operations;
- the role and performance of employees and customers;
- the processes and operating procedures that support employees in delivering the service; and
- the degree of integration-both internally between business functions and externally throughout the supply chain

2.4. Service Design for Customer Experience

Recognising the advantages of focusing on customers interactions with the service provider, an alternative research stream has considered how service design can influence customers’ emotional engagement with the service provider (Voss and Zomerdiijk 2007). The models developed through this research build on the service design characteristics previously identified, focusing specifically on the customers’ experience of interacting with the service provider rather than the functional benefits derived from the technical outcome of the delivery system (Grönroos 1984; Voss and Zomerdiijk 2007). Tax and Stuart (1997) for example, highlight that the people involved in delivering the service, that is, employees and customers, the processes applied and the

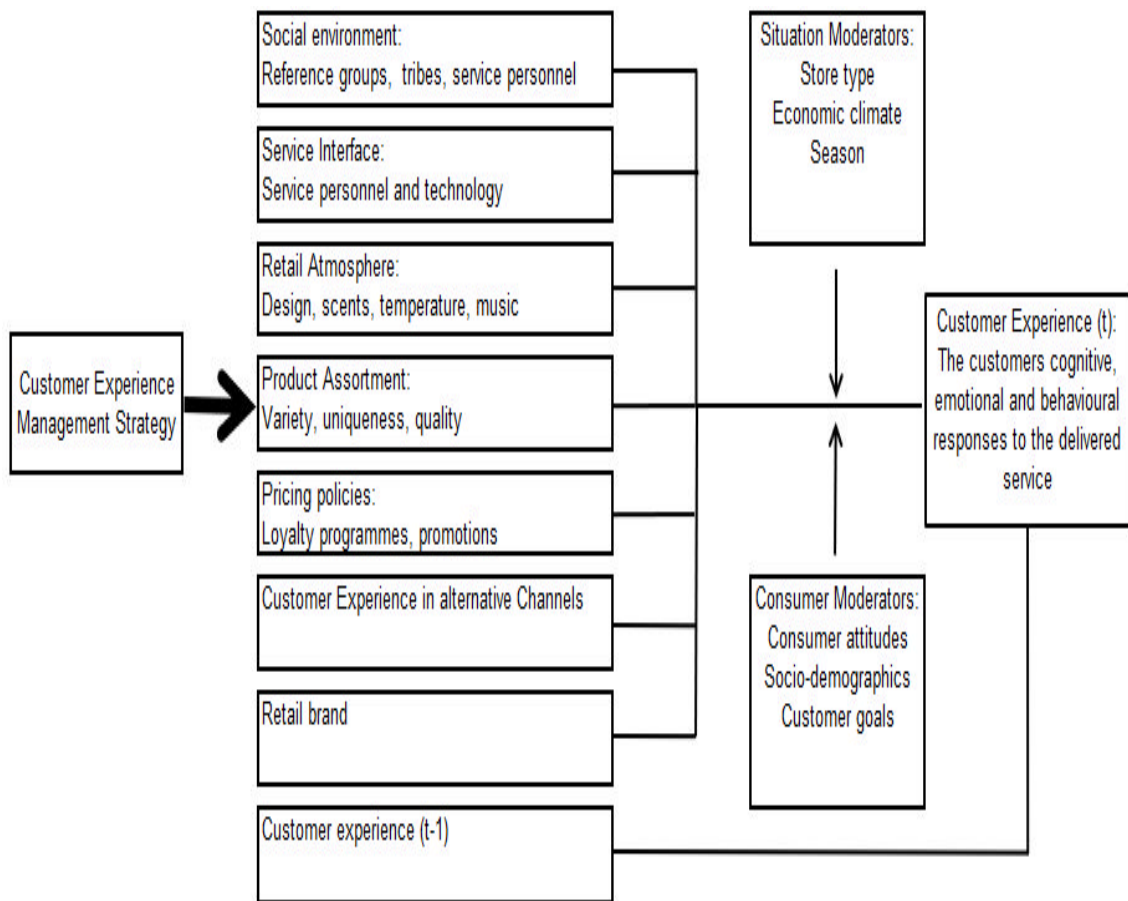
physical facilities in which the service is delivered are key elements to consider in the design of the delivery system for customer experience.

2.4.1 Grewal et al. (2009)

In a theoretical study by Grewal et al. (2009), the experience of customers when engaging with retail organisations is considered. Their analysis covers the factors under an organisations control, at a service-experience design level (Teixeira et al. 2012), which shape customer experience and influence behaviours. These include product procurement, promotions, pricing policy and product assortment. The service context comprising of both the atmosphere of the retail setting in which the service system operates (Kotler 1973) and the social environment, that is, the interaction that occurs with the organisation's employees and other customers (Gupta and Vajic 2000), is also an element included in their model. Importantly in this design model, Grewal et al. (2009) also note the strategic and competitive importance of back-office activities in how customers perceive their front-office experience, for example, having in place supply chain activities that ensure merchandise is supplied at a time and in the quantities required to satisfy customer demand. Whilst customers do not directly engage with these processes, the output generated by them is a tangible feature of the delivery system.

2.4.2 Verhoef et al. (2009)

Research conducted by Verhoef et al. (2009) (Figure 2.2) also focused on experience design at the service-experience level (Teixeira et al. 2012) in retail environments. Their model takes a broader perspective which includes both design characteristics and a number of moderating variables which have an influence on how the experience is perceived by their customers. In this respect the model begins to take account of both customer and provider perspectives in the design of the delivery system, recognising the holistic nature of experience involving customers' cognitive, emotional, behavioural responses to their interaction and engagement with a retail organisation (Gentile et al. 2007; Verhoef et al. 2009). Three of the constructs in their model - the retail atmosphere, social environment and service interface - show similarities with previous service design frameworks.



Source: Verhoef et al. (2009 p.32)

Figure 2.2 Conceptual Model of Customer Experience Creation presented by Verhoef et al. (2009)

A number of functional elements, factors that relate directly to the retail sector are also included such as for example, product assortment and pricing policies. In addition, the impact of the organisation's image on how customers perceive their experience is also explored, suggesting a customers' perception of the retailer's brand might influence their subsequent behaviour whilst in the retail setting and affect their post-purchase evaluations of their shopping experience. The model also includes an important temporal dimension, the customers' experience evolving over a period of time as they engage with the delivery system through the different channels provided by the organisation, at different times. The experience of engaging with the delivery system through one channel (at time t), might therefore be affected by past experiences of engaging with the service provider through other channels, that is, at $t-1$ which they highlight on their model.

Verhoef et al. (2009) also recognise that a customer's experience in a retail setting might also be influenced by situational factors such as the type of store (discount / full service/ specialty / general) and distribution channels through which the service is delivered (store / online). The goals a customer hopes to satisfy from the service offering provided by the retailer might also be a factor moderating their experience. A retailer's product range (assortment) for example, might be a more important differentiator to task-oriented customers looking to fulfil their utilitarian and functional goals (Verhoef et al. 2009) than experientially-oriented customers looking to fulfil their promotion goals through the hedonic benefits of a retail shopping experience (Chitturi et al. 2008; Verhoef et al. 2009). The external cultural and social resources a customer brings to the delivery system also have a moderating influence (Baron and Harris 2008; Helkkula et al. 2012b; Stocchi et al. 2016). The rules and language of a specific society indirectly affect a customer's personal beliefs, values and standards which has an impact on how they perceive the experience of engaging with a particular service provider (Gupta and Vajic 2000; Boswijk et al. 2007).

2.4.3 Voss et al. (2008)

In a separate research stream the design of the delivery system in experience-centric services has also been studied. Voss et al. (2008) build on earlier research projects (Roth et al. 1996; Roth and Menor 2003) to provide a design architecture for experience-centric services. From the results of their empirical research collected from 28 organisations across North America, the United Kingdom and Europe, they reframe the service system design choices presented by Roth and Menor (2003) into four distinct categories (Appendix 1).

Stageware design choices – These design choices focus on the layout and level of technology employed, and communicate an overall aesthetic impression to the customer. These indicate to customers how they should act and social norms whilst in the service setting (Bitner 1992; Turley and Milliman 2000) and the type of service to be expected (Bitner 1992; Voss et al. 2008). The prominent serving counter, high visibility product/price advertising, bright lights and distinctive colour scheme indicating the service offering provided in a McDonalds diner is focused on delivering fast convenient, low cost food rather than a full service a la carte menu. Stageware design choices therefore provide

designers with the opportunity to establish a theme around which the service is delivered. Each element of the setting reflecting the same consistent impression or image (Bitner 1992; Pine and Gilmore 1998; Gupta and Vajic 2000).

Customerware design choices – These decisions focus on creating and managing the physical and virtual touch points through which customers interact directly with the delivery system or virtually through a technological medium such as the internet or telephone. Included within this category are decisions regarding the recruitment and training of employees and the development of scripts that guide their performance. The impact of customer-to-customer interactions is also a factor to consider when making customerware choices (Martin and Pranter 1989; Voss et al. 2008).

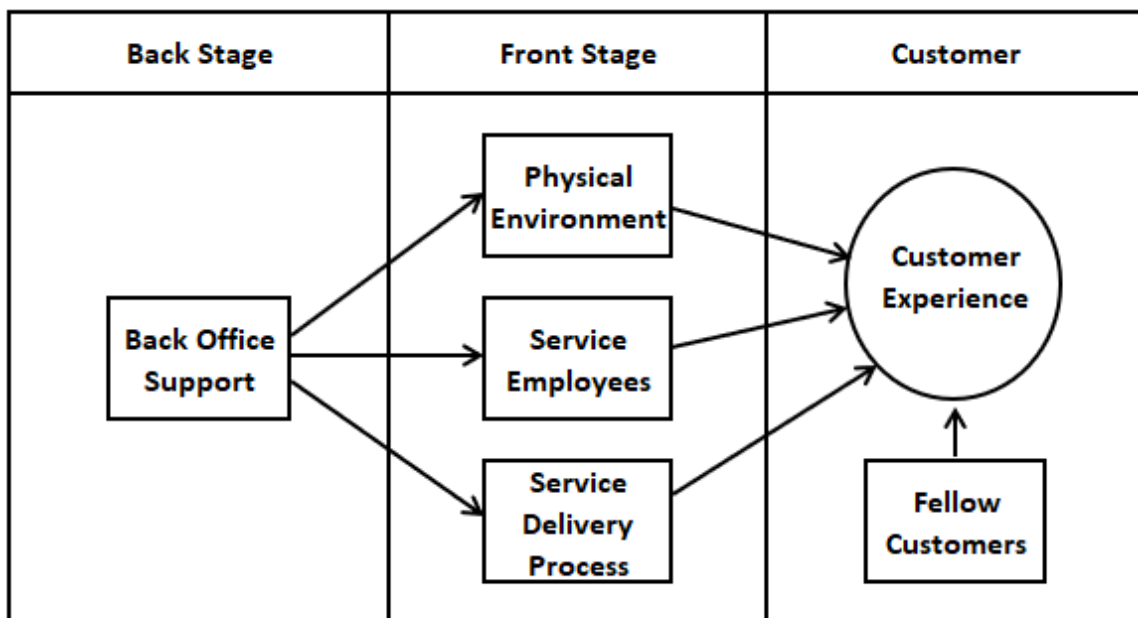
Orgware design choices – These choices relate to the systems, programmes and policies that influence how employees perform. Key orgware choices relate to management systems that focus on the recruitment, reward and retention of employees and the development of an integrated management and organisational structure.

Linkware design choices – These are the mechanisms through which the organisation communicates internally, co-ordinates activities and gains feedback from customers and suppliers. Through this set of design choices, the organisation can ensure back-office employees are connected to the customer. Whilst Voss et al.'s empirical research did not generate sufficient data to include the linkware construct in their final Destination Service Model; they recognised this remained an important area for future research (Voss et al. 2008).

2.4.4 Voss and Zomerdijk (2007)

Voss and Zomerdijk (2007) also conducted empirical research with agencies and organisations that have focused their innovation strategies on developing their delivery systems for customer experience. They identified a distinguishing characteristic of these organisations as being the attention paid to building relationships with their customers over a series of encounters (Voss et al. 2008; Zomerdijk and Voss 2010). This was seen as a continuous and linked process created over a period of time (Klauss et al. 2013) rather than the result of number of one-off static transactions. The conceptual model they develop from their empirical research builds on studies by Grove et al. (1992); Harris et al. (2003) and Stuart and Tax (2004) who demonstrate how the structure of

theatrical performances might inform the design of the delivery system. Five distinct design areas (Figure 2.3) are highlighted through which they suggest the service delivery system can be innovated to improve service performances and establish an emotional connection with their customers (Voss and Zomerdijk 2007). These areas - the service delivery process (script), the physical environment (stage), the service employees (actors), other customers (audience) and back-office support (back stage) - are within the boundaries of the organisations control and influence how customers participate in the delivery of the service. Voss and Zomerdijk (2007) recognise that whilst these are generic to all service providers, the design of these areas received a far greater degree of focus in the experience-centric organisations they studied.



Source: Voss and Zomerdijk (2007 p.105)

Figure 2.3 Experiential design areas

2.4.5 Zomerdijk and Voss (2010)

Zomerdijk and Voss (2010) develop this research further providing a number of empirically tested propositions which directly or indirectly influence customers' perception of their experience. Each proposition relates to a specific design area in conceptual model provided by Voss and Zomerdijk (2007) (Figure 2.4). The interactions that occur as the customer acquires an organisations service offering takes the form of a series of distinct phases which they refer to as a "customer journey" (*Proposition 1*). The design of this journey (*Proposition 4*)

involves planning from a customer's perspective, the points of contact and activities they engage in during each phase. The way in which these are structured influence how customers perceive their overall experience. The start, end and the significant events which occur during the co-creation of the service offering have a specific impact on this perception. The design of the physical environment (*Proposition 2*) also influences how customers engage with the service provider. Attention should be paid to the sensory clues embedded in the physical environment, which stimulate customer's sensory perceptions and the subsequent emotions they experience. The interaction and rapport which develops between front-line employees and their customers (*Proposition 3*) was also identified as a significant factor influencing the emotional connection the customer forms with the service provider. The presence of fellow customers in the service environment (*Proposition 5*) also has an important influence on how

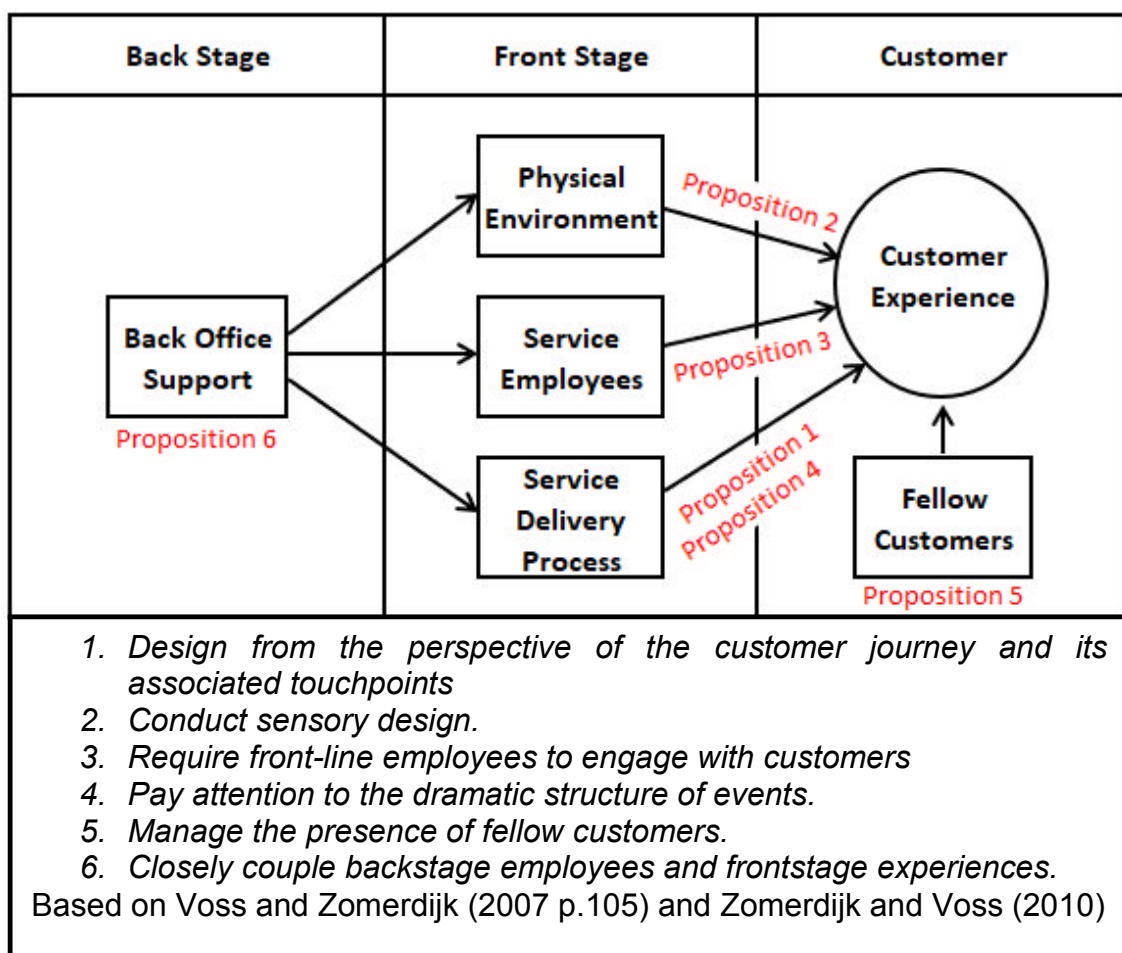


Figure 2.4 Experiential design areas / Design propositions

2.4.6 Ponsignon et al. (2017)

Research by Ponsignon et al. (2017) build on the propositions put forward by Zomerdijk and Voss (2010) exploring delivery system design in the context of an experience-centric organisation operating in the cultural sector (La Cité du Vin). Their research focused on discovering the gaps between the design of the “intended experience” expressed through four of the experience propositions referred to by Zomerdijk and Voss (2010) and customers evaluation of these propositions through their lived, “realised experience”. They present a conceptual framework consisting of four experience design areas where an alignment is fundamental in successfully delivering an experience. The experience design areas they highlight are:

- the individual touchpoints customers interact with;
- the customer journey;
- the physical environment; and
- the social environment (interaction with employees and fellow customers)

They identify a number of design characteristics for each construct relevant to both employees and customer’s assessments of the design of delivery systems in a cultural and educational context, which can be summarised as:

Touchpoints

- Participative – The ability “*to select, initiate and perform activities*” (p.775) that stimulate customers senses and involve them in active learning
- Immersive – Immersive areas that provide strong emotional stimuli whilst educating customers, and enabling them to relax and reflect

Customer Journey

- Personalisation – Customers are provided with the freedom and control to determine their route through the delivery system. They recognise however that sometimes customers are unable to determine which route to follow (through lack of advice or information), fearing they might miss something important
- Variety – A range of different thematic areas and interactive procedures to explore contributes to the customer’s experience.

- Equilibrium – Cognitive/Emotional engagement - A balance is required between the educational elements of the delivery system and the entertainment and aesthetic features

Social environment

- Customers/Employees Interactions – The behaviours and performance of employees is important in influencing how an experience is perceived. Employees act in a passive supportive role and do not “*proactively initiate contact with customers unless they detect technical or orientation problems*” (p.775)
- Interactions between customers – Interactions between customers has an influence (positive/negative) on how an experience is perceived regardless of whether this has been specifically included into the design of the delivery system

Physical environment

- Architecture – The way in which the internal setting (in which the service is delivered) is designed has an influence on how customer experience is perceived
- Atmosphere – The atmosphere created through background lighting and the sounds present also contributes to the experience

In summary, Ponsignon et al. (2017) note that whilst their findings would be relevant to other cultural organisations providing memorable and engaging customer experiences, their results might also be further generalised to other service contexts “*where the customer is physically present and can be mentally stimulated in the process of service provision, such as retail settings, education services, passenger transport services, entertainment services, and hospitality and restaurant services.*” Ponsignon et al. (2017 p.779p)

2.5 The Service Encounter

The propositions put forward by Zomerdijk and Voss (2010) highlight factors which influence how customers engage with the delivery system during the service encounter, the point at which the delivered service is experienced (Roth

and Menor 2003; Klaus et al. 2013). The service encounter represents the dynamic and collaborative practices through which customers engage in a two-way interaction and exchange (Solomon et al. 1985; Payne et al. 2007) and is an important element in how customers evaluate service quality (Solomon et al. 1985; Voorhees et al. 2017) satisfaction (Bitner et al. 1994) and customer loyalty (Gremler and Brown 1999). Building on the work of Zomerdijk and Voss (2010), it is useful to explore three aspects of service design which emanate from these propositions: the customer journey; the sequence of activities which take place over the course of this journey; and the design of the service context in which the delivery of the service takes place. These aspects focus at a “service encounter” level (Teixeira et al. 2012) on how individual touchpoints which the customer interacts with influence the overall experience they perceive.

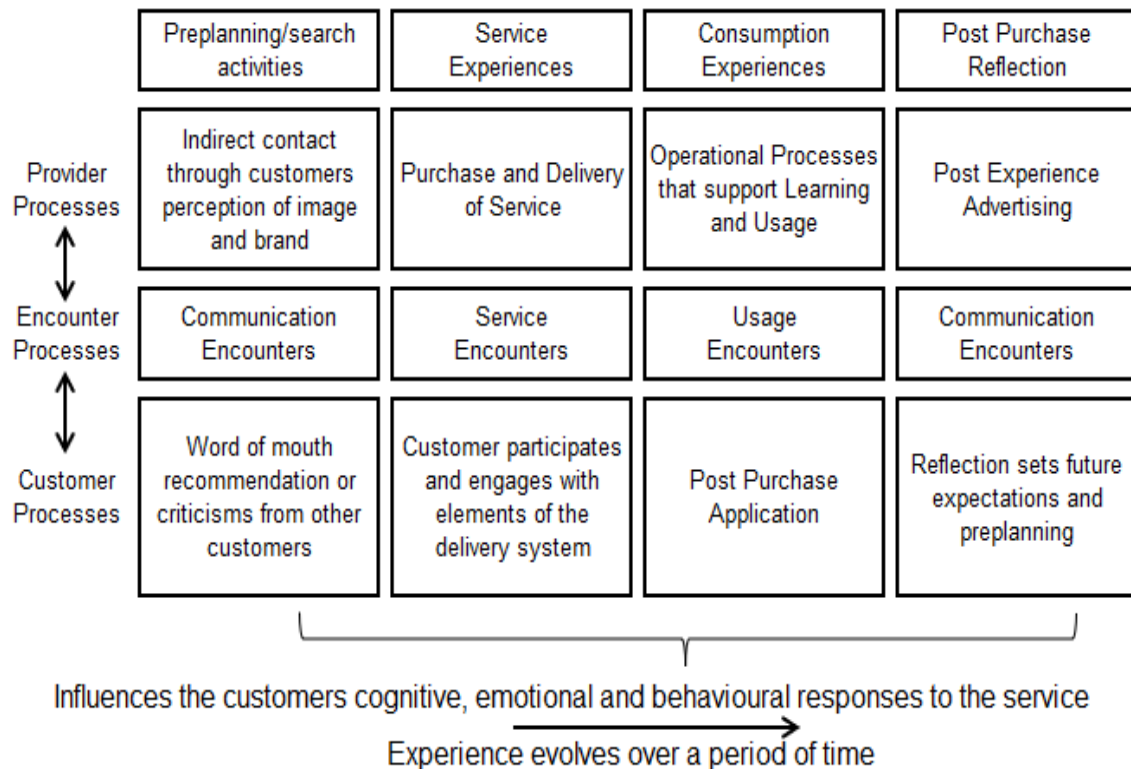
2.5.1 Service Journey

Whilst the service encounter has been traditionally thought of as a direct face-to-face interaction between “*a buyer and a seller in a service setting*” (Solomon et al. 1985; Meuter et al. 2000), Voss and Zomerdijk (2007) and Zomerdijk and Voss (2010) term the dynamic nature of this relationship as a “journey” (Lemon and Verhoef 2016). Rather than being perceived as a single dyadic exchange between a service employee and a customer (Solomon et al. 1985), the customers’ service encounter includes the interactions that occur during each phase of the journey, across a series of touch points (Meyer and Schwager 2007; Lemon and Verhoef 2016; Maklan et al. 2017) through which customers engage with the delivery system to develop an emotional and cognitive connection (Bate and Robert 2007). The notion of a customer journey is clearly represented in a definition of customer experience by Johnston and Kong (2011, p.8):

“the customer’s experience is their personal interpretation of the service process and their interaction and involvement with it during their journey or flow through a series of touch points, and how those things make the customers feel”.

At each phase of this journey, the experience unfolds during the activity sequences, that is, the “*process steps and associated service encounters*” which are required to complete the service transaction (Collier and Meyer 1998;

Hill et al. 2002). This holistic approach involves “every aspect of a company’s offering” (Teixeira et al. 2012, p.363), the experience starting before and ending after the service transaction has been completed (Voss and Zomerdijk 2007; McColl-Kennedy et al. 2015). A customer’s assessment of their experience and of the performance of the service provider is therefore evaluated over several stages (Klauss et al. 2013) which may vary over the course of their journey (Lemke et al. 2011; Dixon, et al. 2017)



Based on: Payne et al. (2007 p.86)

Figure 2.5 Framework representing the phases of the customer journey through the delivery system

As Figure 2.5 illustrates, the customers’ journey includes a period of pre-planning and search activities that precede any direct contact which occurs during the purchase of the service offering (Shaw and Ivens 2007; Voss and Zomerdijk 2007; Brakus et al. 2009; Klaus et al. 2013; Lemon and Verhoef 2016; Voorhees et al. 2017). Customers’ evaluation of this element of the experience will be based on their previous experiences with the service provider (Liljander and Strandvik 1997) and their perception of the organisation’s brand, which influences both their expectations and the comparisons they make with other competitors (Verhoef et al. 2009; Klauss et al. 2013). During this phase of

the journey, customers engage with the organisation through “*communication encounters*” (Payne et al. 2007). These interactions are principally carried out in order to facilitate a dialogue between the service provider and the customer (Payne et al. 2007) and might involve indirect contacts through external marketing communications, that is, adverts and leaflets (Payne et al. 2007; Brakus et al. 2009) and through word-of-mouth recommendations or criticisms from other customers (Meyer and Schwager 2007).

Whilst production and consumption in service contexts are not always perceived by customers as separate processes, consumption experiences have been identified as conceptually distinct from service experiences (Brakus et al. 2009; Lemke et al. 2011). Service experiences take place during the purchase and delivery of the service (Klauss et al. 2013). It is during this phase that the customer initiates the service and provides relevant information to the service provider so that they can begin to meet their particular needs and consumption goals (Bitran and Lojo 1993). Payne et al. (2007) term these interactions “*service encounters*”, encounters during which the customer engages with both the physical setting (Gupta and Vajic 2000; Carù and Cova, 2003) and with employees responsible for delivering the service either through face-to-face contact or via a technological medium such as a telephone call centre or on-line web chat (Payne et al. 2007; Brakus et al. 2009).

The consumption experience after the purchase has been made includes an element of indirect contact as the customer uses their own resources (Payne et al. 2007) to apply the service product to achieve their own particular goals (Lemke et al. 2011). A customer’s interpretation and evaluation of their experience therefore extends further than the dimensions of product and service quality (Payne et al. 2007; Lemke et al. 2010; Klaus 2014). Payne et al. (2007) highlight these interactions as “*usage encounters*”. Usage encounters include operational processes which support and facilitate the customer’s participation as they apply the benefits obtained through the delivery system in pursuit of their consumption goals, that is, value-in-use (Lemke et al. 2011). Consultations with medical staff in a pharmacist or healthcare setting, which are designed to coach patients to administer their long-term medication more effectively, is one such example (McColl-Kennedy et al. 2009). The advice

enabling patients to correctly administer the medication prescribed thereby maximising the benefits obtained from the service offering after the delivery process and service transaction have been completed.

The post-experience stage, extending beyond the conclusion of the service transaction (Voss and Zomerdijk 2007; Lemon and Verhoef 2016), includes a period of reflection (Boswijk et al. 2007) in which customers' thoughts and feelings are embedded in their long-term memory. The knowledge customers gain through their relationship and interactions with the service provider also help determine whether they engage the organisation in the future (Payne et al. 2007). Klauss et al. (2013) note that if the evaluation of the post-experience stage is positive, loyalty to the service provider increases and the likelihood of customers switching provider reduces. Whilst each service journey is perceived as a separate occurrence, the memory of previous engagements provides a bench mark against which future experiences are set and comparisons made (Verhoff et al. 2009; Rose et al. 2011). The post experience stage therefore also represents the new pre-planning stage for future interactions with the service provider (Klauss et al. 2013; Voorhees et al. 2017).

2.5.2 Structuring the Service Encounter

The sequence and duration of the activities in which customers participate, also influence how they evaluate their overall experience (Hansen and Danaher 1999; Chase and Dasu 2001; McKinsey Quarterly 2016; Dixon et al. 2017). The consistency and trend in the level of performance of the delivery system (that is, whether it is either improving or deteriorating) is an important element in customer's overall evaluation and judgement of service quality and satisfaction (Hansen and Danaher 1999; Dixon et al. 2017). Customers prefer trends which improve over a period of time (Ariely 1998; Ariely and Zauberaman 2000; Chase and Dasu 2001; Dixon et al. 2017). Hansen and Danaher (1999) demonstrated that when the performance of the delivery system improved over the course of a customer's service journey it resulted in a more favourable overall impression. The final series of encounters had a greater influence on the overall judgement of service quality and loyalty shown towards a service provider. Conversely service interactions that start well but then deteriorate produce a strongly negative overall judgement (Hansen and Danaher 1999). A bad ending usually

dominates the recollection of an experience and has a greater significance in the customers overall evaluation than the beginning (Chase and Dasu 2001).

In addition to an improving trend and positive ending, Redelmeier and Kahneman (1996) also demonstrated that the dominant peaks that occur during the course of the journey were significant elements influencing an individual's recall of their experience. Regardless of the length of each customer journey therefore the most extreme elements of the delivery process and the level of intensity during the final series of encounters have a greater influence on how an experience is evaluated (Hansen and Danaher 1999; Chase and Dasu 2001). The "hedonic profile" of the customer's journey (Ariely and Zauberan 2000) that is, the relationship between the duration, intensity and number of high and low points that occur whilst the customer is participating in the delivery of the service therefore has an influence on how the experience is eventually remembered (Ariely and Zauberan 2000; Chase and Dasu 2001).

However, through the process of segregating or integrating the positive and negative aspects of their journey called retrospective hedonic-editing (Thaler and Johnson 1990) a customer is able to subconsciously alter their perception of the experience (Thaler and Johnson 1990; Cowley 2008; Thaler 2008). This influences how they perceive and recall events allowing the experience to be viewed more positively in order to rationalise their desire to repeat the activity (Lemke et al. 2011). By segregating the pleasurable activities and combining the painful ones, service designers can influence the perception customer's form of their overall experience (Voss et al. 2008). Segmenting the activities in which customers participate intensifies the effect of each interaction because customers have less opportunity to get used to or adapt to both the positive or negative aspects of each episode (Nelson and Meyvis 2008). Each segment therefore is perceived as being a new and separate event (Nelson and Meyvis 2008; Cowley 2008). If the overall experience has more negative than positive peaks, segregating the positive peaks enables them to be remembered as separate events (Thaler and Johnson 1990; Cowley 2008). Segmenting the journey allows a customer to appreciate the complete experience, enabling them to recall the positive elements but also to recognise the negative aspects of their interactions with the service provider (Cowley 2008). Whilst segregating

the experience places a greater emphasis on the positive aspects of the experience, integrating the peaks enables an individual to avoid acknowledgment of any negative outcomes (Thaler and Johnson 1990; Cowley 2008). When the desired outcome is predominantly positive, there is a tendency to eliminate the negative emotions of an event by combining the positive and negative aspects of the experience causing a “cancellation effect” (Cowley 2008). As a result, customers perceive a net positive gain thereby maximising the pleasure derived from the activity whilst cancelling out the pain associated with the negative events (Cowley 2008).

To maximise this effect therefore, both Chase and Dasu (2001), and Nelson and Meyvis (2008) recommend the delivery system should be structured so the undesirable or negative elements are combined into a single event and presented early in the delivery of the service to reduce their impact. The more favourable activities in which the customer engages should then be staged towards the end of their journey and segmented into multiple sequences which improve over time to prolong the pleasurable aspect of the experience. Breaking the positive elements of the delivery system into a series of separate interactions also makes the overall journey appear longer (Chase and Dasu 2001). The value a customer perceives from the service offering in these circumstances therefore will feel more substantial than if the delivery system was perceived as a continuous process (Yeung and Soman 2007).

2.5.3 The Design of the Service Context – the Impact of Service Clues

As well as the sequence and positioning of the activities which occur throughout the customer’s journey, the service context is also a key factor in the design of the delivery system influencing the customer’s overall perception of their experience (Voss and Zomerdijk 2007; Zomerdijk and Voss 2010, 2011). The service context includes the environment in which the service is produced and social interactions with people, both employees and other customers that take place whilst the service is being delivered (Gupta and Vajic 2000; Pulman and Gross 2003). A separate series of research publications (for example, Berry and Bendapudi 2003; Haeckel et al. 2003; Berry et al. 2006a; Berry et al. 2006b Appendix 1), address how the often “*subtle and symbolic*” (Johnston 1999b, p.102) sensory signals emitted by the clues embedded in the service context

influence how customers engage with the delivery system. The findings from the case studies and examples reported in this research stream categorise service clues into three separate clusters (Berry et al. 2006a). These clues influence how customers perceive both the technical and functional quality of the delivered service offering (Grönroos 1984).

2.5.3.1 Functional clues – Customers' expectations of the performance of the delivery system are established through the presence of functional clues (Berry et al. 2006a). These clues provide customers with an indication of what they will receive as an outcome from the delivery system, that is, the technical quality of the delivery process (Grönroos 1984). Functional clues demonstrate the reliability and competence of the delivery system (Berry et al. 2006a) and are represented through the operational standards an organisation sets and monitors, for example, the range, presentation and level of product availability provides customers of a supermarket with functional clues which indicate to them, the probability that they will be able to fulfil their shopping requirements. Whilst the “technical outcome” of the delivered service is important and the “foundation” upon which customer experience is created, Functional clues alone are not sufficient for successful service delivery. (Brooke and Envick 2015), The way in which the customer engages with the delivery system and the emotions generated as a result also influences how an experience is perceived (Grönroos 1984). This functional quality is influenced by a different set of performance clues. These demonstrate how the delivery system is going to perform (Berry et al. 2006a) and act as a catalyst for developing the emotional bond between the customer and service provider, influencing customers overall perception of service quality (Brooke and Envick 2015). These emotionally based clues have been subdivided into two groups, mechanic and humanic clues (Berry et al. 2002; Haeckel et al. 2003; Berry et al. 2006a).

2.5.3.2 Mechanic clues – These clues influence how customers feel during the delivery of the service (Haeckel et al. 2003) and are represented in sensory stimuli, for example, the visual appearance and the smells and sounds present in the service setting which stimulate the customers' sensory perception (Carbone and Haeckel 1994; Pullman and Gross 2003; Haeckel et al. 2003; Berry et al. 2006). The quality of food (taste) and comfort of the seating

arrangements (touch) are examples of mechanic clues observed in a foodservice context. Positive clues provide vivid impressions which create the way the activity is eventually remembered (Pine and Gilmore 1998) and which influence the customers' emotional connection to the service being provided (Berry et al. 2006a). Conversely tables left un-cleared for an unacceptable length of time once customers have finished their meals, are likely to negatively influence customer's emotional connection towards the service provider. The emotional bond that develops between the customer and service provider can also be enhanced through physical aids. Artefacts produced to represent the experience, such as in the purchase of memorabilia for example, T-Shirts sold at a music concert, or given away as part of an event such as the medals provided to runners participating in a mass marathon event, also act as a physical reminder to help maintain an emotional connection with the activity being undertaken (Pine and Gilmore 1998).

2.5.3.3 Humanic clues – Humanic clues are characterised by the appearance and demeanour of the organisations employees (Carbone and Haeckel 1994; Berry et al. 2006a; Dasu and Chase 2010), both in terms of their attitude and through their behaviour (Farrell et al. 2001; Brooke and Envick 2015; Chahal and Dutta 2015) for example, their *“choice of words, tone of voice or level of enthusiasm”* (Berry et al. 2006a, p.2). These clues consolidate and strengthen the customer's emotional connection with the service provider (Berry et al. 2006a) and their perceptions of the quality of the service being provided (Wall and Berry 2007). Humanic clues also provide an opportunity for the organisation to exceed customers' expectations as they are more flexible than other elements of the delivery system and enable the service provider to act spontaneously to surprise or delight their customers (Berry et al. 2006a; Berry et al. 2006b). This can strengthen trust in the service offering and deepen customer loyalty towards the service provider (Berry et al. 2006a; Chahal and Dutta 2015). Service employees therefore have an important role in engaging with customers and establishing rapport and an emotional connection with them (Zomerdijk and Voss 2010). Through the employees' level of personal engagement, organisations can build a closer, more emotional connection with their customers (Voss and Zomerdijk 2007).

2.6 Service System Design Summary

This chapter first described the key elements involved in delivering a service offering to both meet the customer's expectations at an acceptable cost to the provider; that is, through an alignment of the needs of the organisations target market with the service concept and an appropriate delivery system (Heskett 1987; Roth and Menor 2003). Ultimately, these elements influence how customers engage with the service provider and the experience that emerges as a result (Roth and Menor 2003). The chapter then presents a number of design models which highlight how the internal resources of an organisation can be designed to maximise the efficiency of the delivery system. Building on this literature base, the chapter then focusing on how delivery systems are designed in experience-centric service organisations (Voss 2004; Voss and Zomerdijk 2007; Voss et al. 2008; Zomerdijk and Voss 2010; 2011). This research stream draws attention to the strategic choices available in both the configuration of the delivery system and in the design, sequence and duration of the specific points of contact, which influence customer experience design in these organisations. The chapter then analyses three specific aspects of service design highlighted from the research with these experience-centric service providers. Through the examination of this literature, specific design characteristics can be identified which influence how customers interact with the delivery system ultimately effecting their perception of the experience which subsequently emerges. These characteristics can be categorised as:

- The structure, sequence and duration of the customer's journey through the delivery system (Section 2.4.5; 2.5.2);
- The design of touch points embedded within the physical environment (Section 2.4.5; 2.4.6; 2.5.3);
- Service employees' interactions with their customers (Section 2.4.5; 2.4.6; 2.5.3.2);
- Customers' interactions with other customers (Section 2.4.3; 2.4.5; 2.4.6)
- The internal integration of head-office functions and front and back-office operations (Section 2.4.1; 2.4.3; 2.4.5); and
- The extent to which communication and collaboration is sought through external integration with suppliers and customers (Section 2.4.1; 2.4.3; 2.4.5)

Chapter 3: Experience Design - the customers' perspective

3.1 Introduction

This chapter considers how the customer's perspective of their experience might inform the design of the delivery system. Whilst the preceding chapter highlighted the design characteristics which influence how experience is perceived, the models from which they were derived focused primarily on the suppliers' viewpoint. Chase and Dasu (2001) and McColl-Kennedy et al. (2015) both emphasise the lack of research considering the design of the delivery system from a customer's point of view. Lemke et al. (2011) also point to four models of customer experience (Payne et al. 2007; Grewal et al. 2009; Voss et al. 2008; Verhoef et al. 2009) in which customer outcomes were not a specific consideration in their research design. Whilst the service provider creates the context through which a customer engages and interacts with the delivery system, it is the customer's interpretation of these encounters which defines the experience they perceive (Hume et al. 2006). Understanding the experience from a customer's perspective, "*what they get/see/feel*" (Johnston and Kong 2011, p.14), therefore is also an important element in establishing an effective design strategy (Ponsignon et al. 2017). This chapter will first describe the outcomes based on which an experience is perceived. The nature of a customer's engagement with the delivery system will then be examined through the lens of the experience dimensions described by Pine and Gilmore (1998) in their experience model, and through the concept of flow (Csikszentmihalyi 1975). These conceptions have been associated with case studies conducted in predominantly hedonic service contexts for example, the concept of flow features in a study by Arnould and Price (1993) exploring extraordinary experiences during white water rafting expeditions and Celsi, et al. (1993) who describe extreme experiences whilst skydiving. Similarly, Pine and Gilmore's experience model has been operationalised and studied in contexts such as ocean cruising (Hosany and Witham 2010), bed and breakfast lodgings (Oh et al. 2007) and wine tourism (Quadri-Felitti and Fiore 2012). This analysis provides additional insights which help in the development of a conceptual framework formulated to explain how the design of the delivery system influences the experience a customer perceives in non-hedonic contexts.

3.2 Experience Outcomes

A number of research studies (Schmitt 1999; Gentile et al. 2007; Brakus et al. 2009) have categorised the outcomes which customers perceive as their experience into several broad components. These literature sources suggest that customer experience is a culmination of a variety of different cognitive, emotional and behavioural responses that occur over the lifetime of the customer's relationship with the service provider (Payne et al. 2007). Whilst these components represent the output from an experience, from the customers' perspective they are generally indistinguishable from each other (Gentile et al. 2007). Through these cognitive, emotional and behavioural responses, customers evaluate the service offering and performance of the delivery system which ultimately influences their loyalty towards the service provider (Brakus et al. 2009).

Schmitt (1999) proposes five interrelated strategic experiential modules through which organisations can create different experiential marketing campaigns. Each module focuses on generating a different psychological response:

- Sensory perceptions
- Emotions and feelings
- Cognitive, analytical and imaginative thinking
- Behavioural and social identity within a particular cultural or social group

Empirical research by Brakus et al. (2009) confirmed these four types of customer response (sensory, emotional, cognitive and behavioural) act to influence how experiences are perceived when customers search for, purchase and consume branded products (Brakus et al. 2009). Gentile et al. (2007) build on these dimensions, identifying six experience outcome elements. These include the sensory, affective and cognitive dimensions identified by Schmitt (1999) and three additional outcomes that relate to the behavioural module identified in his research, the pragmatic, lifestyle and relational dimensions. Taken together, these broad psychological responses suggest customer experience is a multidimensional phenomenon which involves the interactions and engagement of the customer at a number of different and interdependent levels (Gentile et al. 2007; Payne et al. 2007; Bustamante and Rubio 2017).

The experience conceptions presented by Pine and Gilmore (1998) and Csikszentmihalyi (1975) have been examined to gain a greater understanding of the mechanisms through which a customer engages with the delivery system which influences these psychological responses which characterise how customers perceive an experience. Underpinning both models is the participants' physical involvement and the degree to which they are immersed in the activity in which they are participating, supporting the assertion by Stuart and Tax (2004, p.610) that:

“Exceptional service firms enhance their customers’ experience (and hence loyalty) by designing their service system to encourage greater active customer participation and/or to make the environment more conducive to customer absorption.”

Whilst these models focus on the hedonic value derived from the delivery system, they suggest a number of important elements which might influence how experience is perceived in contexts where customers draw predominantly utilitarian value from the service offering as in the non-hedonic contexts that will be focused on in this research.

3.3 Experience design dimensions: Pine and Gilmore (1998, 1999)

For Pine and Gilmore, experiences are staged when organisations engage with their customers in a personal and memorable way on an *“emotional, physical, intellectual or spiritual level”* (Pine and Gilmore 1998, p.99). In their conceptual model, they describe two constructs which have an influence on a customer's involvement in the co-creation of the service and in their subsequent perception of the experience that evolves.

3.3.1 Construct 1 - Customer Participation

The first construct takes into consideration the degree to which the service provider enables a customer to participate in the delivery of the service. The customer's willingness to participate refers to the extent to which they contribute labour and / or information to the service delivery system (Larsson and Bowen 1989). Whilst this places unique demands (Mersha 1990) and greater uncertainty on the delivery system (Larsson and Bowen 1989), Pine and Gilmore (1998) recognise the customer's participation is an important element in the design of the delivery system influencing how an experience is perceived.

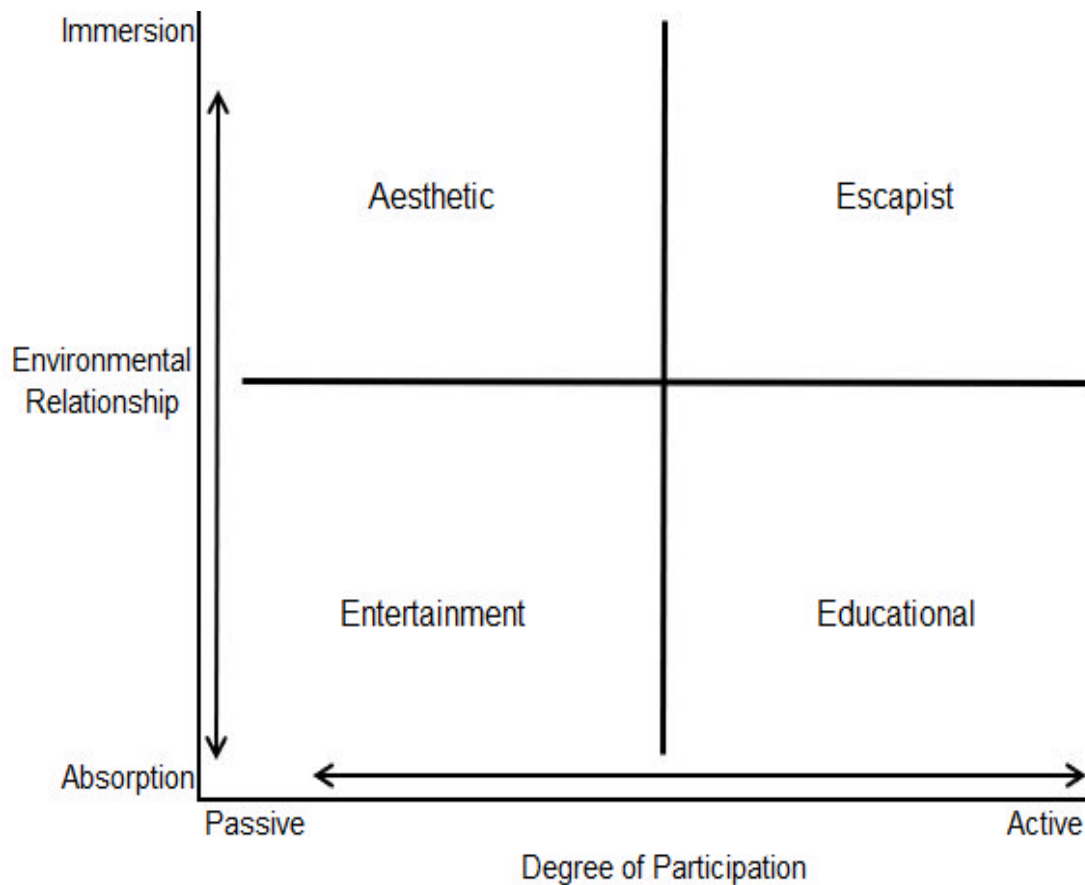
The customers' participation in the delivery of the service offering exists on a continuum of increasing involvement. Passive participation at one extreme requires the customer's presence and direct contact with the service system (Mersha 1990); however their input has a limited impact on the overall performance of the delivery process (Pine and Gilmore 1998; Carù and Cova 2003; Oh et al. 2007; Mody et al. 2017). Delivery processes involving the passive participation of customers can therefore be standardised and automated (Mersha 1990). The customer's contribution is to act only as a recipient of a standardised output (Mersha 1990). This passive role can be a source of frustration to a customer as they have little control in how the service is delivered or the part they play (Gupta and Vajic 2000).

Active participation involves a higher degree of direct interaction with the delivery system (Mersha 1990). In these situations, the data provided by the customer enables the service to be adapted to meet their actual requirements. This ranges from customers providing information used by the provider to determine an outcome or how the service is to be delivered, for example in a doctor's surgery, to them selecting a course of action or outcome from a range of options (Mersha 1990). Kellogg and Nie (1995) distinguish between "restricted processes", which are mainly standardised but allow the customer to choose from a limited selection with little or no customisation, and "selective" processes. In selective processes, whilst some elements of the service offering are standardised, the customer is provided with more opportunity to select from a wider range of options, enabling them to adapt the outcome to their own personal requirements (Kellogg and Nie 1995). Full, active participation lies at the other end of the spectrum. This is a closer and more dynamic relationship in which the customer plays an important role in co-creating either the outcome or the how the service is delivered (Pine and Gilmore 1998; Oh et al. 2007). Active customer participation necessitates moving away from routine processes, which has implications for the design and layout of the physical setting and the accessibility of the facilitating tools and equipment used during the co-creation of the service offering (Gupta and Vaji 2000). In these circumstances, the customer has a substantial influence on the design of the service offering (Kellogg and Nie 1995), which can result in a high degree of customisation (Mersha 1990). Whilst customer's involvement in the co-creation of the service

offering includes a mix of both active and passive contact with the delivery system (Mersha 1990), their active participation is an essential element in creating a unique and memorable experience (Gupta and Vajic 2000). The setting should therefore be designed to encourage customers to interact and actively engage with the service provider during the delivery of the service (Gupta and Vajic 2000).

3.3.2 Construct 2 - Customer Immersion

The second construct takes into consideration the customers' relationship with the sensory clues embedded in the service context. This "*environmental relationship*" (Pine and Gilmore 1998) enables the customer to immerse themselves in the delivery process. The extent of Customer Immersion also lies on a continuum with two extremes. At one end of the spectrum lies absorption where the customer is merely mentally engaged in the activity being performed. Total immersion at the other extreme produces a more intense personally relevant relationship in which all of a customer's senses are fully engaged (Pine and Gilmore 1998) and levels of concentration are at their highest (Brown and Cairns 2004). Totally immersed participants are completely detached and focused on the activity, "*becoming physically (or virtually) part of the experience itself*" (Pine and Gilmore 1999, p.31). At this stage, they become less conscious of their surroundings and of themselves as the activity becomes the total focal point for their "*thoughts and feelings*" (Brown and Cairns 2004, p.3). In these circumstances, an individual's level of concentration and their ability to focus their attention is fundamental to optimising the experience they have of the activity they are participating in or the event they are attending (Privette 1983). These factors, the customers' level of immersion and the degree to which they participate in the delivery of the service are strong influencing mediators determining a memorable experience (Oh et al. 2007), from which Pine and Gilmore (1989, 1999) derive four service experience "realms": entertainment; educational; aesthetic and escapist (Figure 3.0). Each realm is differentiated by the customers' level of immersion and degree to which they participate in the delivery of the service (Oh et al. 2007) and represent different conceptualisations of how an experience is perceived.



Source: Pine and Gilmore (1998 p.102)

Figure 3.0 The Four Realms of an Experience

Passive Participation realms

Entertainment – The activity is absorbed by the participant’s sensory perception whilst passively participating in the activity being undertaken e.g. watching television

Aesthetic – This realm combines passive participation with a high degree of immersion. Participant’s motivation is to be present and witness the activity being performed rather than to actually participate e.g. visiting an art gallery or museum

Active Participation realms

Educational – The activity being carried out is absorbed through the participant’s sensory perception whilst actively participating. Participation and

practice in a mentally stimulating activity results in skills and knowledge increasing e.g. taking a driving lesson.

Escapist – In the escapist realm customers actively participate and are fully immersed in the activities being undertaken. As a result, their senses are fully engaged. Pine and Gilmore (1999) links this type of experience with flow experiences e.g. visiting a theme park.

3.3.3. Testing the model in Hedonic Contexts

Building on this work, Oh et al. (2007) operationalise the model provided by Pine and Gilmore (1998) and empirically explore the relationship between the experience realms with a range of outcome variables: arousal; memory; service quality; and customer satisfaction. Their research, undertaken in a tourism context (US Bed and Breakfast Lodgings) shows a moderate correlation between the experience realms and moderate to high correlations between the outcome variables. The aesthetic realm was also significantly related to arousal; memory; service quality and customer satisfaction ($p < .01$). In addition, the education realm was significantly correlated with arousal ($p < .05$) and the entertainment realm marginally correlated with arousal ($p < .07$). Their findings suggest strategic differentiation based on these experience dimensions is possible in a tourism context. Similar findings were also identified by Hosany and Witham (2010) in their study of cruise experiences thereby further extending the generalisability of Pine and Gilmore's model across different service settings. Whilst Hosany and Witham (2010) also found the aesthetic realm to have the strongest correlation with the outcome variables i.e. arousal ($p < .001$); memory ($p < .001$) and service quality ($p < .05$) their findings demonstrated that the context in which the service offering was delivered also influenced the relative importance of each realm. Hosany and Witham (2010) highlight the importance of the entertainment realm in the context of cruise experiences in contrast to the findings from Oh et al. (2007) in which the entertainment realm was not significantly correlated with any of the outcome variables. What customers perceive as important factors in the design of the delivery system therefore is contingent on the context in which the service is delivered. In a Bed and Breakfast setting for example, entertainment was not perceived as a significant element in the value customers perceived from their experience, whereas for

cruise experiences, entertainment was identified as an integral part of an organisations service offering (Hosany and Witham 2010).

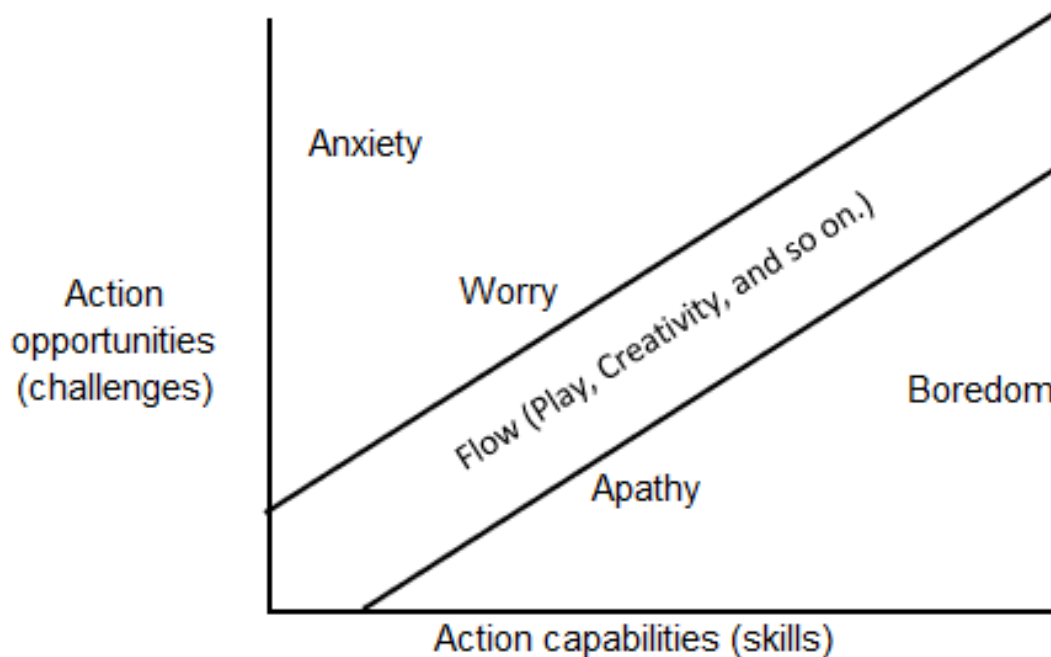
3.4 The Concept of Flow

Drawing from the science of psychology the concept of flow describes a particular psychological state in which an individual participant becomes deeply immersed in the activity or situation in which they are participating (Csikszentmihalyi 1975). The preconditions necessary for Flow experiences to develop have been described as contributing factors in case studies exploring experience in hedonic contexts (for example Arnould and Price 1993; Celsi et al. 1993; Hartsuiker and van Riel 2013). Analysing the concept of flow provides an alternative perspective on how customers engage with the delivery system and how interactions and emotional intensity develops. Flow experiences are characterised as being “*intrinsically rewarding*” (Privette 1983, p.1) and autotelic; the activity is engaged in for its own sake rather than being motivated by external stimuli (rewards or punishments) (Csikszentmihalyi 1975; Beltaqui et al. 2015). Pleasure therefore is gained from participating in the task being undertaken and in the sense of accomplishment when this has been achieved, rather than from the tangible outputs generated from the activity (Csikszentmihalyi 1975).

3.4.1 Preconditions necessary for flow experiences to develop

For the state of flow to develop however, a number of important preconditions must first be present. The participant needs to be provided with a clear objective and understand how their participation contributes towards achieving this. The activity should also be sufficiently stretching with regard to the participants’ level of skill that they are required to focus their concentration on the task they are performing (Csikszentmihalyi 1975; Csikszentmihalyi and LeFevre 1989; Goleman 1996). Csikszentmihalyi (1975) and Massmini and Carli (1988 p270) also point to situations where an imbalance between the level of knowledge and skill of the participant and the perceived challenge of the task result in less positive emotions being aroused as figure 3.1 describes. When a person believes the requirements of the task are beyond their capabilities and there is no opportunity for them to develop the skills and knowledge required to complete the task, they experience feelings of anxiety. Similarly, when

capabilities are higher, but the challenge of the activity is still too demanding, the emotion experienced is worry. If however the challenge of the task is within the participant's capability and their level of skill or knowledge is greater than that



Source: Csikszentmihalyi (1975 p. 49)

Figure 3.1 Model of the Flow State

required to complete the activity, participants have a tendency to become bored. Conversely, when both the challenge of the activity and the skills required to complete it are well within the scope of the participants past experience a state of apathy develops. For a state of flow to be experienced therefore, the challenge of the task needs to be sufficient enough to avoid boredom, but not so challenging that the participant experiences anxiety (Csikszentmihalyi 1975).

Flow is a dynamic phenomenon which evolves as the perceived level of challenge in the activity and the skill of the participant develops over time (Guo and Ro 2008). In addition, a feedback process should also provide information to the participant which enables them to know how well the activity is being tackled. This allows for adjustments to be made when the demands of the task change, which helps to maintain the flow state (Csikszentmihalyi 1975). Similarly as an individual's skill improves through practice and experimentation

(Gupta and Vajic 2000), progressively more complex and challenging activities need to be undertaken for flow states to continue (Goleman 1996). The activity being undertaken therefore must be responsive and able to adapt to this increased awareness and knowledge. Situations of flow are therefore a “*self-rewarding*” and “*self-reinforcing*” phenomenon (Hoffman and Novak 1996, p.57; Goleman 1996) in that people are often motivated to repeat an activity at progressively higher levels of challenge to maintain the flow state.

Whilst the task or challenge might be suitably stretching for the participants’ level of skill and knowledge, flow states also require a high degree of mental concentration focused on a narrow range of actions or stimuli during the process of completing the activity (Csikszentmihalyi 1975). This level of focus excludes any external distractions or unrelated thoughts, thereby creating a situation in which the individual is only aware of those actions appertaining to the activity being performed (Hoffman and Novak 1996; Goleman 1996). To maintain a flow state therefore, potentially intruding or distracting stimuli which divert attention away from the activity being performed should be minimised (Csikszentmihalyi 1975).

3.4.2 Outcomes generated from flow experiences

The outcome of a flow experience is an inherently enjoyable (Hoffman and Novak 1996) positive and highly personalised experience (Csikszentmihalyi 1975). As levels of concentration are at their highest negative and debilitating emotions which inhibit individual performance, such as worry and fear, are blocked and concerns about success or failure in performing the activity eliminated (Csikszentmihalyi 1975). Similarly, in flow states self-consciousness or concerns regarding individual ego also dissipate (Csikszentmihalyi 1975; Hoffman and Novak 1996). Because the activity is enjoyable and autotelic, individuals are motivated to return and recreate the circumstances in which the original experience occurred (Csikszentmihalyi 1975 Privette 1983). As a result of the intense focus and the enjoyment obtained whilst immersed in the task, periods of flow also appear to take the form of a “*seamless sequence of responses*” (Hoffman and Novak 1996, p.57) in which the participant’s perception of time adapts to the activities taking place (Csikszentmihalyi 2003). Participants are also often less concerned with the time taken to complete a

particular task (Conti 2001). As a result, participants have a tendency to lose track of the duration of time participating as awareness of clock time is suspended (Conti 2001; Beltaqui et al. 2015) , with time appearing to either slow down or speed up (Csikszentmihalyi 1975; 2003; Goleman 1996). As the challenge of the activity begins to be mastered and the participant learns how to respond to changing circumstances their level of perceived control also increases, both in terms of the participants' ability to complete the task and in their trust in the system's ability to respond to their input (Hoffman and Novak 1996).

3.4.3 The Impact of Flow in Virtual Settings

Whilst flow experiences have been associated with challenging leisure activities that require an intense focus, such as online game experiences (Voiskounsky et al. 2004; Chiang et al. 2011) and performing music (Wrigley and Emmerson 2013), instances of flow experiences can occur regardless of the context (work or leisure) in which the activity is conducted (Csikszentmihalyi and LeFevre 1989). From the perspective of service design, the concept of flow has been primarily associated with customer's participation in the delivery of online services in both work for example, information-seeking and leisure activities.

The theoretical model of flow within a computer-mediated environment provided by Hoffman and Novak (1996), introduce a number of design features that facilitate concentration and attention within a virtual service setting. They note the importance of the interactivity of the process, for instance, the ease and speed of use and the vividness of the service setting (Hoffman and Novak 1996). They propose these design elements are important in facilitating flow within computer-mediated environments.

Klaus (2013a) and Saïd (2017) also suggest the concept of flow is useful to understand how customers interact with web sites. A number of research studies have demonstrated how the constructs of flow experiences have been associated with positive outcomes in areas such as satisfaction to online financial services (Ding et al. 2010) and intentions to return with online retailers (Koufaris 2002). Flow has also been shown to have a significant impact on

shoppers' experience whilst making on-line purchases (Anil et al 2015; Yalin et al 2017)

Novak et al. (2003) found flow states could be associated with both task oriented activities as well as web users' recreational hedonic activities. Their research showed whilst flow states could be identified in both scenarios, it was more likely to occur in activities that were task-oriented (Novak et al. 2003). Research by Lee and Wu, (2017) also demonstrated that key elements of flow experiences, that is, perceived control, concentration, and cognitive enjoyment were relevant constructs during on-line shopping experiences, creating both utilitarian and hedonic outcomes for customers. Similarly, Huang (2003) demonstrated a number of website attributes, namely complexity, interactivity and novelty, could be designed to induce key elements of flow experiences, including perceived control, focused attention, curiosity and interest. These were also positively linked with both the utilitarian (information seeking) and hedonic (entertainment) aspects of website use.

3.4.4 The Impact of Flow in Hedonic Contexts

Whilst research involving the concept of flow experiences has focused predominantly on the virtual world, a limited number of studies have been conducted in real world settings. The concept of flow has been highlighted as useful in describing how customers perceive experience in hedonic service contexts. Analysis by Woodruffe-Burton et al. (2006) of shopping behaviour in real world settings suggests elements of flow experiences including setting goals, immersion and the ability to concentrate, and the enjoyment of a shopping trip were present during customers shopping encounters. Hartsuiker and van Riel (2013) also demonstrate how inducing flow enhanced customer loyalty when visiting a "fear-inducing" Halloween event at an amusement park. Pine and Gilmore (1999) also point out the conditions under which flow experiences emerge (active participation and heightened levels of immersion) coincide with the escapist realm in their experience model. They highlight theme parks, casinos and extreme sports such as mountain climbing, snowboarding and rollerblading as examples of experiences that fall within this realm. Celsi et al. (1993) also recognises the influence of flow in determining skydivers' motivation for participating in the sport and in normalising the associated risks.

Their research also focuses on aspects of flow which are not apparent in normal service experiences: in addition to the normal conditions required to create flow experiences, that is, knowledge and skill attuned to an adaptable but challenging undertaking, they highlight how the social context in which the sport is conducted enhance the experience participants have in two important ways. Firstly, the community and camaraderie bought about through a shared experience, creates a bond and a “sense of belonging” which they term as “*Communitas*”, (Celsi et al. 1993, p.12). Secondly groups that experience this type of “*shared flow*” also develop a specific language, which bonds members of the group together through the technical knowledge they possess together with the combined experiences they share (Celsi et al. 1993). The degree to which *communitas* develops however is dependent on the personalities of individual members and the relationships that form between them (Arnould and Price (1993). The relationships and *communitas* that developed between fellow guests was also a feature of customers experience in the hotel and Airbnb (online hospitality service) locations selected in research conducted by Mody et al. (2017) and in the bonds developed between participants and their guides in river rafters’ “extraordinary experiences” uncovered by Arnould and Price (1993). These experiences, triggered by an individual’s participation in an unusual rather than extreme event, also shared a number of similar characteristic outcomes to those identified by Celsi et al. (1993); for example, a high degree of emotional intensity, personal control and pleasure achieved through the act of participating in the activity.

In the field of education, Goleman (1996), Conti (2001) and Guo and Ro (2008) also highlight the impact of the preconditions of flow states on students’ ability to learn. Goleman (1996 p94) for example, observe that “*flow and the positive states that typify it ... is an effective and healthy way to teach children ... motivating them from inside rather than from threat or promise of reward*”. Guo and Ro (2008) also found that providing timely feedback in a concise manner is the most effective factor in maximising learning. In addition, Kiili (2005) demonstrates that students recognise both the preconditions, – that is clear goals, focused attention and feedback – and the outcomes of flow experiences, including enjoyment, perceived control and a distorted sense of time, in online

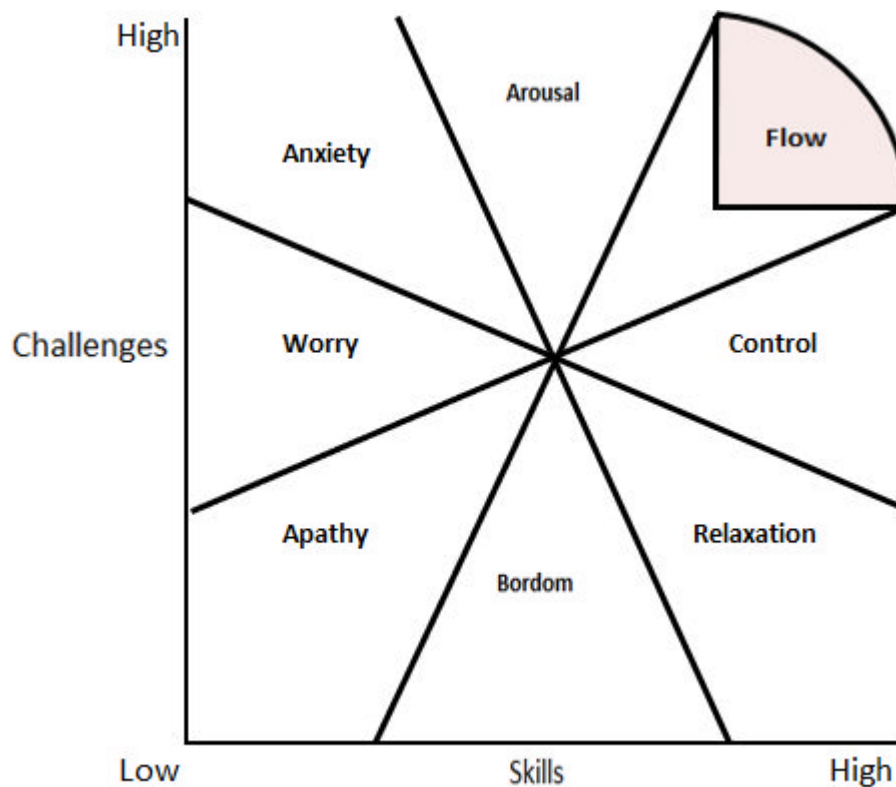
games designed to educate. Their research shows a strong connection between flow and students ability to learn from these activities.

3.4.5 The Impact of Flow in Non-Hedonic Contexts

Whilst the conditions necessary for flow experiences to develop have been contributory factors influencing how customer experience is perceived in hedonic contexts, most organisations providing a broad-based service offering in non-hedonic contexts would try to avoid situations in which customers are presented with challenging circumstances. Beaven and Scotti (1993, p.13) observe that the challenge for service designers is to *“minimise barriers that prevent or inhibit successful consumer entry, participation, and consummation of the process”*. Ding et al. (2010, p.101) for example, highlight that when websites are designed to enable users to more easily locate information or *“find appropriate analysis tools”* (thereby reducing the level of challenge), their ability to concentrate and the level of control they perceive themselves to have increases. Dixon et al. (2010, p.118) also notes that to create loyal customers, companies should focus on assisting them to *“solve their problems quickly and easily”*, rather than intentionally incorporating challenges into their delivery system. In their analysis of how the preconditions of flow influence customers' perceptions of fear-inducing servicescapes, Hartsuiker and van Riel (2013, p.14) also point out that *“visitors need to feel challenged first, and need to be challenged appropriately.”*

Massmini and Carli (1988) experience typology highlights how the relationship between the challenge of an activity being undertaken and the skills required to complete it influences how an experience is perceived. They identify eight distinct channels, each channel representing a different ratio between these two variables. Figure 3.2 is a graphical representation taken from Csikszentmihalyi (1997 p31) which was adapted from the research by Massmini and Carli (1988, p.270). This demonstrates how an individual's psychological state might influence the experience they perceive depending on the relationship between the level of challenge of an activity and the skills required to complete it. Customer experience in non-hedonic contexts might be more likely to resemble the “Control Channel” experience (Massmini and Carli 1988) than that of flow. During *“control channel”* experiences, the task being undertaken only presents

an average level of challenge and the individual participants possess skills which slightly outweigh the requirements needed to complete it. Individuals therefore do not need to apply the same high levels of concentration to complete the task as would be required for a state of flow to develop.



Source: Csikszentmihalyi (1997 p.31)

Figure 3.2 The Quality of an Experience defined by the Relationship Between the Level of Challenge of an Activity and the Skills required to Complete it

Whilst figure 3.2 represents the relationship between the challenge and skill required to complete an activity, it does not provide an explanation of how the outcomes representative of flow and control channel experiences differ. Massimini and Carli (1988, p273) however differentiate the outcome from a control channel experience as characteristic feelings of “*Friendliness, relaxation and control*” rather than the highly pleasurable emotions felt during a flow experience such as “intrinsically enjoyable” (Privette 1983 p1361) “cheerful or sociable” (Csikszentmihalyi and LeFevre, 1989 p816). Similarly, Csikszentmihalyi (2003) also note that whilst control experiences are not as enjoyable as those perceived during a state of flow, they do result in emotions

of happiness, comfort and confidence. Friendly, relaxed, control, happy, comfortable and confident are characteristic emotions therefore which might emerge during a control channel experience.

3.5 Experience Design Summary

This chapter focuses on understanding how the customers' perspective of their experience can be helpful in influencing the design of the delivery system. Experience design from a customer's viewpoint is predominately based on case studies conducted in hedonic contexts (Lemke et al. 2011; Candi et al. 2013). An analysis of the two conceptions of experience that feature in these studies (Pine and Gilmore 1998; Csikszentmihalyi 1975) offer service designers an additional set of conditions that demonstrates from the customer's point of view how their experience might be perceived. Through a synthesis of these models, a number of key characteristics which influence how customers engage with the delivery system and perceive the outcome of their experience have been identified.

- The activity being undertaken has a clear goal (Section 3.4.1)
- The activity allows individuals to participate (Section 3.3.1; 3.4.1)
- The challenge of the activity is matched by the participant's level of skill and knowledge (Section 3.4.1)
- An optimal degree of concentration is applied whilst participating (Section 3.3.2; 3.4)
- A feedback process provides information about how well the activity is being achieved and this allows the participant to adapt how they perform (Section 3.4.1)
- The activity being performed is adaptable to accommodate changes in the level of skill and knowledge of the participant (Section 3.4.1)

3.6 Thesis research gap identified

The literature review (Chapters 2 and 3) provides a summary of the experience design literature from both service provider and customer perspectives. Chapter 2 demonstrates how the internal resources of an organisation can be designed to both maximise the efficiency of the delivery system and be effective in satisfying the needs of their customers' which ultimately influences the

experience customers receive (Roth and Menor 2003; Karwan and Markland, 2006). It also highlights the design elements which research (for example, Voss 2004; Voss and Zomerdijk 2007; Voss et al. 2008; Zomerdijk and Voss 2010; 2011; Johnston and Kong 2011) has shown are characteristic of organisations operating across a range of sectors not traditionally thought of as experiential in which “*customer experience is at the core of the service offering*” (Voss et al. 2008 p.258). Whilst the importance of understanding the customers perspective in planning the design of the delivery system has been recognised (Chase and Dasu 2001; Johnston and Kong 2011), this research stream has focused predominantly on the suppliers’ perspective (Lemke et al. 2011).

Chapter 3 addresses this shortfall, focusing on the customer’s perspective and highlighting a number of design characteristics which influence how they engage with the delivery system and perceive the outcome of their experience. The case studies which have contributed to this aspect of experience design theory have been conducted predominantly in hedonic contexts where experience is a central element of the service concept (Candi, et al., 2013) for example, Arnould and Price 1993; Dodson 1996; Ladwein 2007; Celsi et al. 1993; Schouten et al. 2007)

Whilst customer experience is a relevant design innovation strategy for both business-to-customer and business-to-business service providers (Pine and Gilmore 1998) and is a suitable approach regardless of the size of the organisation (Candi et al. 2013), little research has been conducted to explicitly understand how organisations design for customer experience in undifferentiated non-hedonic service contexts (Carù and Cova 2003; Helkkula and Kelleher 2010; Candi et al. 2013).

The next chapter will demonstrate how key components of delivery systems in experience-centric organisations (identified in chapter 2) have been integrated with elements of delivery system design in hedonic service contexts (as highlighted in chapter 3) to form a conceptual framework formulated to address the research question:

“How do organisations operating in non-hedonic service contexts design for customer experience?”

Chapter 4: Conceptual Framework

4.1 Introduction

The aim of this chapter is to synthesise the salient components derived from the examination of the extant literature described in the previous two chapters (Service System Design and Experience Design - the customers' perspective) into a conceptual framework through which the research question was explored. Drawing from established service design models (Roth and Menor 2003; Voss et al. 2008; Normann 2005; Verhoef et al. 2009; Zomerdijk and Voss 2010) the conceptual framework details four interdependent components in which strategic decisions can be made influencing the design and configuration of the delivery system. These constructs have been termed Design Choices. Through the literature provided by Pine and Gilmore (1998) and Csikszentmihalyi (1975), four Experience Mechanism constructs were also identified which have been included on the framework. Incorporated into the design of the delivery system, these dynamic elements help to facilitate customers' involvement in the delivery of the service. Pine and Gilmore (1998) and Csikszentmihalyi (1975) also describe a number of Experience Outcome constructs, factors which customers perceive as part of their experience. These have also been detailed in the framework. The conceptual framework for this study therefore was constructed to explore three main elements:

- Design choices - the interdependent components of the delivery system in which strategic decisions are made that influence its design and configuration
- Experience Mechanisms - the dynamic elements that mediate how customers engage with the delivery system during the co-creation of the service offering and that shape their perception of the experience
- Experience Outcomes - factors which characterise how customers perceive their experience

Through the literature review the meaning of each construct has been developed at a more granular level. The key elements, highlighted as chapter sub-headings, in these enhanced descriptions have then been used in the development of a higher order coding framework (Appendix 6) used to initially analyse the data obtained through the empirical phase of the research study.

Included in the development of this coding template, *Accessing the service offering in real and virtual environments* (4.2.1.1) and *Deployment of technology* (4.2.1.2) are for example, key aspects describing the Technology and Physical support construct.

Whilst conducting the literature review, over 250 instances linking the constructs of the framework were also identified across 87 different publications. In asserting that *“Mechanic and humanic sensory clues influence customers’ emotional perceptions”* for example, Berry et al. (2006b p.46) form a connection between the Sensory Stimulation construct and the Emotional Response construct. Similarly, Glushko and Tabas (2009 p.409) state that:

“an important concept in service design is to “empower” the service provider/employee to adapt the service or provide additional services to solve problems or handle unexpected events (Lashley 1995), or just so that the customer can “have it his way” (Frei 2006)”

inferring a connection between the Organisational Infrastructure, that is, the organisations policies and procedures which influence how employees perform, and degree to which the service can be adapted to suit the customers’ particular needs (Adaptability).

In some cases, a relationship was also identified as an outcome derived from a specific research project. In research by Morrin and Ratneswar (2003 p.21) in which they investigate how ambient scents (Sensory Stimulation) influence recall and recognition of brands (Memory Recall) for example, they state:

“Across the two studies, we found a consistent pattern of results. When there was a pleasant ambient scent (versus no scent) during the brand exposure phase, subjects spent more time examining the stimuli. Concomitantly, in both studies, the presence of ambient scent improved subjects’ recall and recognition of brand names.”

In addition to the description of each construct, the conceptual framework also draws on these connections suggesting a number of relationships between the Experience Mechanism constructs and the Design Choice and Experience Outcome constructs which might explain how the design of the delivery system influences the experience a customer perceives. In addressing the research

question “**How do organisations operating in non-hedonic service contexts design for customer experience?**”, the empirical phase of the research has been designed to explore whether the constructs and relationships between them are present and relevant to both the design of the delivery system and how customers perceive their experience in these service contexts.

Appendix 2 provides a definition for each of relationship together with details of the specific publications in which the relationship was identified. The relationships between the Design Choice and Experience Mechanism constructs will also be detailed as tables at the end of the description of each Design Choice construct together, with the publications in which these relationships were suggested. Similarly, the relationships between each Experience Mechanism and Experience Outcome constructs will also be detailed at the end of the description of each Experience Mechanism construct. Figure 4.0 demonstrates the conceptual framework and includes the relationships between the constructs highlighted in the Literature Review.

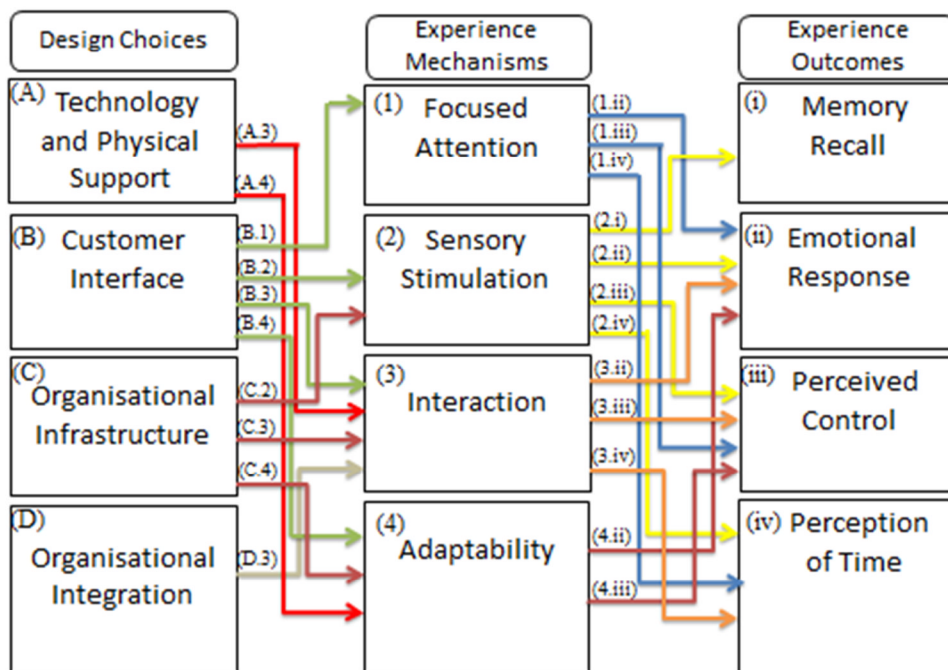


Figure 4.0 Conceptual Framework to Demonstrate Relationships between Constructs in Non-Hedonic Contexts

In the subsequent analysis, each construct within the Design Choice element of the conceptual framework will be identified as A, B, C and D., the Experience Mechanisms as 1, 2, 3, and 4 and the Outcomes as i, ii, iii, and iv. The relationships identified between each element will be denoted by A3, 1ii and so on. The colours used to depict each relationship have no specific meaning other than to aid in the visual appearance of the model and provide the reader with greater clarity regarding the relationships identified.

4.2 Design Choice Constructs

The first element of the conceptual framework considers the components of the delivery system in which strategic decisions can be made. Building on research by Roth et al. (1996); Roth and Menor (2003) and Voss et al. (2008), four Design Choice constructs have been identified which influence the design and performance of the delivery system. These Design Choice constructs are:

(A) Technology and Physical Support - *The means through which a customer is able to access the service offering*

(B) Customer Interface - *The specific points of contact where customers engage with the delivery system and participate in the delivery of the service*

(C) Organisational Infrastructure - *The organisation's internal architecture setting the policies and procedures which determine how the service strategy is implemented.*

(D) Organisational Integration - *The extent to which new information and knowledge is gathered from both internal and external sources and assimilated throughout the organisation*

4.2.1 Design Choice – (A) Technology and Physical Support

Drawn from the description of the service system presented by Normann (2005), this strategic design choice addresses the practical difficulties of accessing the service offering and interacting with the delivery system (Apte and Vepsikiinen 1993; Roth and Menor 2003). Normann (2005) points out that the Technology and Physical Support construct relates to both the location of the physical setting, and the equipment and technology employed that enable customers to participate via virtual distribution channels, for example, the internet and other media and telecommunication technologies (Racherla et al. 2011).

4.2.1.1 Accessing the service offering

The means of accessing the service offering ranges from “pure dot-com” delivery strategies in which the service offering is only provided through a virtual channel (Oliveira et al. 2002) and interaction with the customer is made indirectly through an electronic communication medium (Wemmerlov 1990; Roth and Menor 2003), that is, through internet and mobile technologies, through to direct face-to-face interaction in traditional bricks and mortar settings (Wemmerlov 1990; Oliveira et al. 2002; Roth and Menor 2003). Organisations are however increasingly exploiting multiple channels to distribute and communicate with their customers (Payne et al. 2007; Racherla et al. 2011), blending both new technologies with a physical setting (Racherla et al. 2011) to create hybrid “clicks-and-mortar” delivery strategies (Oliveira et al. 2002, p.723). Organisations exploiting multi-channel distribution strategies are expected to grow as the use of the internet become more widespread and new virtual channels are developed, for example, through mobile technology and social media (Racherla et al. 2011). The challenge for service designers however, is to ensure the performance of each delivery channel is consistently maintained across the entire delivery system, thereby enabling their customers to “*move seamlessly*” between them when required (Racherla et al. 2011, p.134; Kelly 2015; Lemon and Verhoef 2016; Homburg et al. 2017; Teixeira et al. 2017). This provides the customer with a choice in how they access and participate in the delivery of the service at a time most convenient to them (Racherla et al. 2011). An important element in developing this type of delivery strategy therefore is the organisations ability to integrate their distribution channels to allow customers to synchronise their activities (Racherla et al. 2011) “*without disruption or loss of information*” (Badgett et al. 2006, p.9) (Inferring relationship A4-Technology and Physical support/Adaptability). Verhoef et al. (2009) acknowledges that the customers’ perception of their experience will be influenced by their interactions across all of the service provider’s delivery channels, the experience in one channel having an impact on how they perceive the performance of other channels made available by the provider.

4.2.1.2 Deployment of technology

As well as the delivery channels made available to customers, this construct also relates to how technology and equipment are deployed in the delivery of the service. Activities which require less contact from the customer can be designed with technology in the back-office operation, that is, the technical core (Thompson 1967), which provide a high degree of repeatability and generate large volumes of output (Collier and Meyer 1998). These back-office activities, removed from the customers' disruptive influence, can be allocated into specialist tasks, batched and automated (Metters and Vargas 2000) thereby maximising the efficiency of the individual process (Collier and Meyer 1998; Glushko and Tabas 2009) and smoothing the work flow which in turn makes it easier to control and standardise quality (Normann, 2005). Key strategic decisions therefore relate to the extent to which the service provider is able to automate service delivery, whether they have the internal capacity to develop the technology required or need to source it externally, and the time scale for its replacement (Roth and Menor 2003).

The high degree of variation that occurs when customers are involved in the delivery of the service however means that the level of mechanisation found in back-office processes is not appropriate. The technology deployed in front-office operations need to be both flexible in order to accommodate the variability generated by the customer being served (Larsson and Bowen 1989; Kellogg and Nie 1995), and capable of adapting to meet their particular needs and preferences (Bitner et al. 2000; Glushko and Tabas 2009). The strategic decisions that influence the performance of front-office operations therefore includes identifying the most appropriate combination of contact mediums (face-to-face and/or technology based) through which the service provider is able to engage with the customer (Bitner et al. 2000). The technology employed should also be capable of providing sufficient information to enable customer contact employees to build and maintain a relationship with their customers (Voss et al. 2008; Glushko and Tabas 2009; Berry et al. (2015) (Inferring relationship A3-Technology and Physical support/Interaction). Dasu and Chase (2010, p.35) for example, point to the importance of developing information systems that *“provide service employees with a comprehensive picture of the company’s relationship with the customer”*. In support of this assertion, Voss et al. (2008)

highlight how technology has been utilised to develop systems at the Ritz-Carlton hotel. These have been designed to gain a better understanding of their guest's preferences and act on their observations from previous visits. During their stay, front-office employees are also alerted about guests' specific needs thereby ensuring their experience is consistently maintained regardless of which employee a customer interacts with.

Table 4.0 provides a definition of relationships identified between the Technology and Physical Support construct and Experience Mechanism constructs, and the publications in which references to these relationships have been identified.

Table 4.0 Relationships identified between the Technology and Physical Support construct and Experience Mechanism constructs

A3 Technology and Physical Support / Interaction
The customers ability to interact with the organisation through a variety of mediums and receive a timely response and employees ability to maintain a relationship with their customers through the technology employed
Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008); Lemon and Verhoef (2016); Stocchi et al. (2016)
A4 Technology and Physical Support / Adaptability
The extent to which the customer is able to initiate and access the delivery process and subsequently synchronise their activities through a variety of different delivery channels
Badgett et al. (2006); Kellogg and Nie (1995); Racherla et al. (2011)

4.2.2 Design Choice – (B) Customer Interface

The Interface construct relates to the combination of specific environmental, technological and human points of contact through which customers interact with the delivery system (Bitner 1992; Bitran and Lojo 1993; Rayport and Jaworski 2004; Voss et al. 2008) to both initiate and participate in the delivery of the service (Glushko and Tabas 2009). As they interact, mechanic service clues (Berry et al. 2006a) embedded in the Customer Interface stimulate customer's sensory perception that is, what they see, hear, smell, touch or taste (Pullman and Gross 2003; Healy et al. 2007; Zomerdijk and Voss 2010) (Inferring relationship B2-Customer Interface/Sensory Stimulation). The salience of these clues, that is, their significance with regard to the customer achieving their

overall consumption goals ultimately influences customers' rational and emotional perceptions of their experience (Berry et al. 2006a) (Inferring relationship 2ii Sensory Stimulation/Emotional Response). Gupta and Vajic (2000) point out that creating a successful experience is reliant on designing an Interface that provides both a consistent impression to the customer of the service being provided and is adaptable to their particular needs (Inferring relationship B4 Customer Interface / Adaptability). In this way, customers are provided with the freedom to create their own "*unique activity sequence(s)*", actions which either they perform themselves or in conjunction with a service employee (Collier and Meyer 1998). Similarly, competing or negative service clues which divert the customer's attention away from the activities they are participating in should as far as possible be removed from the design of the Interface (Pine and Gilmore 1998; Ding 2010) (Inferring relationship B1-Customer Interface/Focused attention).

4.2.2.1 Environmental touchpoints

Bitner (1992) highlights how clues established across three environmental variables in the physical setting i.e. the ambient conditions, space and functional design and the internal signage, symbols and artefacts of the service setting, have a direct influence on the customer's experience of engaging with the delivery system (Fernandes and Cruz 2016). These service clues provide customers with information through their senses about the environment in which the service is being delivered (Zomerdiijk and Voss 2010) and help to guide customer's actions such as "*where to queue*" (Voss and Zomerdiijk 2007) and how to navigate through the service setting (Collier and Meyerr 1998). Bitner (1992) draws attention to the impact that these clues have on both customers and employee's behaviours and their subsequent emotional responses during the delivery of the service (Inferring relationship B2-Customer Interface/Sensory Stimulation). In her servicescape framework she demonstrates how the ambient conditions of the service setting, for example, the temperature, air quality and noise help generate an emotional response to the service provided. She also highlights how sensory clues present in the appearance of the external and internal features of the setting influence the customer's rational and emotional perception of the service offering (Kotler 1973; Turley and Milliman 2000) and of the organisation providing it (Bitner 1992). As well as engaging with the

environmental touch points in the physical setting, the Customer Interface construct also includes the interactions that occur at the technological and human points of contact (Inferring relationship B3-Customer Interface/Interaction).

4.2.2.2 Technological touchpoints

Increasingly, customers are engaging with the delivery system through technological touchpoints, the second element of the Customer Interface. These enable customers to interact and communicate directly with service employees working in back-office facilities via telephone, e-mail or social media platforms (Froehle and Roth 2004; Bustamante and Rubio 2017). In addition, self-service technologies also enable customers to engage with the delivery system without any direct interaction with service employees (Meuter et al. 2000; Froehle and Roth 2004) through for example in-store tablets, augmented reality and virtual reality, (Bustamante and Rubio 2017). Bustamante and Rubio (2017) highlight the efforts of clothes retailer Zara to implement “intelligent fitting rooms” in their stores which include tablets, for example, to recommend new products which customers could combine with the garments they are trying on or to make it easier to contact a sales assistant.

Meuter et al. (2000) categorise the ways customers use these technological interfaces into three separate groups. The first group involves customers using facilities such as telephone and voice recognition systems, and “*interactive free-standing kiosks*” such as automated teller machines (ATMs) which enable them to fully participate in the delivery of the service (Meuter et al. 2000, p.52). The second facilitates customers’ use of direct transactions to “*order, buy or exchange*” resources through predominantly internet-based technologies. Finally, customers can use the available technology to gain information and to learn.

4.2.2.3 Human touchpoints

The third important element of the Interface construct relates to the contact customers have with other people. This could be either with employees in a physical setting or via a technological medium such as a telephone call centre (Racherla et al. 2011) or with other customers. In addition therefore, to the

mechanic service clue touchpoints (Berry et al. 2006a), the Interface construct also considers the impact of humanic clues on how customers engage with the delivery system (Berry et al. 2006a). Wall and Berry (2007) and Brunner-Sperdin and Peters (2009) both suggest that the individual behaviour of employees is a more significant factor influencing how customers evaluate a service encounter than the mechanic clues provided by the service setting. Ryan and Ployhar (2003) describe the activities of employees directed towards influencing service quality as service-oriented behaviours. Despite their increasing importance, Mathies and Burford (2011) recognise little research has been published to define which service-oriented behaviours contribute most to a positive experience. In their research across a range of service industries in Australia, they show that women identify more closely with service behaviours that emphasise an emotional connection for example, behaviours that are friendly, polite and helpful, whilst men identify more with behaviours indicating good product knowledge and efficient problem solving. They highlight however that an employee's readiness to listen is central to how both men and women evaluate an employee's performance. Research by Winsted (2000) highlight 34 service-oriented employee behaviours which they have categorised into three dimensions, that is: Civility, Congeniality and Concern.

Civility - These represent basic minimum or satisfactory service-oriented employee behaviours below which customers will be dissatisfied with the standards of service provided and included behaviours of courtesy and acknowledgement.

Congeniality - Congeniality behaviours relates to an employee's positive demeanour or temperament such as enthusiastic, happy and cheerful.

Concern - These behaviours are characteristic of the human dimensions of SERVQUAL service quality framework (Parasuraman et al. 1988), that is, empathy, assurance and responsiveness and relate to the extent to which employees' show concerned for, or go out of their way to provide a personalised service.

Farrell et al. (2001) also identify a number of employee behaviours (Table 4.1) which contribute to enhancing service quality. Included in their propositions are behaviours which focused on how employees respond to interactions with their customers; for example, the adaptability of service employees, their

responsiveness and spontaneity, together with their willingness to take responsibility to rectify service failures.

Table 4.1 Front-line employee behaviours taken from Farrell et al. (2001)

Adaptability	Recovery
Assurance	Reliability
Civility	Responsiveness
Customer orientation	Spontaneity
Empathy	Teamwork

Based on: Farrell et al. (2001)

Alongside the behaviours of employees, Berry et al. (2006b) also highlight the importance of their appearance. How employees dress influences how customers perceive the image of the organisation and its ability to deliver the service to the standards and quality expected (Soloman 1985; Turley and Milliman 2000). Providing employees with a standard uniform communicates key messages about the organisations values and standards. Soloman (1985, p.57) notes, for example, that this type of clothing “*assumes the properties*” of the service provider, conveying the organisation’s ideals and values, and attributes which demonstrate the quality of the service being provided e.g. professionalism or safety.

The interactions that occur between customers sharing the service setting are also important points of contact. This is most critical when customers need to queue for the service or share some aspect of the service setting, for example, when travelling or in restaurants (Martin and Pranter 1989). The importance of the activity being undertaken and the time available during the service transaction for conversations to develop however, influences the level of interaction that occurs between customers (Bitran and Lojo 1993). The volume, proximity and behaviour of other customers has been shown to have an influence on the experience a customer has (Martin and Pranter 1989; Hui and Bateson 1991; Zomerdijk and Voss 2007; Gursoy et al. 2017). Excessive numbers of customers in close proximity produce a negative effect in some service contexts (Gursoy et al. 2017), such as supermarket grocery shopping or retail banking, when the limited space caused by crowding acts to constrain and frustrate customers from achieving their consumption goals (Hui and Bateson

1991; van Rompay et al. 2008). Situations of high human density can also be associated however with positive experiences, both in the level of control customers perceive themselves to have and in the emotions aroused. The service offering provided in a crowded bar setting for example, includes the presence and social interactions with other customers which can enhance a customers' perception of service quality in these settings (Martin and Prantner 1989).

Table 4.2 provides a definition of the relationships identified between the Customer Interface construct and Experience Mechanism constructs, and the publications in which references to these relationships have been identified.

Table 4.2 Relationships identified between the Customer Interface construct and Experience Mechanism constructs

B1 Customer Interface / Focused Attention
The design of the physical interface should enable customers to focus on the activities they are participating in, in pursuit of their consumption goals
Ding (2011); Gupta and Vajic (2000); Pine and Gilmore (1998)
B2 Customer Interface / Sensory Stimulation
The capacity of clues embedded within the design of the interface to stimulate customers' sensory perception
Berry et al. (2006a); Brunner-Sperdin and Peters (2009); Chase and Dasu (2001); Collier and Meyer (1998); Coyle and Thorson (2001); Hartline and Ferrell (1996); Healy et al. (2007); Pullman and Gross (2003, 2004); Rayport and Jaworski (2004); Voss et al. (2008); Zomerdiijk and Voss (2010); Wall and Berry (2007)
B3 Customer Interface / Interaction
The design of key points of contact with the customer that enable effective interactions to take place
Collier and Meyer (1998); Ding (2011); Johnston and Kong (2011); McCarthy et al. (2010); Payne et al. (2007); Prahalad and Ramawamy (2003, 2004); Roth and Menor (2003); Voss et al. (2008)
B4 Customer Interface / Adaptability
The extent to which key points of contact with the delivery system are flexible enough to allow customers to tailor the delivery process to meet their particular needs
Collier and Meyer (1998); Glushko and Tabas (2009); Gupta and Vajic (2000); Hartline and Ferrell (1996)

4.2.3 Design Choice – (C) Organisational Infrastructure

This design choice is concerned with the organisation's internal architecture, which establishes and maintains the policies and procedures which influences how employees implement the organisation's service strategy (Roth and Menor 2003) "*and create an environment and culture for engaging customers*" (Voss et al. 2008). This design choice has been categorised into 3 main elements:

- Leadership values
- Selection and socialisation procedures
- Establishing and maintaining service standards

4.2.3.1 Leadership values

The values the leadership team promote ultimately determine employees' behaviours and attitudes (Shah et al. 2006; Tang and Tang 2012), how business is conducted, and the degree of customer orientation that exists (Roth and Menor 2003). The composition of the organisation's leadership team and the values they encourage therefore have a significant impact on how individual employees perform and the impact that this has on the customer's experience. In the hospitality sector for example, Koutroumanis et al. (2012) found that leadership values expressed through clan cultures in independent US restaurants were positively associated with customers' perceptions of service quality and intentions to return. Organisations embracing clan cultures operate as a "*fraternal group*" (Kerr and Slocum 1987) or "*partnership*" (Koutroumanis et al. 2012) in which employees collaborate and work co-operatively together (Kerr and Slocum 1987). Leadership values in these organisations emphasise the collective effort of employees which often include a tacit understanding that their contribution will often exceed their contractual obligations (Kerr and Slocum 1987). In return, the organisation provides employees with the security of a long-term employment commitment (Kerr and Slocum 1987).

In contrast, Leadership values within market cultures which focus principally on the organisations external competitors are less embedded and employees are not constrained by established ways of thinking or working (Kerr and Slocum 1987). As a result, a market culture encourages a strong sense of independence in its workforce (Kerr and Slocum 1987). The organisation however provides no assurances regarding the long-term security of

employment and there is limited interaction between colleagues. Kerr and Slocum (1987) suggest that, as a result, employees are less inclined to remain loyal to the organisation. In these circumstances Koutroumanis et al. (2012) found no relationship with service quality and a negative relationship was identified with customer's intention to return. These findings suggest the experience of engaging with employees in organisations with leadership values that encourage a co-operative and collaborative approach are perceived more positively than those in which employees are expected to perform independently from each other with little support from their senior managers.

4.2.3.2 Selection and socialisation procedures

The second element of the infrastructure design choice is concerned with the operational policies and procedures established to maximise the impact of the humanic clues provided through the performance of employees on customer's sensory perception. This element of the infrastructure therefore aims to ensure employees are recruited with the right service-oriented behaviours, trained to perform to the standards expected (Roth and Menor 2003; Badgett et al. 2006; Voss et al. 2008) and that the skills necessary to deliver the service effectively are maintained through certification and licensing (Wemmerlov 1990).

When employees' values and behaviours are aligned with their employers, that is, there is the correct "*person-organisation fit*" (Chatman 1989), both employee and organisational performance are more effective (Chatman 1989; Cable and Judge 1995; Berry et al. 2015). In these circumstances, employees demonstrate less resistance to change and greater commitment and satisfaction with their employers, resulting in lower labour turnover (Cable and Judge 1995). Aligning the values of employees with those of the organisation can be achieved through the selection and socialisation of employees (Chatman 1989). Recruitment processes are most successful in achieving the correct person-organisation fit when candidates are expected to demonstrate behaviours during the interview process that are compatible with the organisation's values (Chatman 1989). The interview process therefore attempts to assess more than simply job-related characteristics, and individual skills and qualifications; it attempts to identify behaviours from a candidate's past activities which are compatible with the values of the organisation

(Chatman 1989; Ingelsson et al. 2012; Berry et al. 2015). The selection process therefore should include a series of behavioural-based questions that require candidates to provide examples that reflect how they act or perceive particular situations (Berry and Bendapudi 2003) which in turn demonstrate the values they believe are important (Chatman 1989). Hartline and Ferrell (1996, p.53) highlight the importance of this approach in the recruitment of frontline employees, noting that their behaviour and attitude having a significant impact on customers "*perceptions of the service encounter and their judgments of service quality*" (Inferring relationship C2-Infrastructure/Sensory Stimulation).

"Socialisation", a mechanism used to initiate new employees into operational teams (Kozlowski and Bell 2003), has also been highlighted as an important method of influencing employee behaviours (Ryan and Ployhar 2003). During the socialisation process, new recruits are taught about both the organisations values and the norms which make clear the behaviours expected of employee's in their role and as a member of the organisation (Chatman 1989; Ryan and Ployhar 2003). Aligning values during the early stages of a staff member's employment also minimises the extent of emotional labour (Hochschild 2003) that is, the degree to which employees have to modify their behaviour to meet the norms required by the organisation.

4.2.3.3 Establishing and maintaining service standards

The final element of infrastructure design choice relates to the service standards the organisation sets, the processes developed to measure performance, and the management practices that act on service failures (Heskett 1987; Roth and Menor 2003). As there is a significant human element to the service delivery system, this set of design choices also includes systems designed to maximise employees performance such as workforce scheduling tools and techniques, performance management processes (Roth and Menor 2003) and schemes for incentivising the performance of employees to emphasise quality (Heskett 1987). Service scripts for example, job descriptions (Tansk and Smith 2000) also act as system design and control tools (Tansk and Smith 2000) defining how employees are expected to perform their roles (Czepiel 1990; Harris et al. 2003; McCarthy et al. 2010) and the criteria through which performance is evaluated (Chebat and Kollias 2000; Harris et al. 2003).

Scripts aligned to the type of service process, either rigid or fluid (Wemmerlov 1990) being adopted, help create and direct the service performance and determine the extent of control and level of customisation a customer is able to apply during the co-creation of the service offering (Tansik and Smith 2000) (Inferring relationship C4 Infrastructure/Adaptability). Service scripts can therefore promote standardisation and increase the predictability of the customer's performance, thereby reducing some of the uncertainty they can generate. The degree to which employees interactions with customers are scripted however, will also influence the extent to which a dialogue and rapport develops (Inferring relationship C3 Infrastructure/Interaction) and level to which employees are able to "*proactively adapt the service content and its delivery to suit the needs and expectations of the customer*" (McCarthy et al. 2010, p.10) (Inferring relationship C4 Infrastructure/Adaptability).

Table 4.3 provides a definition of the relationships identified between the Infrastructure construct and Experience Mechanism constructs, and the publications in which references to these relationships have been identified.

Table 4.3 Relationships identified between the Infrastructure construct and Experience Mechanism constructs

C2 Infrastructure / Sensory Stimulation
The design of operational policies and management practices which influence the signals provided by employees humanic clues during the delivery of the service
Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989; Ford et al. (2001; Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012); Sirianni et al. (2013); Voss and Zomerdijk (2007)
C3 Infrastructure / Interaction
The organisations leadership recognise the importance of the interactions and relationships employees develop with their customers
Berry et al. (2006); Ding (2011); Ford et al. (2001); Shah et al. (2006); Voss et al. (2008)
C4 Infrastructure / Adaptability
The extent to which employees are empowered to think and act on behalf of the customer.
Chebat and Kollias (2000); Collier and Meyer (1998); Glushko and Tabas (2009); McCarthy, et al., (2010); Roth and Menor (2003); Sirianni et al. (2013); Tansk and Smith (2000); Zeithaml et al. (1988)

4.2.4 Design Choice – (D) Organisational Integration

The Organisational Integration construct represents the strength of the relationships formed between the different elements of the service supply chain (Edvardsson 1997; Roth and Menor 2003) and the adaptive mechanisms (Roth et al. 1996; Roth and Menor 2003) by which the knowledge gained through these relationships is transferred throughout the organisation (Inferring relationship D3 Integration/Interaction) (Narasimhan 2014). Oliveira et al. (2002, p.275) point out that their “absorptive capacity”, the rate at which these mechanisms, such as the degree of collaboration and coordination between business functions (Voss et al. 2008), are able to recognise, assimilate and use new knowledge (Kranz, et al. (2016), is a key element in developing an organisations’ competitive capabilities.

4.2.4.1 Internal integration

Highly integrated organisations actively encourage their internal departments and other partners involved in both the design and delivery of the service to actively co-operate (Roth and Menor 2003; Badgett et al. 2006; Voss et al. 2008), ensuring there is an alignment between their operational performance measures and the service provider’s overall strategic objectives (Roth and Menor 2003). Employees in these organisations appear to be more prepared to share information with colleagues, which helps the service provider to react quicker to the needs of their customers (Rayport and Jaworsk 2004; Shah et al. 2006). To facilitate this, communication mechanisms and internal networks (Roth and Menor 2003) which enable information to be disseminated between departments (Zeithaml et al. 1988) and down through the business hierarchy, are encouraged. These information flows are assisted through active collaboration and co-ordination which help to ensure the organisation remains focused on their overall goals (Zeithaml et al. 1988). Froehle et al. (2000, p.5) highlights the growing importance of information technology systems to improve internal integration “*within and between firms*” and to assist in facilitating the transfer and assimilation of knowledge throughout the organisation.

Internal integration is also concerned with the degree to which back and front-office systems and processes are integrated (Voss and Zomerdiijk 2007; Voss et al. 2008; Rawson et al. 2013) and the degree of collaboration between the two

functions (Glushko and Tabas 2009). Communication between business functions ensures that back-office employees are fully aware how their individual performance contributes to the experience customers have through front-office operations (Voss and Zomerdijk 2007). Research by Voss and Zomerdijk (2007) and Voss et al. (2008) suggests that organisations focusing on developing experience as a competitive point of difference develop communication processes that ensure their entire supply chains are focused on the experience their customers have. Frontline employee's willingness to raise problems and issues that affect either their performance or have an impact on the customer will be influenced by the ease at which they can communicate directly with senior managers and the extent to which these managers initiate the process (Zeithaml et al. 1988; Rawson et al. 2013). Whilst formal communication methods, that is direct e-mail or via the telephone support this process, information shared through informal face-to-face conversations instigated by senior managers with individual employees are also important feedback mechanisms (Zeithaml et al. 1988). The opportunity and empowerment to participate in an upward communication process also signals to employees that their thoughts and observations are valued (Tang and Tang 2012). Zeithaml et al. (1988) notes however that the number of management layers between front-office employees and senior managers can create barriers that inhibit communication and influence the effectiveness of this upwards communication flow.

4.2.4.2 External integration

External integration represents the capacity of an organisation to nurture relationships with external stakeholders, both suppliers and customers (Roth and Menor 2003; Homburg et al. 2017) and their ability to apply the knowledge they gain through these connections to achieve a competitive advantage (Caemmerer and Wilson 2009). The extent of direct interaction between senior managers and their customers influences how well the organisation understands their customers' needs and expectations (Zeithaml et al. 1988; Rawson et al. 2013). Shah et al. (2006) emphasises the importance of leadership in initiating and maintaining relationships with both suppliers and customers. They provide the example of Bob Nardelli, the CEO of the US DIY company Home Depot, in their analysis of the issues and challenges deterring

the development of customer-centric service cultures. Nardelli requires all his board members to conduct daylong visits on a regular basis to branches across their network. During these visits they learn directly from customers and are therefore better able to respond to issues that affect the running of their stores.

Gathering customer feedback is particularly relevant in service operations as the interaction between the employee and customer is a central element of the service delivery system (Caemmerer and Wilson 2009). Research by Caemmerer and Wilson (2009) however, identified that the assimilation of new knowledge and execution of initiatives developed from customer feedback surveys to improve service performance across an entire organisation, were contingent on the attitudes of middle managers when implementing these changes. They concluded that better *“internal networks and open discussions about the implications of service improvements”* (p.307), together with a culture of sharing best practice might help gain greater engagement from this level of management.

Table 4.4 provides a definition of the relationships identified the Integration construct and Experience Mechanism constructs, and the publications in which references to these relationships have been identified.

Table 4.4 Relationship identified between the Integration construct and Experience Mechanism constructs

D3 Integration / Interaction
The degree to which the organisation communicates with their customers and suppliers, and the extent to which internal functions collaborate to improve the delivery of the service
Caemmerer and Wilson (2010); Dasu and Chase (2010); Ford et al. (2001); Oliveira et al. (2002); Shah et al. (2006); Voss et al. (2008); Voss and Zomerdijk (2007)

Table 4.5 summarises the literature sources from which these Design Choice constructs have been developed

Table 4.5: Literature sources used in the preparation of the Design Choice constructs

Technology and Physical Support	Customer Interface	Organisational Infrastructure	Organisational Integration
Deployment of technology	d'Astous 2000	Cable and Judge 1995	Glushko and Tabas 2009
Thompson 1967	Turley and Milliman 2000	Morris and Feldman 1996	Zomerdijk and Voss
Bitner et al. 2000	Cook et al. 2002	Katzenbach and Santamaria 1998	External integration
Metters and Vargas	Pullman and Gross 2004	Chebat and Kollias 2000	Roth and Menor 2003
Roth and Menor 2003	Vilnay-Yavets and Gilboa	Ahmad and Schroeder	Caemmerer and Wilson
Normann, 2005	Zomerdijk and Voss 2010	Berry and Bendapudi 2003	Zeithaml et al. 1988
Voss et al. 2008	Slatten et al. 2011	Roth and Menor 2003	Shah et al. 2006
Glushko and Tabas 2009	Fernandes and Cruz 2016	Kozlowski and Bell 2003	Kranz, et al. 2016
Kelly 2015	Technological touchpoints	Ryan and Ployhar 2003	
Lemon and Verhoef 2016	Froehle and Roth 2004	Voss and Zomerdijk 2007	
Teixeira et al. 2019	Meuter et al. 1999	Voss et al. 2008	
Berry et al. 2015	Bustamante and Rubio 2017	Mathies and Burford 2011	
	Service clues	Ingelsson et al. 2012	
	Berry et al. 2002	Lewis et al. 2012	
	Haeckel et al. 2003	Berry et al. 2015	
	Berry et al. 2006a	Maintaining Quality	
	Berry et al. 2006b	Heskett 1987	
	Human touchpoints	Roth and Menor 2003	
	Soloman 1985	Tansk and Smith 2000	
	Winsted 2000	Chebat and Kollias 2000	
	Farrell et al. 2001	Harris et al. 2003	
	Berry et al. 2006a	Roth and Menor 2003	
	Wall and Berry 2007	McCarthy et al. 2010	
	Brunner-Sperdin and Peters 2009		
	Ryan and Ployhar 2003		
	Mathies and Burford 2011		
	Other customers		
	Martin and Pranter 1989		
	Bitran and Lojo 1993		
	Hui and Bateson 1991		
	Grove and Fisk 1997		
	Pullman and Gross 2003		
	van Rompay et al.2008		
	Pullman and Gross 2003;		
	Zomerdijk and Voss 2007		
	Verhoef et al. 2009		

4.3 Experience Mechanisms

The second element of the conceptual framework relates to the mechanisms inherent within the design and configuration of the delivery system which explain how customers engage with the provider during the delivery of the service and influence the Experience Outcomes they perceive. These mechanisms have been developed from a synthesis of the key factors influencing flow theory (Csíkszentmihályi 1975) and the experience dimensions described by Pine and Gilmore (1998). Pine and Gilmore (1998) propose that the extent of customer participation and the degree to which the service setting enables them to become immersed in the delivery of the service are mechanisms which influence the type of experience a customer has. Csíkszentmihályi (1975) also identifies three important preconditions, factors that need to be present in order for flow experiences to develop. Firstly, the activity being undertaken needs to have a clear goal which is fully understood by the participant and upon which they are able to focus their attention. Secondly, the participant's level of skill and knowledge needs to be sufficiently stretched to meet the challenge of the task. The third condition necessary is that feedback on the activity being undertaken should be provided immediately so adjustments can be made to enable the flow state to be maintained. Drawing on the conceptions of experience provided by Csíkszentmihályi (1975) and Pine and Gilmore (1998), four Experience Mechanism constructs have been developed which will be described in greater detail in the next section. Whilst these constructs have been developed to describe how the customer's involvement in the delivery of the service shapes their perception of the experience in physical real-world settings, research has demonstrated their relevance as antecedents of experiences in virtual world settings (Hoffman and Novak 1996; Ding et al. 2010; Ding 2011; Koufaris 2002).

(1) Focused Attention - *The extent to which the service system supports and enables the customer to focus on activities in pursuit of their consumption goals*

(2) Sensory Stimulation - *The ability of the delivery system to provide humanic and mechanic clues which have an impact on customer sensory perception*

(3) Interaction - *The means through which the service provider is able to communicate and collaborate with the customer enabling them to initiate or contribute towards the delivery of the service*

(4) Adaptability - *The extent to which the delivery system is capable of personalising the service offering to meet a customer's needs*

4.3.1 Experience Mechanism – (1) Focused Attention

Drawing on flow theory (Csíkszentmihályi 1975), the construct of Focused Attention is concerned with the capacity of the delivery system to enable customers to concentrate on activities in pursuit of a clear consumption goal.

The construct therefore considers:

- the goals which motivate a customer to initiate and participate in the delivery of the service;
- the capacity of the delivery system to support customers to rectify an imbalance in the customer's level of skill and knowledge; and
- distractions which prevent the customer from focusing on the activities they are participating in to achieve their goals.

4.3.1.1 Consumption Goals

An established clear goal is an essential precondition for a flow experience to develop; similarly, Bitner (1992) also points out that a customer's consumption goals motivate their behaviour to initiate a service influencing their perception of the experience that emerges as a result. Customer's consumption goals create a context (prevention, promotion) through which an experience is perceived and influence the ways in which they relate to the elements of the service setting, their behaviour throughout the service journey and their overall satisfaction with the experience (Puccinelli et al. 2009). Chitturi et al. (2008) for example, highlight how prevention goals focused on reducing risk and aspirational promotion goals influence individual behaviour and the emotions felt when these goals have been achieved. Peterman (2009) identifies two forms of consumption goal. The first are clear, unambiguous "*concrete goals*" for example to be able to purchase a range of grocery items from a supermarket necessary to cook a meal, in itself, a prevention goal. These goals are satisfied through the technical output of the service offering (Grönroos 1984). Peterman (2009) describes the second form as more subjective "*abstract goals*". These are often realised during the delivery of the service or after as the customer uses or consumes the service offering; that is, value-in-use (Vargo and Lusch 2004; Lemke et al. 2011; Maklan and Klaus 2011). The positive social value

obtained through consuming the meal with a group of friends demonstrates an example of an abstract goal desired from a visit to a supermarket to purchase grocery items used in the preparation of the meal. Consumption goals therefore determine what customers perceive as personally relevant (Poulsson and Kale 2004) and important in the design of the delivery system (Lemke et al. 2011). This enables customers to focus their attention on the features of the service offering that are important and to exclude irrelevant items (Puccinelli et al. 2009). Customers evaluation of their experience will be judged against its contribution towards achieving both types of consumption goal, concrete and abstract (Lemke et al. 2011).

4.3.1.2 Learning and Practice

The balance between an individual's perceived level of knowledge and skill, and the challenge of the task being undertaken is an important element in the creation and maintenance of a state of flow. As the participant engages in the task, their capabilities are stretched through regular participation and practice (Gupta and Vajic 2000; Goleman 1996) which results in levels of skill and understanding improving. This implies that the contexts in which flow experiences develop are learning environments. The extent to which skills and knowledge match the challenges of the activity is also a factor which influences the experience a customer has. Customers will be less willing to participate in the delivery of the service if they lack knowledge or an understanding of their role (Larsson and Bowen 1989). Research by McKee et al. (2006) suggest that providing the means to increase customers' belief and confidence in their ability to perform the task has a positive impact on their perception of the experience. Csikszentmihalyi (2003 p136) also notes an individual's perception of control is driven by the belief that *"if the occasion requires it, the individuals involved have the necessary skills to set new strategies to reach their ultimate goals."*

At a basic level, customers learn by paying attention to, interpreting and assimilating the indirect marketing communication and messages provided by the service provider (Payne et al. 2007). Knowledge and cognitive skills are then shaped and developed by experimentation and interaction with different elements of the context created by the service provider and through the social interaction that ensues during the activity (Gupta and Vajic, 2000). McKee et al.

(2006) for example, recommend introducing specific activities for novice participants such as “starter classes” to enable customers to increase their skills and belief in their ability. Bustamante and Rubio (2017) also note how learning environments are created by furniture retailer Ikea through the provision of a variety of experience rooms (Edvardsson et al 2005), in which customers can “*activate their thoughts*” (p.903) and visualise how potential purchases might look in their homes. The retailer also adds to customer learning through the information leaflets they provide which consolidate the themes presented in these rooms and aid customers in finding and selecting the products stocked in their warehouses. Facilitating tools, such as scripts or guidebooks which explain how to use or interact with the service (Payne et al. 2007; Ponsignon et al. 2017) or facilitators, (employees trained to help customers to understand how to actively interact and participate) (Gupta and Vajic 2000) should be therefore incorporated into the design of the delivery system to assist in this learning process.

The degree to which the service system facilitates learning and practice through participation influences the relationship customers develop with the service provider, moving them away from a purely rational assessment towards a more strongly felt emotional bond (Gupta and Vajic 2000; Bowden 2009). Research by Ponsignon et al. (2017) in the context of cultural settings highlight the importance of creating a context in which the correct balance between cognitive and emotional engagement with the service provider is developed; the design of the customer journey “*encouraging customers to discover and acquire new skills and knowledge whilst having fun and being entertained*” (p.776), selecting and performing “*entertaining activities that stimulate their senses and enable them to acquire new knowledge*” (p.777).

4.3.1.3 Interruptions/Distractions

The degree to which the Customer Interface enables a customer to concentrate on activities which help them to achieve their goals is also an important factor influencing their involvement in the delivery of the service. Focusing on a mentally stimulating activity can also alter an individual’s perception of the duration of time whilst engaged in the task (Chase and Dasu 2001; Csikszentmihalyi 2003) (Inferring relationship 1.iv Focused Attention/Perception

of Time). The level of attention applied to an activity ranges on a continuum from subconscious routines, in which the experience does not compete for the customers "*attention and thinking processes*" (Forlizzi and Ford 2000, p.421) through increasing degrees of concentration and engagement to deep levels of immersion (Pine and Gilmore 1998; Brown and Cairns 2004) as in the psychological state of flow. Flow experiences have been characterised as being enjoyable and lead to an increased sense of control over the activities being performed (Csikszentmihaly 1975; Privette 1983). Celsi et al. (1993, p.12) for example notes how the skydivers in their research "*create a context of controlled uncertainty as a stage within which they can act*" through rehearsals and regular checks carried out on entering and before departing the plane. As a result of the flow experiences enjoyed during the act of freefall skydiving, they demonstrate how skydivers feel a heightened sense of control and positive emotions which last beyond the completion of the jump (Inferring relationship 1ii Focused Attention/Emotional Response and Relationship 1iii-Focused Attention/Perceived level of Control).

Within the context of the service setting, however the customer's capacity to concentrate also relies on the service provider removing negative service clues (Pine and Gilmore 1998) and interruptions from the customer interface (Xia and Sudharshan 2002), thereby making the delivery system "*easy to do business with*" (Johnston 2004; Dixon 2010) (Inferring relationship B1 Customer Interface/Focused Attention). Whilst not contributing to an actual service failure, "*hassles or difficulties*" (Johnston 2004, p.131) created through the performance of the delivery system reduce the customers' ability to concentrate on the tasks being undertaken (Koufaris 2002). Csikszentmihalyi (2003, p.134) notes that constant interruptions create a "*state of chronic emergency*", limiting the customers' ability to focus on the activity they are performing (Pine and Gilmore 1998; Bitgood 2002; Xia and Sudharshan 2002; Csikszentmihalyi 2003; Lin 2004). Distractions such as, for example, making the queueing experience more interesting (Katz et al. 1991; Tseng et al. 1999) or diverting attention away from the length of time spent waiting (Shieh and Ling 2010) can take attention away from tedious activities (Inferring relationship 1.iv Focused Attention/Perception of Time). To maintain levels of concentration however whilst actively participating, interfering stimuli that are external to the task being tackled and

often out of the customers' control (Xia and Sudharshan 2002) must also be minimised (Csikszentmihalyi 1975). Xia and Sudharshan (2002) highlight how the frequency and duration of an interruption, when it occurs in the customers' journey and the level of attention taken away from the task being performed has an influence on the level of satisfaction customers perceive with online shopping experiences.

Research conducted by Bitgood (2002) in museums and other exhibition centres also recognised that distractions influence the way in which customers participate and engage with the delivery system. Distracting sounds for example affected a visitor's ability to focus on the information notices provided by a Zoo designed to educate about the animals and exhibits. Lin (2004) also notes that the volume and pitch of sound produced during a service process can influence a customer's ability to concentrate, increasing their level of irritability and tension. Constant sound or silence can also limit the capacity to concentrate over a period of time (Lin 2004). Similarly, Berry et al. (2006a) and Jarratt (2014) also point to the variety of different sources of noise, such as alarms and movement of equipment which act to distract patients during the delivery of the service in hospitals and pharmacies. Berry et al. (2006a) for example note the efforts of employees at the Mayo clinic in Rochester, Minnesota at reducing unnecessary noise and the stress that this causes to patients (Inferring relationship 1ii Focused Attention/Emotional Response).

Table 4.6 provides a definition of the relationships identified between the Focused Attention construct and Experience Outcome constructs, and the publications in which references to these relationships have been identified.

Table 4.6 Relationships identified between the Focused Attention construct and Experience Outcome constructs

1ii Focused Attention / Emotional Response
The customers ability to focus on an activity that enables them to achieve their goals has an impact on the emotions they express
Ding et al. (2010); Ding (2011); Gentile et al. (2007); Hoffman and Novak (1996); Johnston (2004); Pine and Gilmore (1998); Zomerdijk and Voss (2010)

1iii Focused Attention / Perceived Control
The customers ability to focus on an activity that enables them to achieve their goals has an impact on the level of control they perceive over the delivery of the service
Csikszentmihalyi and LeFevre (1989); Csikszentmihalyi (1975, 2003); van Rompay et al. (2008)
1iv Focused Attention / Perception of Time
The level of concentration applied during the delivery of the service influences the customers awareness of the duration of time participating
Baker and Cameron (1996); Chase and Dasu (2001); Csikszentmihalyi (2003); Healy et al. (2007); Hong et al. (2013); Novak et al. (2003); Shieh and Ling (2010)

4.3.2 Experience Mechanism – (2) Sensory Stimulation

Gupta and Vajic, (2000, p.35) contend that an experience evolves through “*any sensation or knowledge acquisition*” that results from customer’s interaction with the context created by the service provider that is, the physical setting and people involved in the co-creation of the service. Similarly, Pine and Gilmore (1998) point out that the sensory signals provided by the service context affect the experience customers have. The construct of Sensory Stimulation therefore represents the capacity of different clues embedded in the service context to stimulate a sensory response in the customer, whether this be one associated with touch, smell, sight, sound, or taste (Carbone and Haeckel 1994; Berry et al. 2006a; Haeckel et al. 2003) influencing how they think, feel and physically respond to the service provided (Bitner 1992; Berry et al. 2006a). Mechanic clues such as the environmental dimensions identified by Bitner (1992) and the humanic clues expressed through the performance and appearance of employees, have been shown to influence customers’ emotional perception of their experience (Baker and Cameron 1996; Berry et al. 2006a) (Inferring relationship 2ii Sensory Stimulation/Emotional Response). Similarly, Grewal et al. (2007), point out that through these sensory clues, a customer is able to make assumptions regarding the quality of the service being provided and perceive an element of control over the delivery system (Inferring relationship 2iii Sensory Stimulation/Perceived level of Control).

4.3.2.1 Vividness and salience

The salience and vividness of service clues, that is their ability to attract attention and thereby stimulate a customer’s senses, should therefore also be

considered in the design of the service context (Taylor and Thompson 1982). The salience of a service clue represents the extent to which it can be distinguished from other clues in the same setting (Fiske and Taylor 2013). Saliency increases the attention paid to a particular clue (Fiske and Taylor 2013). This is important due to its ability to draw and focus an individual's attention (Fiske and Taylor 2013) and to the disproportional emphasis given to these clues in customer's subsequent evaluation and recall (Taylor and Thompson 1982) (Inferring relationship 2i Sensory Stimulation/Memory Recall). When customers focus on a particular aspect of the delivery process, fewer resources are available to pay attention to the duration of time engaged in the activity (Hornik 1984). The greater the attention paid to clues within the service setting therefore, the more unreliable a customer's estimate of the duration of time engaged in the activity becomes i.e. the perception of time is susceptible to distortion, useful to service designers wishing to minimise the effect of queuing (Thomas and Weaver 1975). TV monitors for example, are strategically placed to entertain those queuing for the attractions at Disney World, Florida thereby reducing their perception of time waiting (Inferring relationship 2iv Sensory Stimulation/Perception of Time).

Whilst vividness plays no role during the delivery of the service, it does however influence how the experience is perceived over time (Mullainathan 2002). Situations that are vivid or distinct are more easily recalled because the impression formed is stronger (Taylor and Thompson 1982; Kelley 1989). Zomerdiijk and Voss (2010, p.69) also highlight how sensory clues "*can influence behaviour even when customers are not consciously aware of them*". Research by Morrin and Ratneshwar (2003) for example, found that vividness of service clues was positively associated with customers' emotions and how easily they recalled their experience. They deduced from their research that the vividness of the stimuli present in the service system can influence how customers behave, for example, pleasant scents encouraging customers to spend more time in a service environment. As a result, a deeper memory trace forms which enables the memory of the experience to be more easily retrieved at a later date (Inferring relationship 2i Sensory Stimulation/Memory Recall). Pine and Gilmore (1998) also contend that the more senses engaged during the delivery of the service the more effective and memorable it will be. To make

sense of the overall environment in which the service is delivered however Lin (2004) argues that customers unconsciously group sensory clues together to form an integrated and holistic mental picture rather than evaluate them separately. The strength of the relationship between each service clue is therefore important in influencing the impression created of the experience in the customer's mind (Pine and Gilmore 1998; Haeckel et al. 2003). By increasing the layers of coordinated sensory clues service designers are more able to establish and maintain the impression and memory of the experience they are aiming to achieve (Haeckel et al. 2003) (Inferring relationship 2i Sensory Stimulation/Memory Recall).

Table 4.7 provides a definition of the relationships identified between the Sensory Stimulation construct and Experience Outcome constructs, and the publications in which references to these relationships have been identified.

Table 4.7 Relationships identified between the Sensory Stimulation construct and Experience Outcome constructs

2i Sensory Stimulation / Memory Recall
The signals generated through the humanic and mechanic clues in the service context have the capacity to be remembered
Berry et al. (2006a); Bitran et al. (2008); Kelley (1989); Morrin and Ratneswar, (2003); Oh et al. (2007); Pine and Gilmore (1998); Taylor and Thompson (1982); Zomerdiijk and Voss (2010)
2ii Sensory Stimulation / Emotional Response
The signals generated through the humanic and mechanic clues in the service context have the capacity to evoke an emotional response
Berry et al. (2006a); Bitner (1990); Dasu and Chase (2010); Haeckel et al. (2003); Pullman and Gross (2003) Shieh and Ling (2010); Taylor and Thompson (1982); Turley and Milliman (2000); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)
2iii Sensory Stimulation / Perceived Control
The signals generated through the humanic and mechanic clues in the service context have the capacity to influence the level of control customers perceive over the delivery of the service
Grewal et al. (2007)
2iv Sensory Stimulation / Perception of Time
The signals generated through the humanic and mechanic clues can influence the customers awareness of the duration of time spent participating in the delivery of the service
Hornik (1984); Baker and Cameron (1996)

4.3.3 Experience Mechanism – (3) Interaction

For flow experiences to be maintained, a clear feedback mechanism is required which facilitates an effective two-way interaction between the participant and the activity being undertaken. This enables the participant to understand how well the activity is being tackled and to adapt their way of working to meet changing demands. In the context of customer experience, the construct of interaction also represents the extent to which a customer is able to communicate and collaborate with the service provider to initiate or contribute towards the delivery of the service (Coyle and Thorson 2001) and the degree of control they perceive they have over the process (McMillan and Downes 2000) (Inferring relationship 3iii Interaction/Perceived level of Control). Grewal et al. (2007, p.252) for example, point out that “*The greater the customer interactions with service providers, the greater the consumers perceive that they are “in charge” or in control of the service delivery (sic)*”. The customers’ ability to interact with the service provider and other customers present either through human face-to-face contact (Arnould and Price 1993; Johnston 1999b) or through other virtual electronic mediums (Racherla et al. 2011; Lemon and Verhoef 2016), and the speed at which the provider responds (McMillan and Downes 2000; Kioussis 2002) is therefore an important factor influencing the overall experience a customer has. The interactivity of the exchange is increased the closer the medium is to communicating in “real time”, reducing the time lapse between sending the input and receiving a response (McMillan and Downes 2000) (Inferring relationship 3iv Interaction/Perception of Time). Ding (2010) for example, highlights how the responsiveness of an organisation is positively associated with the customer’s perceptions of service quality in the context of online financial services, a quick response reducing the customer’s anxiety about using the service (Inferring relationship 3ii Interaction/Emotional Response).

4.3.3.1 Informal social interaction/creating an equal dialogue

In most cases, the participation of the customer involves a degree of informal social interaction with both the organisations frontline service employees and with other customers. This helps build both a stronger emotional connection to the service provider (Berry et al. 2006a; Voss and Zomerdijk 2007; Zomerdijk and Voss 2010) which ultimately influences their overall level of satisfaction with

service offering (Grove and Fisk, 1997) and creates a social identity and “*sense of community*” (Celsi et al. 1993, p.11) between fellow customers (Inferring relationship 3ii Interaction/Emotional Response). The organisations ability to engage with both employees and other customers during the delivery of the service can therefore create an experience that is more personal, positive and memorable (Voss and Zomerdijk 2007). In addition to the informal social interaction and rapport-building through personal connections and shared interests (Zomerdijk and Voss 2010), the ability of employees to communicate with the customer in a way they understand (Dasu and Chase 2010) is also an important element in establishing an equal dialogue with the service provider (Prahalad and Ramaswamy 2004). Creating a dialogue also means developing an open conversation in which both the service provider and customer actively engage, listen and learn from each other (Ballantyne 2004; Boswijk et al. 2007). Both parties have a clear aim and are willing to take some form of action to develop a “*shared solution*” (Prahalad and Ramaswamy 2004, p.9). McMillan and Downes (2000) also highlight the finding that customers are more prepared to interact when they perceive the service provider is committed to sharing information and help inform rather than to simply selling their products or services. Dasu and Chase (2010) emphasise that the ability to make information available to customers is an important element in providing them with a sense of control over the delivery of the service (Inferring relationship 3iii Interaction/Perceived level of Control). Full disclosure of information enhances the customer’s ability to make an informed assessment of the benefits and risks involved in a purchase (Prahalad and Ramaswamy 2003) and is necessary to create an atmosphere of trust (Prahalad and Ramaswamy 2003).

4.3.3.2 Virtual communication

Oliveira et al. (2002) highlight how customers are now provided with a range of alternative communication mediums such as, for example, online hotel review site, TripAdvisor, through which they can access information and advice to aid in purchasing decisions. Together with other virtual interfaces such as the telephone, online communities and social networks (Lemon and Verhoef 2016), the internet provides the service provider with a range of alternative distribution and communication channels through which they can interact with customers during the delivery of the service (Froehle and Roth 2004; Rose et al. 2011;

Ostrom et al. 2015). Interactivity therefore also relates to the degree to which a virtual communication system can imitate the characteristics of face-to-face communication (Kiousis 2002). Rose et al. (2011) point out that when conducted well, customers' virtual interactions can also lead to positive emotions and a perception of control (Inferring relationship 3ii Interaction/Emotional Response; Relationship 3iii-Interaction/Perceived level of Control). The speed and responsiveness of communication with the service provider (Roth and Menor 2003) and the degree of control customers have over how they receive communication from the service provider (Downes and McMillan 2000; Tussyadiah 2014) influences the level of interactivity achieved through these alternative communication mediums. These factors are therefore important elements to consider in the design of Customer Interface communication systems (Steuer 1992) (Inferring relationship B3 Customer Interface/Interaction). The design of the virtual interface also influences the extent to which customers are able to interact with the delivery system. Zhu et al. (2007, p.492) notes that when well designed, features incorporated into self-service technologies "*such as interactive information searching and enhanced choice comparisons*" also enable customers to perceive a greater sense of control over the delivery system (Inferring relationship 3iii Interaction/Perceived level of Control). Interactivity therefore also relates to the ease at which the form of a virtual medium or the content being communicated can be modified and its closeness to real-time interactions (Steuer 1992). Steuer (1992) identifies three factors which influence the degree of interactivity experienced with a virtual medium.

1. Speed, the rate at which an input can be actioned by the medium
2. Range, the number of possible dimensions capable of being adapted, such as brightness, sound and colour, at the same time
3. Mapping, the ease at which human actions are reproduced in the mediated environment.

Steuer (1992) describe Mapping as the function of:

- the types of "*controllers*", that is the physical means through which interaction with the mediated environment takes place, for example a mouse and keyboard on a computer; and
- their effectiveness, how the actions made through the controllers are transmitted to make changes within the virtual setting

Table 4.8 provides a definition of the relationships identified between the Interaction construct and Experience Outcome constructs, and the publications in which references to these relationships have been identified

Table 4.8 Relationships identified between the Interaction construct and Experience Outcome constructs

3ii Interaction / Emotional Response
The interaction that occurs with the customer has the capacity to evoke an emotional response
Berry et al. (2006a); Dasu and Chase (2010); Ding (2011); Ding et al. (2010); Hoffman and Novak (1996); Grove and Fisk (1997); Pullman and Gross (2003); Voss and Zomerdijk (2007); Zomerdijk and Voss (2010)
3iii Interaction / Perceived Control
The degree to which a customer's interaction with the organisation influences the level of control they perceive over the delivery of the service
Dasu and Chase (2010); Ding et al. (2010); Collier and Sherrell (2010); Cook et al. (2002); Grewal et al. (2007); Guo et al. (2016); Hui and Bateson (1991); McMillan and Downes (2000); Zhu et al. (2007)
3iv Interaction / Perception of Time
The customers perception of the duration of time interacting with the delivery system is an element in the value they derive from the service offering
Bitran et al. (2008); Bitner (1992); Ding (2011); Ding et al., (2010); McCarthy et al. (2010); Shieh and Ling (2010); Yeung and Soman (2007)

4.3.4 Experience Mechanism – (4) Adaptability

To maintain a flow state, participants need to be able to adapt how they perform to respond to changes in the level of difficulty or challenge of the activity they are undertaking. In the context of service design, the extent to which the customer is able to adapt either the outcome of the delivery process or the way in which it is delivered also has an impact on a customer's overall perception of their experience (Dasu and Chase 2010). The Adaptability construct therefore represents the degree to which the delivery system can be adapted to accommodate the customer's specific needs and desire for control. The service provider can pass responsibility for adapting the delivery system to satisfy a customer's particular needs to either the customer themselves or through the organisations frontline service employees.

4.3.4.1 Customer participation

Chase and Dasu (2001, p.83) point out that customers are “*happier and more comfortable*” when they believe they have some influence over how the delivery system operates (Inferring relationship 4ii Adaptability/Emotional Response). Similarly, Grewal et al. (2007) note that providing customers with an element of choice and allowing them to participate in making decisions increases their overall sense of control over the delivery of the service (Inferring relationship 4iii Adaptability/Perceived level of Control). The level of management control and decision-making power devolved to the customer influences their ability to participate in adapting the service offering to meet their particular needs and their perception of the experience that emerges as a result. Service encounter activity sequences represent the stages and associated touch-points in which the customer engages with the delivery system (Collier and Meyer 1998; Voss and Zomerdijk 2007) as they navigate their way through the service system and along their service journey (Rayport and Jaworski 2004; Patrício et al. 2011). The service provider determines the degree of management control required during these activity sequences. Low levels of management control create more freedom for the customer to design their own unique content and to select a specific route by which the service is delivered to suit their particular requirements (Collier and Meyer 1998, 2000; Ponsignon et al. 2017). Highly customised “customer-routed” processes (Collier and Meyer 1998, 2000; Hill et al. 2002) therefore provide the freedom to select from a broad range of possible routes through the delivery system. This creates a more personalised offering designed to satisfy the customer’s specific needs (Collier and Meyer 1998, 2000; Hill et al. 2002). A higher degree of management control through “co-routed” processes offer fewer routes and limits the customer’s capacity to influence or decide their path through the delivery system (Collier and Meyer 1998, 2000; Hill et al. 2002). In “provider-routed” processes, the delivery system is designed with little opportunity for customers to influence how they engage with the service provider (Collier and Meyer 1998, 2000; Hill et al. 2002). Whilst low levels of management control and “customer-routed” processes, result in a service offering tailored to the customers individual needs, the additional variability this creates means these delivery systems are less efficient than those standardised processes which require less involvement from the customer (Kellogg and Nie 1995).

4.3.4.2 Willingness of organisation to respond to customers input

Whilst the customers input has an influence on the experience they perceive, the service provider's capacity and willingness to adapt or improvise to meet the customer's particular needs also has an impact (Gupta and Vajic 2000). Whilst recognising the need for employees to adhere to policies designed to maintain consistency (Zeithaml et al. 1988), the Adaptability construct also represents the degree to which the individual employee is empowered (Sirianni et al. 2013) to adapt how they behave to suit the customer's specific needs (Hartline and Ferrell 1996; Chebat and Kollias 2000; Ponsignon et al. 2017), diagnose and prescribe (Karmarkar and Pitbladdo 1995) or react to solve problems (Ford et al. 2001; Glushko and Tabas 2009) without reference to a line manager. An employee's ability and willingness to make adjustments in the delivery of the service to meet the customers changing requirements can have a positive impact on the customer's emotions (Bitner et al. 1990) (Inferring relationship 4ii Adaptability/Emotional Response). In doing so, the perceived quality of the encounter will also be judged more favourably (Ferrell et al. 2001). When employees perceive they have a degree of flexibility and control in how they manage situations and problems, they also experience less job-related stress (Csikszentmihalyi 2003), which enables them to perform their role better (Zeithaml et al. 1988). The extant literature suggests the delivery system that can be designed to respond to the customer's needs through two methods. Interpersonal adaptive behaviour refers to an employee's capacity to adapt their communicate style and other non-verbal signals such as facial expressions and gestures, when interacting with the customer in order to respond to their specific needs and personality (Bettencourt and Gwinner 1996; Voss and Hsuan 2009). In contrast, service offering adaptation relates to an employee's ability to modify or customise the service offering to satisfy a customer's particular requirements (Bettencourt and Gwinner 1996; Voss and Hsuan 2009). Tansk and Smith (2000) identify two characteristics of job scripts which help determine the degree to which employees are empowered to improvise and accommodate these forms of adaptability.

- *Intensity*, which concerns the level of discretion and flexibility afforded to employees in how they are expected to engage with customers; and

- *Complexity*, which concerns the extent to which employees are expected to make decisions during the delivery of the service, to satisfy a particular customer need.

In organisations that provide employees with high intensity complex scripts there is an expectation that employees will closely adhere to the rules and performance standards set (McCarthy et al. 2010). These allow for no deviation and leave little room for employees to improvise the delivery of the service (McCarthy et al. 2010). As a result, each customer is treated in a similar manner. Conversely, low intensity simple scripts permit some level of ad-libbing (Tansik and Smith 2000) and enable employees to improvise and adapt both the outcome and how the service is delivered to satisfy the customer’s specific needs (Hartline and Ferrell 1996; Chebat and Kollias 2000; McCarthy et al. 2010).

Table 4.9 provides a definition of the relationships identified between the Adaptability construct and Experience Outcome constructs, and the publications in which references to these relationships have been identified.

Table 4.9 Relationships identified between the Adaptability construct and Experience Outcome constructs

4ii Adaptability / Emotional Response
The capacity of the delivery system to adapt to the customers need has a positive impact on the emotions felt whilst engaged with the delivery system
Chase and Dasu 2001; Cook et al. (2002); Lee (2010); Mills and Krantz (1979)
4iii Adaptability / Perceived Control
The flexibility provided by the delivery system to initiate the service or adapt the outcome has a positive impact on a customers perception of control
Dasu and Chase (2010); Hui and Bateson (1991); Grewal et al. (2007); van Rompay et al. (2008); Ding (2011)

Table 4.10 summarises the literature sources from which these Experience Mechanism constructs have been developed.

Table 4.10: Literature sources used in the preparation of the Experience Mechanism constructs

Experience Mechanisms			
Focused Attention	Sensory Stimulation	Interaction	Adaptability
Consumption Goals	Thomas and Weaver 1975	Social interaction	Customer participation
Chitturi et al. 2008	Hornik 1984	McMillan and Downes 2000	Mills and Krantz 1979
Peterman 2009	Taylor and Thompson 1982	Voss and Zomerdijk 2007	Pine and Gilmore 1998
Puccinelli et al. 2009		Zomerdijk and Voss 2010	Collier and Meyer 1998, 2000
Lemke et al. 2011	Bitner 1992	Prahalad and Ramaswamy 2004	Gupta and Vajic 2000
Learning	Carbone and Haeckel	Ballantyne 2004	Hill et al. 2002
Gupta and Vajic 2000	Pine and Gilmore 1998	Boswijk et al. 2007	Voss and Zomerdijk 2007
Walker et al. 2002	Haeckel et al. 2003	Virtual communication	Dasu and Chase 2010
Bendapudi and Leone 2003	Morrin and Ratneshwar 2003	Steuer 1992	Ponsignon et al. 2017
McKee et al. 2006	Lin 2004	Downes and McMillan 2000	Employees
Payne et al. 2007	Grewal et al. 2007	Oliveira et al. 2002	Bitner et al. 1990
Eisingerich and Bell 2008	Fiske and Taylor 2013	Kiouis 2002	Bettencourt and Gwinner 1996
Bowden 2009		Roth and Menor 2003	Peccei and Rosenthal
Foster and Stines 2011		Froehle and Roth 2004	Hartline and Ferrell 1996
Bustamante and Rubio 2017		Kumar and Venkatesan 2005	Tansk and Smith 2000
Ponsignon et al. 2017		Lemon and Verhoef 2015	Chebat and Kollias 2000
Interruptions / Distractions			Ford et al. 2001
Csikszentmihaly 1975			Davidson 2003
Katz et al. 1991			Glushko and Tabas 2009
Pine and Gilmore 1998			Voss and Hsuan 2009
Tseng et al. 1999			McCarthy et al. 2010
Bitgood 2002			Sirianni et al. 2013
Xia and Sudharshan 2002			Ponsignon et al. 2017
Csikszentmihalyi 2003			
Cmiel et al. 2004			
Stuart and Tax 2004			
Lin 2004			
Johnston 2004			
Berry et al. 2006a			
Dixon 2010			
Shieh and Ling 2010			
Jarratt 2014			

4.4 Experience Outcomes

The third element of the conceptual framework considers how customers perceive their experience of engaging with the delivery system. The experience a customer has is an accumulation of a variety of different cognitive, emotional and behavioural responses (Schmitt 1999; Gentile et al. 2007; Payne et al. 2007; Brakus et al. 2009; Payne et al. 2007). Gentile et al. (2007, p.398) note that whilst these components represent individual outputs from the delivery system, customers rarely recognise each element, the encounter being perceived “*as a complex but unitary feeling*”. To isolate a number of constructs that represent how customers perceive an experience, the main literature sources used in developing the Experience Mechanisms (that is, Csíkszentmihályi (1975) and Pine and Gilmore (1998)) were again drawn upon. From these works, four Experience Outcome constructs were identified. These outcomes evolve over the lifetime of the customer’s relationship with the service provider and characterise how the experience of engaging with the delivery system is perceived. Pine and Gilmore (1998) point out that organisations that focus on developing experience as a distinct point of difference aim to orchestrate service performances that are memorable. A key objective therefore for these delivery system is to engineer an experience that will be remembered. This assertion is supported by other researchers (McLellan 2000; Hanefors and Mossberg 2003; Pullman and Gross 2004; Voss and Zomerdiijk 2007; Zomerdiijk and Voss 2010; LaTour and Carbone 2014). Carbone and Haeckel (1994) however, argue that an experience creates an impression on the customer’s mind regardless of the type of service being provided. Any interaction with a delivery system is therefore to a “*greater or lesser extent memorable*” (Voss and Zomerdiijk 2007, p.100). This logic suggests that the capacity to create a positive impression and a memorable outcome might be applicable across all service contexts, rather than being restricted to experience-centric service providers (Voss et al. 2008; Zomerdiijk and Voss 2010) that focus on creating an experience as a specific point of difference. Memory recall was therefore identified as one outcome construct for the conceptual framework. In addition, Csíkszentmihályi (1975) also highlight that as well as being highly pleasurable, an increase in the perception of control and a distorted sense of time were characteristic outcomes from flow experiences. These outcomes, detailed below, were also included in the framework.

- (i) Memory Recall - *The customer's ability to recall at a later date a characteristic, activity or event that relates to the performance of the delivery system*
- (ii) Emotional Response - *The emotions expressed as a result of the customers' involvement in the delivery of the service*
- (iii) Perceived Control - *The extent to which customers believe they have control over the delivery of the service*
- (iv) Perception of Time - *The customer's perception of the duration of time engaged in the delivery of the service*

These individual components collectively represent how customers perceive an experience in hedonic contexts or with an experience-centric service provider. Including a range of outcomes in the empirical research will both demonstrate their relevance to non-hedonic service contexts and help show the impact of the Experience Mechanism constructs on the customer's experiences in these settings.

4.4.1 Experience Outcome – (i) Memory Recall

The capacity of the delivery system to engage with customers in “*memorable and meaningful ways*” (Voss et al. 2008, p.248) and customer's ability to recall these events at a later date is an important aspect of the value derived from their experience (Pine and Gilmore 1998).

4.4.1.1 Recall

The customer's memory of these events, and therefore an element of the value they derive from the service offering, however deteriorates over time (LaTour and Carbone 2014; Tynan et al. 2104). Whilst the perceived importance of the service offering and its relevance to the customer's personal goals influence their ability to retain the memory of their experience (LaTour and Carbone 2014), the design of the delivery system also has an influence. The vividness, variety and strength of the association between different service clues (Pine and Gilmore 1998; Kelley 1989; Haeckel et al. 2003) and the emotions generated as a result of the customer's involvement in the delivery of the service, are strongly associated with their capacity to recall the experience at a later date (Dasu and Chase 2010; LaTour and Carbone 2014) (Inferring relationship 2i Sensory Stimulation/Memory Recall). What the customer remembers is also influenced

by the pattern of activity sequences that occurs over the course of the customer's journey (Cowley 2008; LaTour and Carbone 2014; Dixon et al. 2017). Chase and Dasu (2001) suggest that, unless "short and traumatic" customers only recall a few major episodes clearly, their recall is biased towards significant moments, either positive or negative and their final interaction with the service provider (Ariely 1998; Cowley 2008; Temkin 2014). Similarly, "hedonic-editing" can also influence how individuals remember their experience through either aggregating their positive and negative reactions to their interactions with the delivery system, or by separating a particular element of their encounter for specific recall (Thaler and Johnson 1990; Cowley 2008). Research by Cowley (2008) measured the implications of hedonic-editing amongst casual and compulsive gamblers. To justify their actions irresponsible gamblers edited their recall of events. When more wins than losses were achieved, they integrated all of their wagers together to perceive their whole experience positively. However, when more losses occurred, their recall was reframed with an occasional big win being isolated as a separate event, the "silver-lining" effect (Thaler and Johnson 1990; Cowley 2008) thereby maximising the positive outcomes from that particular event. Cowley (2008) also noted that responsible gamblers who were less motivated to repeat the activity i.e. place additional bets, were also less inclined to use hedonic-editing strategies to reflect positively on their past betting history, regardless of the ratio of wins to losses. Crowley (2007) and Cowley and Caldwell (2001) show that memory recall is relatively accurate when no new information is available between the event and its recall. Memory can however be manipulated by the presence of relevant information regarding the experience received after the event. This information might be used to fill in gaps in the recall of the experience if the memory of the event was not processed deeply enough. Similarly, if the customer is unsure about the accuracy of their original memory but is more certain about the reliability of the post-consumption information, they might retrieve this information as a more accurate interpretation of the event. Customers might also feel obliged to agree with the general consensus of opinion from other customers present during the experience (Cowley and Caldwell 2001).

4.4.1.2 Reflection

The ability to reflect on an experience is also an important post event activity (Shaw and Ivens 2002) which enables the learning process of “proportioning” to occur (Payne et al. 2007). Proportioning involves customers reflecting on their interaction with the delivery system and what the experience meant to them (Payne et al. 2007; Boswijk et al. 2007). This process is often linked with prior experiences (Verhoef et al. 2009), which results in existing beliefs being challenged (Foster and Stines 2011). As a result, the customer might change their attitudes, preferences or behaviour (Payne et al. 2007), deciding either to cease using a particular service or devise “*coping strategies*” to mitigate shortfalls in the standards of service received (Shaw and Ivens 2002 p26) for example, to decide when not to visit a particularly busy supermarket. In this way, future expectations are established based on the experience of past events (Shaw and Ivens 2002).

4.4.2 Experience Outcome – (ii) Emotional Response

The emotional response, evoked as a result of the customer’s involvement in the co-creation of the service offering is also a fundamental element in how experiences are perceived (Johnston and Kong 2011). This construct relates both to the types of emotions evoked and customer’s perception of the strength of these emotions.

4.4.2.1 Evoked emotions

Emotions change how customers perceive a service setting and motivate their behaviour (Morrison and Crane 2007). They are used to help make decisions when other, more rational information is not available or when the tangible choices between different service providers are similar (Morrison and Crane 2007; O’Shaughnessy and O’Shaughnessy 2003). When positive, emotions can encourage customer loyalty (Pullman and Gross 2003; 2004) and influences their willingness to return (Barsky and Nash 2002). Emotions are elicited when the customer’s senses are stimulated through their direct interaction with clues embedded in the service context that is, the physical setting and interaction between people, and through indirect contact through advertising and packaging (Morrison and Crane 2007) (Inferring relationship 2ii Sensory Stimulation/Emotional Response). The cumulative build-up of both

subconscious and conscious emotions will eventually register as part of the customer's overall experience (Shaw 2007).

Emotions are evoked throughout the duration of the service encounter which includes both the pre and post-purchase phases. Liljander and Strandvik (1997) however note that these might change throughout the course of the customer's journey depending on the performance of the delivery system and in particular the organisation's employees. Emotions are more likely to be evoked when the customer participates in the delivery of the service rather than through indirect passive advertisements (Morrison and Crane 2007) because of the higher level of involvement required during active participation. The positive or negative feelings elicited during previous encounters with the service provider are used as a basis for establishing the customer's expectations for future events (Cowley 2007). The customer's post-purchase reflection therefore serves as an input into the next pre-purchase expectation phase (Liljander and Strandvik 1997). The feelings generated by both the experience and post experience information can also influence memory recall. Situations that result in an emotional response tend to be better recalled than those events which evoke no emotions (Dolcos and Cabeza 2002).

Inaccurate recall may also be due to the emotional impact of other related sources of information received after the experience, such as for example, an advert or the reminiscence of another customer. Research by Cowley (2007) demonstrates that the new feelings associated with post-event information are aggregated with the memory of the original emotions interfering with how the emotions generated as a result of the experience are subsequently recalled. When new information creates a cognitive reaction with no particular emotional impact, however memory recall remains relatively stable. The emotional content of post-event advertising, web communication and social media will therefore also influence how an experience is remembered.

Research by Pullman and Gross (2003, 2004) attempts to understand how different elements in the service context influence a customer's emotions and their loyalty behaviours. They demonstrate a link between the humanic clues of the delivery system that is, the relational elements and basic emotions that

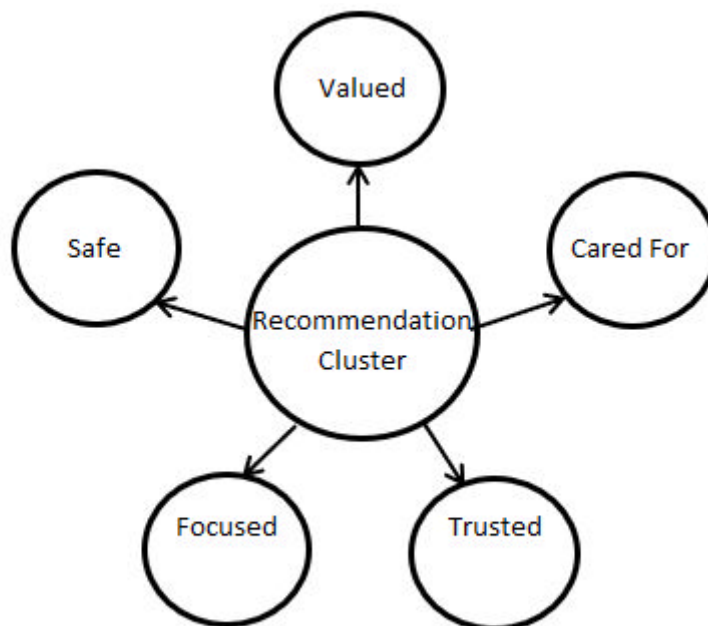
relate to customer satisfaction such as comfort, relaxation and, happiness and a customer's overall loyalty behaviours. In contrast they obtained mixed results regarding the impact of the service clues in the physical setting on customers' emotions and their loyalty behaviours. Food (functional clue) and seating (mechanic clue) were positively associated with basic emotions and loyalty behaviours possibly indicating the importance of these clues in helping customers achieve their overall goal. The sensory design created through the tent material, music and lighting (mechanic clues) had an influence on their loyalty behaviours but no impact on the emotions customers felt. Beverages had no influence on customers' emotions or their loyalty behaviours. Other emotions expected to be aroused because of the setting, a VIP hospitality tent, such as feelings of sophistication, privilege and inspiration also had no direct impact on customer's loyalty behaviours. Whilst the findings from Pullman and Gross (2003; 2004) therefore demonstrate the importance of the humanic clues provided in the performance and behaviour of employees, it also highlights the complexity of first determining which emotions are significant in building customer loyalty and then designing the right mechanic clues to evoke these specific emotional responses.

4.4.2.2 Emotional Clusters

Research by Shaw (2007) identifies a hierarchy of independent emotional clusters generated as a result of the interactions that take place over the course of the service encounter which influence how experiences are perceived. Whilst these clusters are independent of each other, they follow a "*natural order*" (Shaw 2007 p13). Three of the emotional clusters, "attention", "recommendation" and "advocacy" positively enhance the customers overall perception (Shaw 2007 p13). If evoked however, through an unsatisfactory outcome or from the way in which the service offering was delivered, the "destroying" cluster of emotions such as unsatisfied, frustration or disappointment, act to create a negative impact on how the experience is perceived. Whilst customers can endure negative emotions without these necessarily influencing their overall level of satisfaction, negative emotions have a more significant impact on how customers evaluate service satisfaction than positive emotions (Liljander and Strandvik 1997).

Emotions produced at an early stage of a customer's relationship with the service provider facilitate exploratory behaviour and support learning. These attention cluster emotions (Shaw 2007) for example, stimulated, interested, exploratory, and indulgent are temporary in nature. Wikstrom (2008) also notes that excitement and novelty are key factors in their model of experiential consumption. These emotions drive short-term interest in the service offering, which reduces over time as customers learn and become accustomed to the activities taking place during the delivery of the service (Shaw 2007).

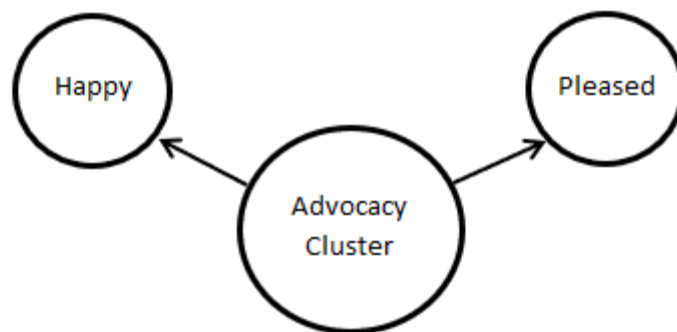
Shaw (2007) identifies a second level of positive emotions which he terms as the recommendation cluster (Figure 4.1). These emotions act as the basic foundation for the achievement of customer satisfaction and loyalty (Shaw 2007). Dasu and Chase (2010) and Lemon and Verhoef (2016) for example both point out that trust i.e. "*confidence in the quality and reliability*" of the service offering (Garbarino and Johnson 1999, p.73), a specific emotion generated as a result of a positive experience, is a key variable that influences a customer's overall perception of the delivery system and is necessary for a relationship with the customer to endure. Garbarino and Johnson (1999, p.71) also highlights trust as being an "*essential ingredient for a successful relationship*".



Source: Shaw (2007 p.89)

Figure 4.1 Recommendation Cluster of Emotions

Describing similar emotions, Chitturi et al. (2008) provide an alternative term for this cluster: prevention emotions. They demonstrated how prevention emotions such as trust and assurance are elicited during a positive experience in which a customer's prevention goals are satisfied. This is in contrast with the emotions felt as a result of an experience in which promotion goals are fulfilled. In these situations, they suggest that a separate cluster of positive promotion emotions such as cheerfulness and excitement are aroused.



Source: Shaw (2007 p.106)

Figure 4.2 Advocacy Cluster of Emotions

Shaw's (2007) optimum, higher-order emotions – feeling happy and pleased are termed advocacy emotions (Figure 4.2). Perceived after recommendation emotions, these emotions promote positive word-of-mouth support and loyalty for the service provider and demonstrate a heightened state of satisfaction. The advocacy cluster involve proactive emotions in that they lead to customers actively seeking to recommend the service being delivered, as opposed to the essentially reactive emotions in the recommendation cluster, which Shaw (2007) suggests are expressed only when a customer is specifically asked for an opinion.

4.4.3 Experience Outcome – (iii) Perceived control

Whilst Koufaris (2002) notes similarities between the construct of perceived control and the emotional response of dominance, that is, "*the extent to which a person feels in control and has freedom to act in a number of ways*" (Webb, 1999 p150), the sense of control can also be conceptualised as a belief (Ajzen 1991). Ajzen (1991) recognises that how individuals behave when conducting an activity is influenced by the level of confidence they have in their ability to perform the activity. He also notes that an individual's perception of control is

based on the extent to which they believe they possess the resources to achieve an outcome and that obstacles or impediments have been removed. Wallston et al. (1987, p.1) also defines perceived control “*as the belief that an individual can determine their own internal states and behaviours, influence their environment and bring about a desired outcome.*” The concept of flow also distinguishes between positive emotional outcomes and the individual’s belief in the level of control they have over the activity they are undertaking. In the design of the conceptual framework therefore, the construct of Perceived Control is considered as conceptually distinct to the Emotional Response construct.

van Rompay et al. (2008) note that customers experience a sense of control when the setting in which the service is delivered enables them to achieve their goals. Similarly they also point out that when the setting prevents this, through for example distractions, interruptions or service failures, customers feel out of control. The customer’s perception of control relates to both their ability to make adjustments to the performance of the delivery system and in the delivery system’s capacity to respond appropriately to their input (Hoffman and Novak 1996); that is, as Cook et al. (2002, p.164) suggest, its capacity to create “*a sense of mastery over their situation*”. The level of control the customer perceives and the subsequent emotions that this behaviour generates is a significant characteristic of the service encounter upon which customer experience is built (Hui and Bateson 1991; Dasu and Chase 2010; Berry et al. 2015). When a customer perceives a greater level of control over the activity, they perceive there to be less risk (Grewal, et al. 2007) and greater pleasure from the outcome (Hui and Bateson, 1991); the experience being more likely to be evaluated positively (Hui and Bateson, 1991; Grewal, et al. 2007). In their study of patients in a Midwestern hospital, for example, Grewal, et al. (2007) found support for a correlation between patient’s perception of service quality and the degree of control they perceived over some aspects of the delivery system.

Whilst Guo et al. (2016) contend that customers generally wish to exert a degree of control throughout every stage of their service journey, the degree to which individual customers strive for control varies (van Rompay et al. 2008).

Dasu and Chase (2010) for example, point out that customers are often willing to pass control to the service provider who, with their greater skill and knowledge is more proficient at managing major decisions during the course of the service provision. The control of the process of buying and selling a house for example, is generally left to an estate agent and solicitor. For less important decisions however, the service provider could decide to share or even to pass all decisions to their customers (Dasu and Chase 2010) thereby increasing their sense of control. Once purchased, a house builder could easily cede decision rights to the customer over the decoration of the house up to a set financial limit. The significance of the decisions needing to be made and the extent to which customers understand how the process works will therefore influence their motivation to want to adapt the service offering (Dasu and Chase 2010) (Inferring relationship 4iii Adaptability/Perceived control).

The sense of control customers perceive they have can be characterised into three main types; decisional control, behavioural control and cognitive control (Averill 1973). By recognising and designing the delivery system to increase the sense of control customers perceive themselves to have across these three control types, service designers can reduce any potential stress and anxiety caused during the co-creation of the service offering.

4.4.3.1 Decisional control

Decisional control refers to the customer's ability to choose how they achieve their goals by being able to select a course of action from a range of options rather than being provided with only one possible outcome (Averill 1973; Cook et al. 2002; Chang 2008; Guo et al. 2016) (Inferring relationship 4iii Adaptability / Perceived level of Control). Providing an open two-way dialogue together with access to relevant information, enables customers to make a clear assessment of the course of action they should take (Prahalad and Ramaswamy 2004). When customers have sufficient knowledge to enable them to make a choice or where decisions that need to be taken are relatively straightforward (Dasu and Chase 2010), allowing the customer to contribute to decisions in how the service is delivered will add to their overall sense of control (Grewal et al. 2007).

4.4.3.2 Cognitive control

In situations where customers have little direct control over the delivery of the service, cognitive or information control (Guo et al. 2016) reduces their uncertainty and stress by allowing them to see enough of the process to make a positive interpretation of how well it is being operated (Averill 1973; Dasu and Chase 2010). Customer's perception of control is enhanced when the functional, mechanic and humanic clues in the service setting provide a positive impression enabling the customer to predict the quality of the service being delivered (Grewal et al. 2007) (Inferring relationship 2iii Sensory Stimulation/Perceived level of Control). Making information available to customers is also central to managing cognitive control (Cook et al. 2002; Dasu and Chase 2010). By providing real-time information enabling the progress of delivery consignments to be tracked (Amazon/FedEx) (Grewal et al. 2007), for example, technology can be used to enhance the customer's sense of cognitive control.

4.4.3.3 Behavioural control

Perceived behavioural control refers to a customer's perception of their ability to control or modify the delivery system through their direct action (Averill 1973) in order to achieve a particular consumption goal. This level of control is enhanced when the service system facilitates a learning process. This allows the customer to acquire new knowledge and better understand how the delivery process works thereby enabling them to more fully participate in the co-creation process (Payne et al. 2007). Customers perceive an element of behavioural control when for example they are provided with the capability to initiate or terminate the delivery process, or are able to modify the outcome (Averill 1973; van Rompay et al. 2008; Dasu and Chase 2010). Collier and Sherrell (2010) and Grewal et al. (2007) note that self-service technologies increase a customer's sense of behavioural control by enabling them to control how the delivery system operates for example, the flow of information, the speed of the transaction and the eventual packaging and handling of the product at the end of the transaction (Collier and Sherrell 2010).

4.4.4 Experience Outcome: (iv) Perception of time

The duration of time engaged in the delivery of the service plays an important role in a customer's overall evaluation of their experience (Ariely and Zauberan 2000; Bitran et al. 2008). Berry (1979) and Hornik (1984) contend that the duration of time engaged in the delivery of the service is as important to customers as the overall monetary cost of acquiring the service offering. If the duration of time differs largely from the customer's expectation, their perception of service quality tends to decrease (Froehle and Roth 2004). Two factors have been highlighted in the extant literature which influence how customers perceive the construct of time duration, during the delivery of the service. The first takes into consideration customer awareness and attention to time whilst participating. The second factor relates to the benefits and value customers infer from the length of time they are engaged with the delivery system.

4.4.4.1 Attention to time

The perceived speed at which time passes whilst engaged with the delivery system depends on how absorbed the customer is in the activities they are undertaking (Hornik 1984; Csikszentmihalyi 2003) (Inferring relationship 1iv Focused Attention/Perception of Time). During periods of flow, as the participant focuses their attention specifically on the activity taking place, the increased level of concentration reduces the participant's awareness of actual clock time (Csikszentmihalyi 1975). In these situations, customer might attribute little value to the time spent engaged with the delivery system. Similarly, customers who actively contribute to the production of the service have a tendency to underestimate the duration of their involvement, time appearing to move faster (Hornik 1984). In contrast, periods of passive participation when the customer is not engaged with the delivery process tend to be perceived as feeling longer (Maister 1985; Bitran and Lojo 1993). The perception of time in these circumstances tends to slow and its duration is generally overestimated (Hornik 1984; Baker and Cameron 1996; Anic and Miller 2011). In situations where the perceived waiting time increases, satisfaction with the service provider tends to decrease (Katz et al. 1991; Bitran et al. 2008) wasted time being perceived as an *"annoyance that stands between the customer and the service outcome"* (Bitran et al. 2008, p.61). Providing distractions or entertainment during these periods may reduce this distortion (Baker and

Cameron 1996; Shieh and Ling 2010) and increase overall customer satisfaction (Katz et al. 1991). Bitran et al. (2008) also note that when a queue is perceived to move quickly towards the end of the wait, the customer's evaluation of the overall queueing experience was more positive and in some instances dominated the judgement of their waiting experience. Similarly, Baker and Cameron (1996) point out that time spent in queue management systems that continuously move are perceived to be quicker than lines that move sporadically, even if these lines are shorter, because customers are provided with regular feedback about their progress in achieving their objective (Inferring relationship 3iv Interaction/Perception of Time). The customer's perception of time during periods of passive participation is therefore a more important element in their overall evaluation of the value and benefits derived from the delivery system and how they perceive their experience.

4.4.4.2 Duration as an element of value

Whilst shorter passive waiting times can provide the service offering with an element of intrinsic value (Yeung and Soman 2007), the speed at which the service is delivered is not always a priority. When the value obtained from the service offering is difficult to gauge Yeung and Soman (2007) note that customers tend to evaluate the value of a service based on its duration rather than the actual benefits it delivers. The duration of time becomes "*a carrier of value*" (Yeung and Soman 2007 p316). They term this phenomenon as a duration heuristic, the value of the service offering being inferred from its duration (Chiou 2008), with greater benefits being accrued from a delivery process that lasts longer. Longer durations therefore are perceived as being more valuable than shorter ones (Yeung and Soman 2007). Similarly, customers can perceive that they gain greater benefits from services delivered over multiple episodes when the value obtained from each episode is difficult to ascertain, such as a regular fitness regime at a gym. Although the duration of each episode does not determine the value obtained from the service offering, in these circumstances customers may perceive a positive relationship between the duration of the service and the value derived from it (Yeung and Soman 2007; Bitran et al. 2008). Segmenting the customer's service journey into episodes when they are actively interacting with the delivery system in an enjoyable way and combining passive periods whilst customers are waiting for

elements of the delivery process to be completed will therefore positively influence their overall evaluation of the duration of time spent in the delivery process (Chase and Dasu 2001; Cook et al. 2002). Table 4.11 summarises the literature sources from which these Experience Outcome constructs have been developed.

Table 4.11: Literature sources used in the preparation of the Experience Outcome constructs

Memory Recall	Emotion Response	Perceived Control	Perception of Time
Forlizzi and Ford 2000	Liljander and Strandvik 1997	Averill 1973	Attention to Time
Arnould and Price 1993		Koufaris 2002	Thomas and Weaver 1975
Carbone and Haeckel 1994	Garbarino and Johnson 1999	Ajzen 1991	Csikszentmihalyi 1975
Dodson 1996	Dolcos and Cabeza 2002	Hui and Bateson 1991	Hornik 1984
Pine and Gilmore 1998	Pullman and Gross 2003; 2004	Hoffman and Novak 1996	Maister 1985
McLellan 2000		Koufaris 2002	Kelley 1989
Hanefors and Mossberg 2003	Morrison and Crane 2007	Csikszentmihalyi 2003	Katz et al. 1991
Pullman and Gross 2004	Cowley 2007	Grewal et al. 2007	Baker and Cameron 1996
	Shaw 2007	Frow and Payne 2007	Soteriou and Chase 1998
Forlizzi and Battarbee 2004	Gentile et al. 2007	Meyer and Schwager 2007	Chase and Dasu 2001
	Chitturi et al. 2008	van Rompay et al. 2008	Csikszentmihalyi 2003
Battarbee and Koskinen 2005	Wikstrom 2008	Lee (2010)	Bitran et al. 2008
	Dasu and Chase 2010	Dasu and Chase 2010	Shieh and Ling 2010
Voss and Zomerdijk 2007		Guo et al. 2016	Collier and Sherrell 2010
		Berry et al. 2015	Anic and Miller 2011
Voss et al. 2008		Decisional Control	A Carrier of Value
Zomerdijk and Voss 2010		Averill 1973	Yeung and Soman 2007
		Chase and Dasu 2001	Chiou 2008
Ponsignon et al. 2017		Cook et al. 2002	Bitran et al. 2008
Memory perception		Chang 2008	
Chase and Dasu 2001		Guo et al. 2016	
Cowley and Caldwell 2001		Cognitive control	
		Averill 1973	
Shaw and Ivens 2002		Cook et al. 2002	
Crowley 2007		Grewal et al. 2007	
Payne et al. 2007		Dasu and Chase 2010	
Boswijk et al. 2007		Guo et al. 2016	
Cowley 2008		Grewal et al. 2007	
Foster and Stines 2011		Behavioural control	
LaTour and Carbone 2014		Averill 1973	
		Dasu and Chase 2010	
		Collier and Sherrell 2010	
		Grewal et al. 2007	
		Collier and Sherrell 2010	
		Dasu and Chase 2010	

4.5 Summary

This chapter has described the constructs of a conceptual framework (figure 4.0) designed to represent how organisations design their delivery systems for customer experience. The framework identifies a number of interdependent components (Design Choice constructs) through which the service provider is able to make strategic decisions regarding the design and configuration of the delivery system. Incorporated into these Design Choice constructs, the framework proposes that Experience Mechanisms influence how customers engage with the service provider. Constructs (Experience Outcomes) describing how a customer perceives their experience are also represented. Through a synthesis of service operations design models and additional models of experience provided by Pine and Gilmore (1998) and Csikszentmihalyi (1975) the framework therefore represents both the provider's and the customer's perspectives of customer experience in the design of the delivery system. The relationships highlighted in the framework also provide an explanation as to how the design of the delivery system influences customer experience by illustrating the impact of the Experience Mechanism constructs on both the design of the delivery system and the outcomes perceived as part of an experience. The literature sources studied to develop the conceptual framework however have been drawn predominantly from service design principles identified in experience-centric organisations and within hedonic service contexts. Whilst the most salient components appear to be applicable across different service settings, the design and analysis of the empirical element of the research study which the next chapter will describe, provides an opportunity to explore and determine the relevance of the framework in non-hedonic contexts.

Chapter 5: Research Methodology

5.1 Introduction

The aim of this chapter is to describe the research methodology used to address the research question of this thesis:

How do organisations operating in non-hedonic service context design for customer experience?

The chapter first describes the philosophical approach adopted in the research design and then presents a rationale for the use of case studies as the method through which the research question was explored. The aims of the empirical phase of the research will then be highlighted and the data collection strategy introduced. Finally, the method through which the data captured was analysed will be described; the initial case reports and subsequent cross-case analysis were developed from this analysis. Following Yin (2009) a chain of evidence (Figure 5.0) is outlined below.

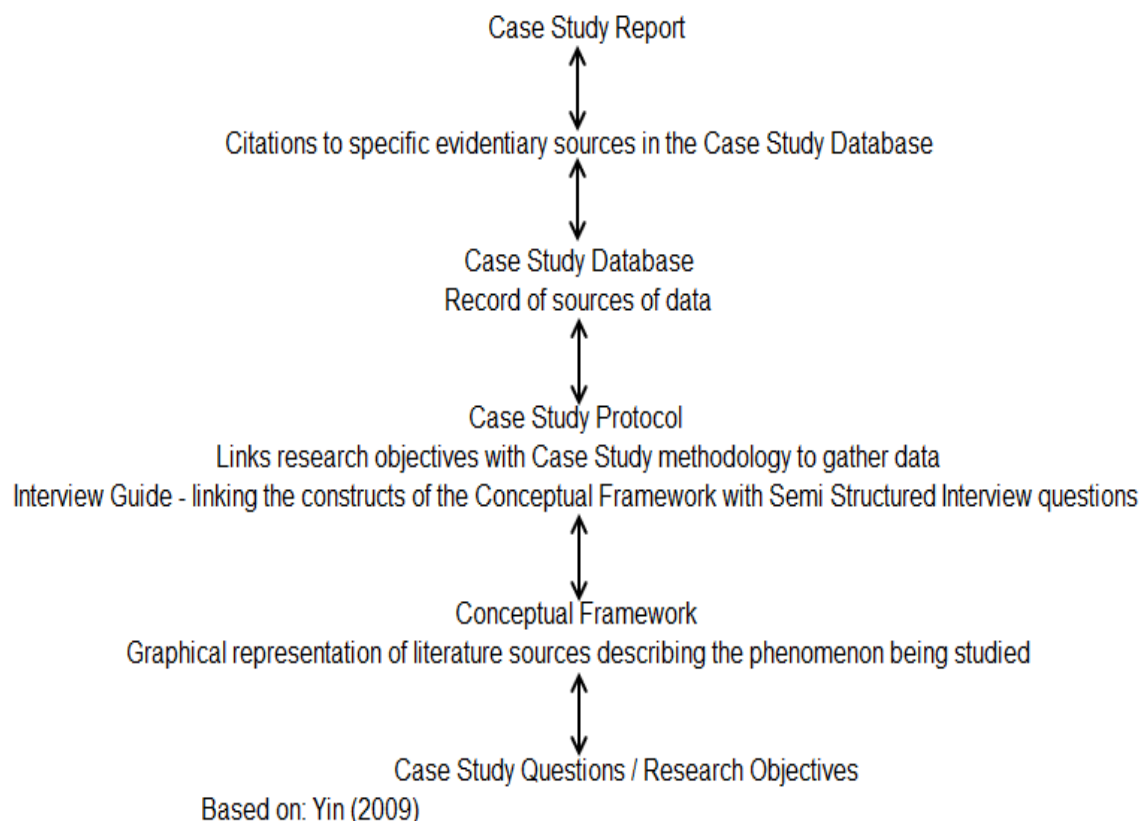


Figure 5.0 Maintaining a Chain of Evidence

The case study protocol (Appendix 3) provides a link between the research questions and the data collection methods used. The case study database (Appendix 4) established provided a means through which the observations,

interviews and secondary sources, that is, the documents, photographs and market research statistical data, obtained during the course of the research could be recorded and monitored. The evidence obtained and listed on the database was also linked back to the protocol and cited in subsequent reports of the analysis conducted (Rowley 2002).

5.2 Research Paradigm

The researcher's assumptions about the nature of reality and their approach to discovering new knowledge influence the type of research strategy they adopt (Saunders et al. 2009). From these assumptions, three different research philosophies emerge, the positivist, interpretivist and realist paradigms (Saunders et al. 2009) which influence how the goals of the research are determined and the methods used to achieve them (Sobh and Perry 2006; Rubin and Rubin 2011). Based on Guba and Lincoln (1994). Table 5.0 summarises the differences between these paradigms.

Table 5.0: Comparison of Three Research Paradigms

Ontology - The nature and reality of knowledge		
Positivist	Realist	Interpretivist
"An apprehendable reality is assumed to exist, driven by immutable natural laws and mechanisms. Knowledge of the "way things are" is conventionally summarised in the form of time and context free generalisations, some of which take the form of cause-effect laws. Research can, in principle, converge on the "true" state of affairs" (p.109)	"Reality is assumed to exist but to be only imperfectly apprehendable because of basically flawed human intellectual mechanisms and the fundamentally intractable nature of the phenomena...Reality must be subjected to the widest possible critical examination to facilitate apprehending reality as closely as possible (but never perfectly)" (p.109)	"Realities are apprehendable in the form of multiple, intangible mental constructions, socially and experientially based, local and specific in nature (although elements are often shared among many individuals and even across cultures), and dependent for their form and content on the individual persons or groups holding the constructions. Constructions are not more or less "true," in any absolute sense, but simply more or less informed
Epistemology - Approach to discovering new knowledge		
Positivist	Realist	Interpretivist
"Verified hypotheses established as facts or laws...The investigator and the investigated "object" are assumed to be independent entities, and the investigator to be capable of studying the object without influencing it or being influenced by it...Inquiry takes place as through a one-way mirror. Replicable findings are, in fact, "true."" (p.110/112)	"Non falsified hypotheses that are probable facts or laws...Special emphasis is placed on external "guardians" of objectivity such as critical traditions (do the findings "fit" with pre-existing knowledge?) and the critical community (such as editors, referees, and professional peers). Replicated findings are probably true (but always subject to falsification)"	"Individual reconstructions coalescing around consensus...The investigator and the object of investigation are assumed to be interactively linked so that the findings are literally created as the investigation proceeds." (p.110/112)

Source: Guba and Lincoln, 1994

Researchers following a positivist paradigm look for a single external reality, capable of being observed independently from the judgement or perspective of the researcher (Guba, and Lincoln 1994; Meredith 1998 Healy and Perry 2000; Rubin and Rubin 2011). Researchers informed by the positivist paradigm use existing theory in the development of their hypotheses and use a “*highly structured*” approach (Saunders et al. 2009) to reduce the questions they asked into quantifiable segments (Tavakol and Zeinaloo 2004). The researcher makes the assumption that each informant has a similar understanding of each question asked. The variables being analysed can be clearly defined and accurately tested (Meredith 1998) and the data can be collected using standardised instruments (Rubin and Rubin 2011). As the researcher acts as a “*neutral recorder*”, when the same instrument is used by different researcher’s similar results should be achieved (Rubin and Rubin, 2011, p.16). The findings of studies based on the positivist paradigm are generalised from the sample to a wider population using statistical analysis (statistical generalisation) (Meredith 1998; Sobh and Perry 2006). Whilst Meredith (1998) recognises that this approach is an accepted methodology in operations management research, Sobh and Perry (2006) point to the lack of consistency when replicating studies following a positivist research philosophy in marketing and management research. Research by Hubbard and Armstrong (1994) for example, demonstrate that in the findings of twenty replication studies they analysed, twelve (60%) produced conflicting results and a further five (25%) only found limited support for the original hypothesis. Whilst research designs informed by the positivist research philosophy are appropriate for the physical sciences, Sobh and Perry (2006, p.1197), note that they might not be suitable when exploring “*complex social science phenomenon(s), which involves reflective humans.*”

Researcher design following an interpretivist philosophy however, takes into consideration individuals’ subjective interpretation of events influenced by “*their prior experience, knowledge, and expectations*” (Rubin and Rubin 2011, p.15). Each individual has their own version of reality (Rubin and Rubin 2011) which cannot easily be broken down into observable segments (Tavakol and Zeinaloo 2004). Reality, therefore can only be identified indirectly through people’s interpretations, of which there can be multiple versions (Rubin and Rubin 2011).

In the interpretivist paradigm, the strength of each individual's constructed reality renders any external reality "*relatively unimportant*" (Sobh and Perry 2006, p.1198). A consequence of this however is that these versions of reality cannot be easily compared (Sobh and Perry 2006). In these circumstances, researchers seek to understand and explain an individual's perception of "reality" rather than generalising the findings to a general theory (Tavakol and Zeinaloo 2004). From a business perspective therefore whilst research design following an interpretivist philosophy can be helpful in determining how customers interpret the usefulness of a product or service, Sobh and Perry (2006) contend that the individual perceptions of managers have less relevance. In this context they argue that rather than focusing on individual customer's perceptions of reality, research needs to generate an understanding of how customers in general perceive an external market, an understanding which then can be acted upon by managers.

The realist philosophy sits between the positivist and interpretivist research paradigms. Research design informed by a realism philosophy assumes a similar structured approach to the development of knowledge, and the collection and analysis of data to that of the positivism paradigm (Saunders al. 2009). Research design informed by a realism philosophy is useful to studies looking to explore a "*predetermined outside reality*" (Healy and Perry 2000, p.120). The complexities of such a reality however mean that it needs to be studied through in-depth qualitative data collection methods rather than through the narrow research instruments used in research designs following the positivist paradigm (Healy and Perry 2000; Sobh and Perry 2006). Researchers look to build a deeper understanding of why their results are as they are and to develop a "family of answers" (Pawson and Tilley 1997, p.115) to cover a variety of different contexts, the findings being generalised through analytical generalisation rather than to any specific population (Yin 2009; Sobh and Perry 2006).

The literature highlights two different perspectives in the realism paradigm: direct realism, based on an assumption that what is sensed is an accurate portrayal of reality; and critical realism (Saunders et al. 2009). In the critical realist paradigm, reality is socially constructed (Easton 2010) built through the

actions of people, for example, with the design, location, and branding of a retail shop. An understanding of the social world is derived from studying the structures which create events through which an individual's experience evolves (Saunders et al. 2009; Bryman and Bell 2011). This external reality however exists independently from the reality perceived in an individual's mind (Healy and Perry 2000; Sobh and Perry 2006). Events therefore cannot be effectively understood unless the perspective of the individuals involved is also considered (Dobson 2002; Saunders al. 2009); in this research study, that means considering how customers act and respond to their interactions with the service environment and people involved. Researches following a critical realist paradigm, look to understand the realities of "real world" situations, influenced by the context in which they occur (Sobh and Perry 2006), while at the same time recognise the difference between the external realities of these situations and how individuals perceived them (Krauss 2005).

Understanding the relationship between the entities involved is central to research following a critical realist philosophy. Researchers focus on discovering causal explanations to demonstrate how and why events occur (Easton 2010) and the "*processes or pathways through which an outcome is brought into being*" (Little 2004, p.2). A causal explanation builds through the study of entities, such as the resources available within an organisation, their internal departments, people and processes and the mechanisms which connect and combine to bring about a particular outcome (Easton 2010; Bryman and Bell 2011). Generative mechanisms that evolve through the research can be defined as the ways in which an entity can effect change or make things happen and the degree to which they are liable to be affected by the actions of others (Sayer, 1992; Easton 2010).

Research design informed by a critical realist philosophy has been shown to be suitable in Business and Management studies. Easton (2010) for example argues that research design informed by a critical realist philosophy is well suited to studying complex entities with clear boundaries and powers to act and be acted upon by others, such as the internal relationships and the external networks connecting organisations. Saunders et al. (2009) also notes that critical realists recognise the importance of multilevel studies, that is, studies

undertaken at an individual, departmental and organisational level. Each level has the capacity to add new insights into a researcher's understanding of the phenomenon being studied. Mingers (2000) and Sobh and Perry (2006) suggest that the critical realist paradigm is a suitable philosophy underpinning research into both operations management and marketing. Saunders et al. (2009) agree with this premise, adding that critical realism is a compatible research philosophy for business and management studies seeking to understand the reason for the phenomena as a precursor to recommending change.

5.2.1 Research Paradigm adopted

The objective of the research thesis is to explore how organisations design for customer experience in non-hedonic service contexts. The customers subjective impression of their experience is an important consideration in the design of the delivery system and therefore an interpretivist paradigm might have been an appropriate philosophy through which customer experience could be explored. Each customer providing their own version and subjective impression of their involvement and engagement with the delivery system. The research question however also provides an opportunity to consider the provider's perspective. The external reality of the delivery system, that is the *"interrelated objects, and the mechanisms through which those objects interact"* (Sobh 2006), for example, how the delivery of the service is planned and the design of the physical setting, are also important factors to explore. In these circumstances, the philosophy underpinning the critical realism paradigm is appropriate to guide the design of the research study to both understand customers experience and explore how delivery system design influences it, in non-hedonic service contexts.

5.3 Research Approach: an Exploratory Study

Whilst customer experience has been studied from a variety of different perspectives and disciplines, relatively few inquiries have been conducted to explore how the delivery system influences customer experience in non-hedonic service contexts (Roth and Menor 2003; Voss et al. 2008; Verhof et al. 2009; Candi et. 2013). The extant literature provides a good foundation upon which an investigation can be carried out, however these works relate predominately to

hedonic service contexts. In these circumstances a qualitative exploratory approach was therefore taken in the design of the research strategy to understand the applicability of current experience design practice in different service settings. Creswell (2002) asserts that an exploratory approach is suitable when little previous research has been carried out to understand the variables concerned or when the topic has not been studied in a particular group. Exploratory studies are also suitable in situations where “*conceptual development is in its formative stage*” (Stuart et al. 2002, p.422) and the phenomenon being studied is not well understood (Saunders et al. 2009). Exploratory research helps to provide depth and detail regarding a phenomenon (Bowen 2005) gaining insights into its nature and structure in order “*to develop hypotheses, models, or theories*” for further study (Scholz and Tietje 2002, p.4). The researcher needs to analyse the data several times to identify key “*themes, trends and ideas*” (Guest et al. 2012, p.7), or look for new insights in different contexts (Stuart et al. 2002).

5.3.1 Inductive and deductive research approaches

In developing a strategy for a qualitative inquiry, researchers have the option of two different approaches, inductive and deductive. Using an inductive approach, theory emerges through the process of data collection and analysis (Saunders et al. 2009). A priori hypotheses are not necessary when applying an inductive approach during a qualitative study, the researcher generating “*a general explanation [a theory] of a process, action, or interaction, shaped by the views of a larger number of participants*” (Johnson 2015 p.262). Through this grounded bottom-up approach, “*questions, insights, propositions, and pictures*” (Rowley 2002, p.18) emerge from basic ideas which evolve into more substantial themes (Saunders et al. 2009).

The advantage of an inductive approach, for example, grounded theory (Glasser and Strauss 1967; Strauss and Corbin 1990) is that it provides researchers with greater flexibility and from this, “*themes and hypotheses entirely unknown to the extant literature or the researcher*” (Johnson 2015 p.262) can be uncovered. Data is analysed through a sequential process (Saunders et al. 2009; Johnson 2015). Open coding in which data is categorised and labelled, (Saunders et al. 2009) is first carried out. This is

followed by Axial coding carried out to identify relationships that emerge through the open coding process. From this a hierarchy of subcategories develop (Saunders et al. 2009). Finally, these subcategories are analysed to identify key principle categories around which an explanatory theory can be developed. Through this analytical process, a deeper understanding can be obtained about a complex phenomenon from the perspective of a specific informant group (Johnson 2015).

A limitation of this type of inquiry however is the high level of resources (manpower and time) required whilst analysing the data (Sanders et al. 2009), although Miles and Huberman (1994 p.17) concede that *“highly inductive, loosely designed studies make good sense when experienced researchers have plenty of time.”* The lack of a prior theoretical background in the design of the study might also result in researchers simply replicating existing studies *“adding little to existing theoretical knowledge, or to produce massive amounts of data without any clarity with respect to how this data can lead to novel insights”* (Andersen and Kragh 2010 p.49). Eisenhardt (1989) also point out that theory generated through an inductive approach might only apply to the case being studied, limiting its generalisability to a broader domain. Whilst the use of existing theory might limit the scope to which a phenomenon is explored (Bryman 1988) or *“blind us from imaginative theorising and from revealing new insights and theoretical breakthroughs”* (Andersen and Kragh 2010 p.49), some qualitative researchers (for example Perry 1998; Saunders et al. 2009; Yin 2009; Andersen and Kragh 2010) argue that an element of prior theory should be included in most research designs. Perry (1998 p.789), for example, points out that *“just as pure deduction might prevent the development of new and useful theory”*, pure induction approaches might limit researcher’s ability to benefit from existing theory. *“Starting from scratch with an absolutely clean theoretical slate is [therefore] neither practical nor preferred”* (Perry 1998 p.788)

To address this, an alternative strategy uses a tighter, more deductive approach (Miles and Huberman 1994; Perry 1998) to build theory from existing knowledge. Using this “theory-driven” approach (Melnik and Handfield 1998), a conceptual framework is first developed which reflects the topics being explored (Rowley 2002) and *“territory being investigated”* (Miles and Huberman 1994

p.20), before data is collected. The conceptual framework acts as a guide and provides direction to the research project (Halinen and Tornroos 2005; Saunders et al. 2009) and describes in narrative form or graphically (Miles and Huberman 1994) the constructs and relationships between them of the phenomenon being studied (Eisenhardt 1989; Miles and Huberman 1994; Rowley 2002; Voss et al. 2002; Yin 2009; Saunders et al. 2009). This can range from basic ideas to a more explicit and well-defined structure (Melnyk and Handfield 1989), the framework providing a “*story about why acts, events, structure and thoughts occur*” (Sutton and Straw 1995 p.378). This more structured approach provides researchers with a firmer foundation from which to manage research design quality, such as validity and reliability (Andersen and Kragh), and for organising data collection and analysis (Perry 1998; Rowley 2002; Saunders et al. 2009), prior theory being “*viewed as some additional evidence that can be used to triangulate the external realit[ies]*” (Perry 1998, p.189) of each study.

Using existing literature in the development of the conceptual framework enables researchers “*to measure constructs more accurately*” and provides “*a firmer empirical grounding for the emergent theory*” (Eisenhardt 1989 p.536) and in generalising the findings to a wider domain (Hartley, 2004; Saunders et al. 2009; Yin 2009). The use of prior theory therefore has been recognised as an “*immense aid in defining the appropriate research design and data collection*” strategy (Yin 2009 p.40). Whilst Easton (2010) notes the importance of using existing theory in research designs using a critical realist approach, enabling researchers to focus on revealing the key constructs involved and the mechanisms that connect them, the relationships highlighted between the constructs should not be assumed (Ridder 2017). Maxwell (2009, p.223) therefore advises that the literature sources from which the conceptual framework develops should be recognised as “*fallible sources of ideas about what’s going on*” rather than “*an authority to be deferred to.*”

5.3.2 Research approach adopted

In following a critical realism research philosophy, the objective of the researcher is to “*generalise their findings to theoretical propositions rather than to specific populations*” (Sobh 2006 p.1195). In these circumstances the

researcher enters *“the field with prior theories”* (Sobh 2006 p.1201) with *“many windows on to [the] reality [being studied] deserving some consideration”* rather than to *“construct a theory from interacting with their own accumulating data, without any inputs from other people’s theories in the literature”* (Sobh 2006 p.1201). Candi et al. (2013) notes that experience design has been studied from a number of different perspectives, as an *“output of all service offerings”* (Berry et al. 2002; Johnston and Clark, 2005), through a *“direct link to a company’s brand”* (Brakus et al. 2009) and as a *“unique context for innovation”* (Candi et al. 2013) thereby differentiating experiential and non-experiential services (Voss and Zomerdijk 2007; Voss et al. 2008; Zomerdijk and Voss 2010). Some prior theory therefore has already been established, albeit within predominantly experience-centric and hedonic service contexts. Whilst some understanding of the constructs involved have been developed, Candi et al. (2013) also recognise that limited studies have been conducted in non-hedonic service contexts. Theory building therefore is still required (Perry, 1998) to more fully describe the phenomenon of customer experience, that is *“what is happening and why”* in different contexts or situations (Maxwell, 2009 p.222).

Given the range of literature available therefore, a deductive approach was selected as the most suitable strategy in the design of the qualitative inquiry. This enabled a conceptual framework to be first established using existing theory prior to the collection and analysis of data.

5.4 Design of Empirical Phase of Research Project

Building on the development of the conceptual framework (Figure 4.0), a data collection strategy was also required to explore whether the constructs and relationships between them were relevant factors in the design of the delivery system and in customers’ perception of their experience in the non-hedonic contexts studied. The empirical phase of the research was designed to achieve this level of understanding with two primary aims. The first is to identify the presence and relevance of each construct and the relationships between them in each case study conducted. The second aim is to compare the analysis of the constructs in each case study, so that the meaning of each construct and attendant relationships could be better understood.

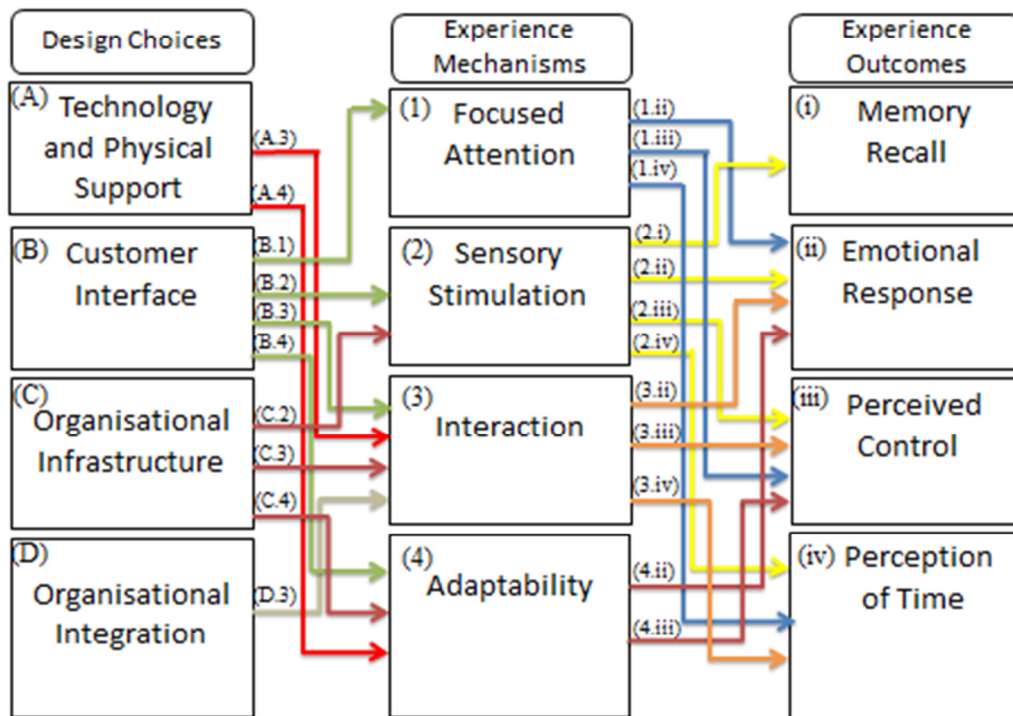
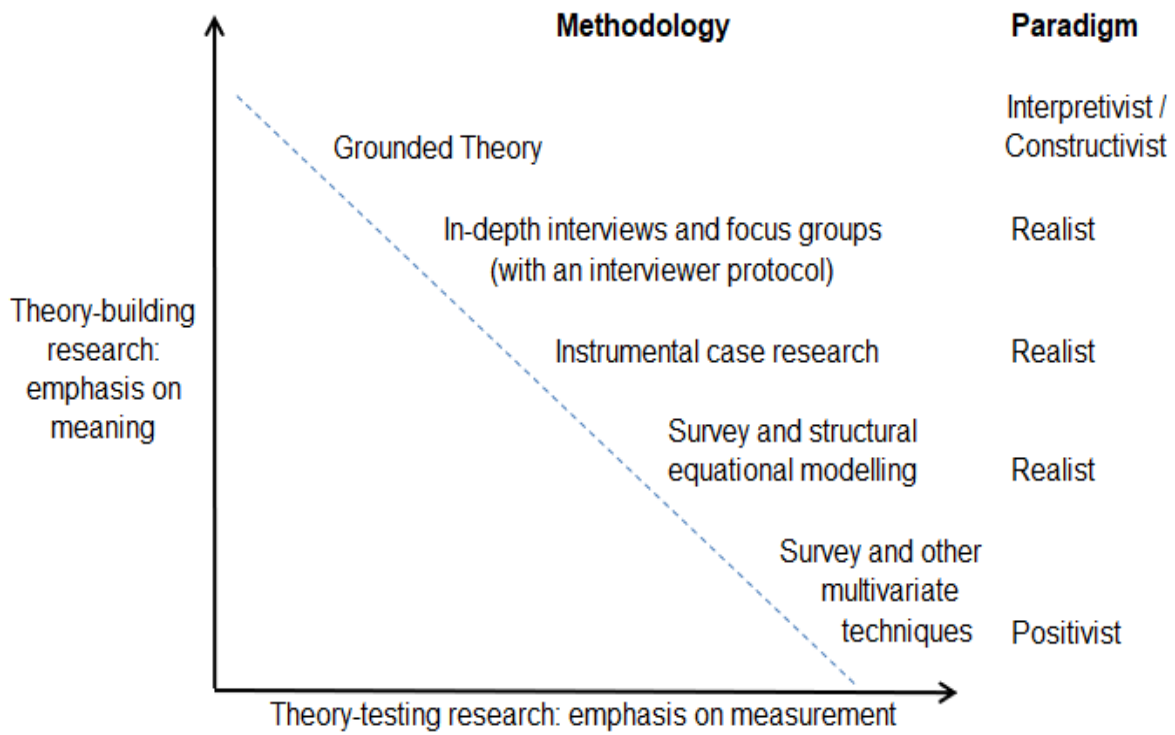


Figure 4.0 Conceptual Framework to Demonstrate Relationships between Constructs in Non-Hedonic Contexts

5.4.1 Case Study Research Strategy

To achieve both aims, in-depth exploratory case studies were conducted to obtain detailed, thick, rich descriptions relating to each construct and to the relationships that connect them (Creswell 2003; Polit and Beck 2010). Case research has been recognised as an effective strategy for operations management research (Voss et al. 2002; Narasimhan 2014) as theory can be both developed and extended into different contexts (Stuart et al. 2002) using this approach. Healy and Perry (2000), Sobh and Perry (2006) and Easton (2010) also recognise that case studies are appropriate research strategies for researchers adopting a realist paradigm (Figure 5.1) to explore how and why events occur (Easton 2010) and the mechanisms which influence events. The case study method allows researchers to observe the dynamics of the phenomenon being studied within its natural setting (Benbasat et al. 1987; Meredith 1998; Voss et al. 2002; Ridder 2017) and is therefore useful in early exploratory and theory-building research projects (Eisenhardt 1989; Rowley 2002; Stuart et al. 2002). This research strategy is therefore appropriate to address the research question because as Voss et al. (2008, p.255) point out

“experience strategy and design are an emergent area”, and clear operational definitions against which the performance of an organisation can be evaluated have yet to be established (Maklan and Klaus 2011).



Source: Healy and Perry (2000 p.121)

Figure 5.1 A representative range of methodologies and their related paradigms

The case study method allows researchers to observe the dynamics of the phenomenon being studied within its natural setting (Benbasat et al. 1987; Meredith 1998; Voss et al. 2002; Ridder 2017) and is therefore useful in early exploratory and theory-building research projects (Eisenhardt 1989; Rowley 2002; Stuart et al. 2002). This research strategy is therefore appropriate to address the research question because as Voss et al. (2008, p.255) point out *“experience strategy and design are an emergent area”*, and clear operational definitions against which the performance of an organisation can be evaluated have yet to be established (Maklan and Klaus 2011). Case studies provide a rich source of data (Voss et al. 2002) obtained through a range of data collection activities (Eisenhardt and Graebner 2007) and different contributors: *“the direct participants in the case; informed third-party observers to the case;*

and the case study researcher" (Woodside 2010, p.11). Whilst structured and semi-structured interviews are typically the main instrument used to collect data in case research (Voss et al. 2002), other activities include personal observations of meetings and events, in-house surveys and questionnaires, audio and visual recordings, and analysis of archive records and physical artefacts (Eisenhardt 1989; Voss et al. 2002; Creswell 2003; Yin 2009). By triangulating data from a variety of sources, a deeper understanding of the phenomenon being explored can be developed from which new insights emerge (Voss et al. 2002; Yin 2009). The validity and reliability of the findings are also further enhanced through triangulating these data sources (Voss et al. 2002). Data is then analysed for key "*themes or categories*", based on which interpretations are then made with regard to their meaning (Creswell 2003). The advantage of this research strategy is that by observing the reality of the phenomenon researchers are better able to understand its "*nature and complexity*" (Meredith 1998, p.444). Observing the relationship between entities also assists the researcher in answering how and why the phenomenon occurred (Meredith 1998; Voss et al. 2002; Stuart et al. 2002; Ridder 2017) and the cause and effect conditions through which events take place (Voss et al. 2002; Easton 2010), a concern for researchers adopting a realism research philosophy.

Case research however has a number of weaknesses which need to be overcome in the research design and execution. Meredith (1998) for example, highlights the importance of ensuring sufficient rigour is maintained in managing the research process. Case studies require high levels of resources, both in terms of time and cost and require multiple sources of evidence from which to triangulate the findings (Meredith 1998). As the researchers immerse themselves in the exploration process, the understanding that evolves is "*only meaningful within (the researcher's) framework of assumptions, beliefs, and perspectives*" and the findings therefore, are subject to "*bias and cultural taints*" (Meredith 1998, p.443). Whilst recognising and accounting for these weaknesses, this qualitative approach will provide the study with a deeper level of detail (Creswell 2003) and new insights (Saunders al. 2009) about how organisations design for experience in non-hedonic service contexts.

5.4.2 Using Multiple Case Studies

This qualitative research method also relies on analytical or theoretical generalisations (Meredith 1998; Stuart et al. 2002; Ridder 2017) to extend the scope of the findings. In analytical generalisation, the significance of the study relates to the extent to which the findings can be generalised beyond the specific context being investigated (Miles and Huberman 1994; Mills et al. 2010 p21; Polit and Beck 2010). The findings are developed through “*rigorous data collection and triangulation*” (Meredith, 1998, p.447) rather than being deduced through the analysis of data provided by a representative sample of a previously well-defined group, as is the case in statistical generalisation (Maxwell 2009, Polit and Beck 2010). Researchers aim to generalise their findings by identifying data from their research which supports the theory they are investigating (Yin 2009; Polit and Beck 2010). Through an in-depth examination of the data, researchers look to distinguish between findings that are only relevant to the case being studied and those which could be generalised to a wider context (Ayres et al. 2003; Hartley 2004 p331). Voss et al. (2002) however highlight the limitations to which the findings from single case studies can be generalised beyond the specific circumstances of the case being explored. They advise researchers to be aware of misjudging or exaggerating the findings from a single case.

Multiple studies help to reduce this risk (Voss et al. 2002), producing a “*more robust, generalizable, and testable theory than single-case research*” (Eisenhardt and Graebner 2007, p.27). Using multiple cases also increases the external validity of the findings (Meredith 1998; Voss et al. 2002) and help to minimise observer bias (Voss et al. 2002). Whilst multiple studies are limited with regard to the depth to which each case can be explored (Voss et al. 2002) completing a number of cases provides an opportunity to analyse across them. A cross-case analysis provides stronger support when building theory (Perry 1998) which enables findings to be generalised beyond the context being studied to wider populations or different situations (Meredith 1998; Ridder 2017). Evidence obtained through multiple cases therefore is often more convincing, the findings more powerful (Yin 2009) and the resulting theory derived from it more robust (Eisenhardt and Graebner 2007). Yin (2009)

therefore observes that multi-case studies are more preferable than a single case research design.

5.4.3 Case Selection

A multi-case strategy was therefore chosen as the basis of the empirical phase of the research study with replication logic being used to select relevant cases (Miles and Huberman 1994; Voss et al. 2002). Replication logic requires a case study to be purposefully selected in order to illuminate and extend constructs and highlight the relationships between them (Ridder (2017). In purposive or non-probability sampling researchers use their judgement to select the best cases to answer the research question (Saunders et al. 2009, p.598). Cases are therefore carefully chosen from either a range of similar or representative cases where a literal replication would be expected (Voss et al. 2002; Yin 2009) or from cases where contrasting results for anticipated reasons would be predicted. In these cases a theoretical replication would be achieved (Voss et al. 2002; Yin 2009). Extreme cases with distinctly varying characteristics (Eisenhardt 1989; Meredith 1998; Voss et al. 2002) are a third category to be considered when selecting case studies. Maxwell (2009, p.235) suggests that this type of selection strategy allows researchers to deliberately focus on particular “*settings, people or events*”. Each case is selected for its information richness (Perry 1998, p793) rather than because it is typical of a wider population (Eisenhardt 1989; Stuart et al. 2002). In doing this, unique insights and important information can be obtained which are critical in the development of the original conceptual framework or subsequent theory development (Maxwell 2009). From this, additional cases can be investigated to identify the degree to which the patterns of data identified match with the previous cases studied (Miles and Huberman 1994), each case being treated as an independent investigation (Meredith 1998; Yin 2009). Whilst replicating the findings in a number of case studies increases the analytical generalisability for the emergent theory it underpins (Meredith 1998; Yin 2009), cases where replications are not achieved also provide researchers with an opportunity to “*refine and extend the theory*” (Eisenhardt 1989, p.542).

The first factor to consider in the research design was the number of cases required to be studied. Single cases provide an opportunity for an in-depth

exploration to take place, the degree to which the findings from these studies can be generalised to a wider context however is limited (Voss et al. 2002). Given the depth of the exploration, the study investigating from two perspectives (the organisations and their customers) how delivery systems are designed for customer experience, it was decided that two case studies would be undertaken. Studying two cases provided a wide enough range of data and enabled a sufficiently comprehensive exploration to take place in each organisation. Whilst Perry (1998) points to the lack of guidelines regarding the number of cases required in case study research, Meredith (1998, p.452) recommends at least two case studies when “*there is some knowledge about the phenomenon but much is still unknown*”. Increasing the number of cases studied beyond this would have reduced the depth of each study because of the finite resources available and the timescale for completion of the research project.

Representative “critical cases” (Miles and Huberman 1994) were sought from which it was anticipated a body of evidence could be drawn to demonstrate the presence and relevance of the constructs of the conceptual framework and fully understand the relationships between them. Few measures however are publically available to determine organisations which consistently deliver positive experiences to their customers (Maklan and Klaus 2022; Klaus 2013b, 2014). In order to purposefully select (Miles and Huberman 1994; Creswell 2003) organisations therefore which might provide enough thick rich data, customer satisfaction that is, the customers perception of their interactions with the delivery system compared to their prior expectations (Johnston 1995b, p.53), was used as a proxy measure for positive customer experiences. Whilst it was recognised that customer experience is a more complex phenomenon than customer satisfaction, organisations that deliver consistently high levels of customer satisfaction would also be expected to be delivering positive experiences to their customers. Selecting critical cases that represent exemplars of good customer experience via the proxy measure of customer satisfaction provided a consistent basis upon which to investigate how customers engage with the delivery system and an opportunity to obtain a deeper, richer understanding of the constructs being explored.

Each organisation selected operated in distinctly different service sectors albeit within the same overall non-hedonic service context. A national high street bank was the first case selected to be studied (case 1). The bank has a wide customer base, a variety of delivery channels and was representative of retail banking in the U.K. Over recent years the bank has focused on understanding and developing customer experience and consistently scored highly in the service satisfaction surveys which they carried out. The performance of the bank in respect of the standards of service provided to customers has also been recognised by a number of independent industry studies. It was expected that the pattern of outcomes identified in this case would match the propositions illustrated in the conceptual framework.

The second case study selected was a community pharmacy (case 2). Whilst limited research comparing the performance of key players in the sector has been carried out, the organisation reported in their published accounts high levels of service satisfaction through a number of different surveys conducted across their estate of branch offices. Given this, it was anticipated that this case would provide a literal replication (Yin 2009) of the findings from the initial case study.

The cases selected represented organisations providing two different and distinct service offerings and provide a useful contrast for an exploration of the phenomenon of customer experience in non-hedonic service contexts. Whilst as Voss et al. (2002) point out care needs to be taken when generalising the results, replicating these findings and drawing common conclusions from organisations operating in two different contexts will expand the overall analytic generalisability of the study (Miles and Huberman 1994; Voss et al. 2002; Yin 2009).

5.5 Case Study Preparation Procedures

The first step in designing the data collection phase of the empirical research was to establish a Research Protocol (Appendix 3). This document links the data collection method with the research question and the literature supporting the conceptual framework (Yin 2009). It also provides an outline of the different types of data sought and the sites from which it would be collected (Rowley

2002; Stuart et al. 2002; Yin 2009). From this a case study database (Appendix 4) of the data and information collected (Yin 2009; Rowley 2002) was also developed. Yin (2009) argues that through the case study database, a chain of evidence can be developed which adds to the reliability of the study and strengthens the transparency and degree to which the study can be repeated by others (Rowley 2002). The database should allow an external observer to follow the research process from the initial research questions through to the ultimate case study conclusion (Yin 2009). As well as the records of the interviews and personal observations carried out, details of the secondary source material such as written and photographic evidence obtained during field observations, was also recorded on the database (Yin 2009).

An ethics approval form was first completed and approval gained from the university's ethics officer before proceeding with each study (Appendix 11/12). This included an assessment of the data collection method being used and the impact this would have on the wellbeing, safety and privacy of both participants and of the researcher, and the precautions taken to minimise any risk of harm. In addition, the security of the data collected that is, collection, storage, analysis and reporting, was also assessed.

Once approval to proceed had been obtained and a non-disclosure agreement signed, an initial meeting was arranged with the bank's area manager, who was responsible for branches across the south-west region. At this meeting the objective of the research was discussed and an agreement established for an action plan regarding the collection of the data required. A purposeful selection strategy was also adopted during this meeting to identify the settings where the observations would take place and the informants to be interviewed (Creswell 2003). From this meeting, three branches in a variety of locations were identified where observation visits could be conducted and branch employees interviewed. The organisation currently operates through two separate and distinct brand fascia's (See Appendix 5a). Both brand fascia's were included in the branches selected to identify whether the atmospherics (Kotler 1973) created by the internal design of each fascia had an impact on how the experience was perceived. Stuart et al. (2002) advises selecting sites that are different with regard to key elements in order to establish whether the

phenomenon being studied exists across all locations. To address this, branches were selected from a range of sites each with different demographic and geographical characteristics. One branch was located in a medium sized rural market town and two located in a busy city environment. A similar discussion was held with the regional manager responsible for the pharmacy's branches across the south-west. Based on this discussion, three branches at which observation visits and interviews with branch employees were to be conducted were also selected. Two of the branches selected were located in a large market town and in a coastal location. The additional branch was situated in an area of high deprivation in a large city. Whilst the units in both case studies were typical of the composition of their branch estate, they provided sufficient variety to determine the level of consistency being achieved in service delivery across the branch network and to help in establishing why customer experience might be perceived differently.

5.5.1 Data Collection Methods-Personnel Observation Visits

The first phase of the data collection process entailed conducting observation visits in the predesignated branches. The purpose of these visits was to carry out a structured observation of each setting (Appendix 5a-b), focusing predominantly on the design of the physical environment and delivery system, rather than the individual behaviours of employees or customers. In this way any ethical implications of the data collection method were minimised. The researcher's role during this activity was to observe but not to participate in the delivery process, therefore acting as a "*complete observer*" (Saunders, et al. 2009). Meredith (1998) recognises the importance of observing actual practice and the sequence of events as they take place, rather than on relying on indirect second-hand reports. Mulhall (2003, p.308) also notes that data collected through observations compliment the information obtained through a scheduled interview process by capturing "*the whole social setting in which people function and the context in which they work.*"

Whilst direct experience and observations are useful data collection methods Creswell (2003) notes that they have limitations. These are primarily because of the potential bias the researcher brings to the role and the risk that an objective detached perspective would be lost in the course of the observation (Saunders

et al. 2009). This limitation was accounted for during the analysis and interpretation of the data. Following Saunders et al. (2009), field notes were recorded so data would not be lost and a summary document completed after each visit.

Secondary source material such as management reports and internal documents; audit and customer satisfaction analysis, and from information publically available via the internet was also collected during the observation visits and during meetings with head office employees. This material provided a useful supplement to the data collected through interviews and observations and provided additional insights into the design of the delivery systems in both case studies. Informal observations were also included in the subsequent follow-up meetings conducted to review systems and operating procedures and check how the secondary data obtained related to the design of the delivery system.

5.5.2 Data collection Methods Semi-Structured Interviews

Service operations management literature suggest a number of methods by which the design of individual service encounters might be analysed, both from a design perspective through for example, service blueprinting (Shostack 1984) and from the customer's perspective, such as through service mapping, (Tseng et al. 1999), service transaction analysis (Johnston 1999b) or multilevel service design (Patricio et al. 2011). The objective of this study however was to focus on exploring service design and the influence of the Experience Mechanisms on the experience a customer has at a broader organisational level. To achieve this aim it was decided that semi-structured in-depth interviews would be the primary data collection method used to elicit the views of both employees and their customers (Creswell 2003).

Saunders et al. (2009) suggests that in-depth interviews are helpful in exploratory studies in which the questions to be answers are complex, allowing the interviewer to probe to expand or explain the interviewees responses. Hume et al. (2006, p.305) also point out, that this type of data collection technique helps to reveal *"issues not easily disclosed using other research approaches."* Saunders et al. (2009) point out that one-to-one interviews achieve a higher

response rate than self-administered questionnaires, the advantage to managers and branch employees being that there is no requirement to spend time prior to the interview on written explanations or questionnaires. The advantage of this data collection method to the research study is that it allows time for the researcher to “*follow the interest*” (Downey 2003, p.37) and when an informant introduces a new or interesting aspect which had not previously been identified, the researcher has the flexibility to alter the sequence of questions and how they were asked (Downey 2003, p.37; Saunders et al. 2009; Finn et al. 2000; Stuart et al. 2002). This method provides informants with an opportunity to explain and further elaborate on the responses they provide (Finn et al. 2000; Saunders et al. 2009)

The use of semi-structured interviews however has a number of limitations. The questions asked during the interview can be interpreted differently by each informant (Voss et al. 2002), and the responses obtained will be influenced by the informant’s personal views and subjective bias (Creswell 2003). Reflexivity (Yin 2009; Finn et al. 2000) that is, the informant only providing information they believe would be of interest to the researcher, is an additional risk in conducting these types of interviews. Using multiple informants (Voss et al. 2002) and structuring the meeting so the main focus of the interview was not fully disclosed (Candi et al. 2013) or directly addressed (Zomerdijk and Voss 2010) helped to minimise these limitations. Whilst time-consuming, asking the same questions to a variety of different informants also increased the richness of the data and strengthened the reliability of the findings (Voss et al. 2002).

Finn et al. (2000) also highlight how the performance of the interviewer could also influence how informants respond to the questions they are asked and the rapport that subsequently develops. Potentially the researcher brings a high level of involvement and attachment to the research project (Voss et al. 2002) which might result in them imposing their beliefs through the way in which questions are phrased (Saunders et al. 2009). Similarly their behaviour and body language might influence both the way in which questions are asked (Saunders et al. 2009) and the response the informant provides (Finn et al. 2000). The researcher therefore needs to recognise and manage these biases (Voss et al. 2002). Creswell (2003) suggests that a process of self-reflection will

help minimise these limitations. A reflective appraisal was undertaken after each interview focused on minimising the potential bias produced as a result of the researchers' behaviour and on improving nondirective interviewing skills such as listening, clarifying and summarising (Downey 2003 p20). Non-directive questioning also helps to avoid influencing the informants and thereby minimises Informant bias (Schweisfurth 2013).

5.5.3 Interview process

The interview guide (King 2004b, p.15) included in the research protocol detailed the broad themes to be explored, the specific questions to be asked and the informants from whom data was to be collected (Perry 1998; Voss et al. 2002; Bowen 2005). The literature guiding the conceptual framework was used to develop a series of interview questions designed to elicit responses from the two sets of informants: employees and customers. Each question aimed to gain a sufficiently detailed response in order to develop a full understanding of the informants' perspective for each construct. The questions also provided an opportunity for informants to indicate a relationship between the constructs, for example, from a question relating to the Integration construct "*What methods are available for employees to feedback information?*" it was anticipated that the responses provided would also include comments indicating a possible connection with the Interaction construct. Follow up questions also helped to create a conversation around each construct so that a better understanding of these connections might be developed. Customers were asked for example, "*How easy is it for you to change something to meet your particular needs? ... how did you feel about this?*", the responses provided indicating the level to which the delivery system facilitated a degree of adaptability and its impact on the customers emotions

Employee informants were selected for maximum diversity to provide a "*deeper and richer understanding*" (Dick 2016) which random samples might not generate. Voss et al. (2002) recommend using multiple informants in situations where there is a likelihood of different viewpoints or perspectives being expressed or where the questions are liable to be interpreted differently. Employee informants with specialist knowledge or with experience of engaging with customers were identified to represent each organisation. The range of

information required and time constraints meant that the employee informants were subdivided into three interview groups:

- Service Designers - Employees responsible for the design of the delivery system located at the organisations head offices
- Service Supervisors - Managers responsible for the supervision of the delivery system, that is, the Area and Branch Managers
- Service Implementers - Branch employees, cashiers and advisors who had direct contact with customers and were responsible for the actual delivery of the service

Interviewing across a broad spectrum of employees working at different levels throughout the hierarchy of each organisation enabled a variety of perspectives to be captured. This provided a realistic impression of the design of the delivery system in both organisations. Customers made up the final group of informants, so that an understanding of their perceptions of both the design of the delivery system and their own experience could be obtained.

Following the initial exploratory meeting with each organisations senior field manager (the area/regional manager) a proposed timeline and activity schedule was established for the interviews to be conducted in each branch. These managers had enough authority to ensure branch teams adhered to the activity schedule and were able to make introductions to the key personnel at head office responsible for influencing the design of the delivery system (Voss et al. 2002). In both case studies, the research protocol established the functional departments where it was felt an insight into the design of the delivery system could be best obtained: Operations, Marketing, Human Resources and Training, and Branch Refurbishment. Dates for the face-to-face interviews with service supervisors and implementers were planned in advance with branch managers and data was collected over a number of scheduled visits. Face-to-face interviews with service designers were conducted at the organisations head offices although a number of follow-up telephone interviews were also carried out.

In case 1, interviews with employees of the bank were conducted between February and April 2013. Data was collected from 21 employees working in various positions. Figure 5.2 provides a comparison of the job role of the

employee informants in this case. 14 informants were based across the 3 branch offices observed. The remaining 7 informants worked in a variety of roles within the organisations head-office. A total of 13 ½ hours of interview data was obtained. Interviews varied in length depending on the number of questions being asked and the respondent’s level of enthusiasm. Interviews with senior managers took approximately 60 minutes to complete. Interviews with other employees lasted an average of 40-45 minutes.

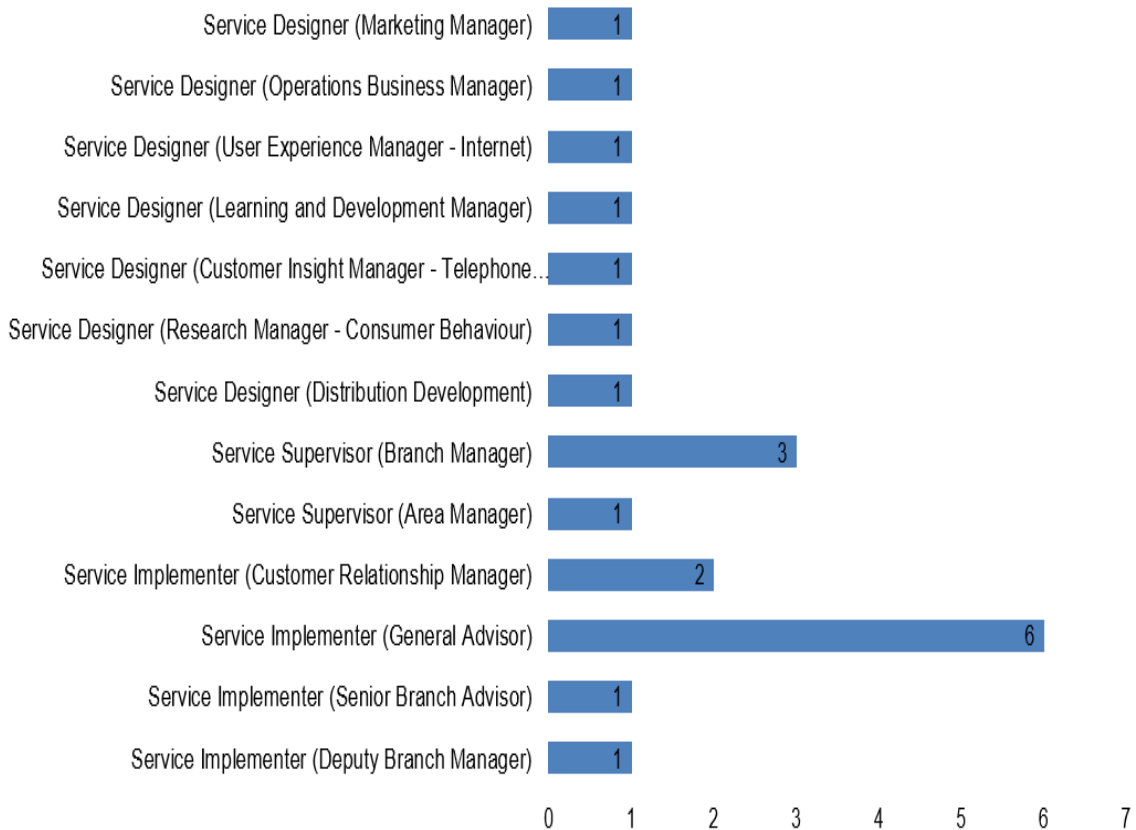


Figure 5.2 Comparison of Employee Informants Job Role - Bank

In case 2, data was collected in a similar manner. Interviews with pharmacy employees took place between May and July 2014. Eisenhardt (1989) notes that as theory-building research aims to explore each case as deeply as possible, the methods of collecting data can be adapted if they are likely to provide richer information or provide new insights. The informants were therefore asked the same broad questions, although the interview guide was modified to suit the context in which the organisation operated (that of pharmacy healthcare). 21 employees were selected, with various levels of seniority and covering the same broad spectrum of roles as the informant

employees in the bank. A total of 11½ hours of interview data was collected. Figure 5.3 provides a similar comparison of employee job roles in case 2. 14 informants were also based across the 3 branch offices observed. The remaining 7 informants worked in a variety of roles within the organisations head-office.



Figure 5.3 Comparison of Employee Informants Job Role – Pharmacy

Data was also collected from customers in order to gain insights into their involvement in the delivery of the service and their perceptions of their experience. An interview target of 30 customers in each organisation was set. Branch managers assisted in recruiting a number of regular customers from each of the three bank branches visited. This method however did not generate sufficient numbers (6). Additional customers were therefore sought through personal contacts who visited a variety of the bank’s branches across Devon and Somerset. Patients in the pharmacy were obtained through a variety of means. 13 patients were nominated by pharmacy branches and 4 informants were obtained through personal contacts. A number of informants in this case study were also randomly approached during visits to each branch (13). In both case studies, all of the customer informants were given the option of being interviewed in a branch; however, a number opted for another suitable location or a home visit. In case 1, interviews with customers of the bank were conducted between April 2013 and February 2014. 29 interviews were conducted from which a total 18½ hours of interview data was collected. In the

pharmacy study (case 2), customer interviews from 30 informants took place between August and December 2014. 19 hours of interview data were obtained from these informants.

The purpose and anticipated length of each interview was discussed with the informants before the interviews commenced. The informants were advised that their participation was voluntary and that they were free to either withdraw or refuse to answer any question. They were made aware that the interviews were confidential, that none of the informants would be identified and that the data obtained would be held securely. Informed consent was obtained prior to the start of each interview. Obtaining data from a range of employees and a significant number of customers each with different perspectives and viewpoints ensured that the risk of subjectivity and informant bias influencing the results was minimised (Voss et al. 2002; Eisenhardt and Graebner 2007).

5.5.4 Developing Interview Questions

A variety of different questions were prepared that focused on uncovering the meaning of each Design Choice and Experience Mechanism constructs from the perspective of employees working in different roles throughout the organisations hierarchy. The questions asked of each service designer focused specifically on their particular job role. The questions asked of the Telephone Banking Customer Insight Manager for example are representative of the range of subjects covered:

“Can you describe the characteristics of the customer segments using the telephone banking service?”

“What are the key objectives for telephone banking?”

“How do these aims link with the aims of the branch offices?”

“Can you explain how the telephone banking process is designed?”

“How are employees trained?”

“How is the experience of using the telephone banking process measured?”

After the initial introductions, service supervisors and branch-based implementers were initially asked a range of open-ended questions designed to allow the informant to talk freely and contribute their views (Perry 1998; Voss et al. 2002; Dick 2016) without being prompted about how the delivery system was

designed for customer experience. The questions asked of service supervisors included:

“Can you describe the main types of customers or customer segments that use branch offices?”

“Are these groups managed differently?”

“How would you describe what the customer experience should be like?”

The questions asked of service implementers:

“Can you describe what the customer experience should be like?”

“How do you know if the customer’s experience of using the service is to the standard the organisation expects?”

It was expected that these questions would ascertain the degree to which a customer-centric culture is integrated across the organisation, an important experience design principle (Voss and Zomerdijk 2007). Focusing more specifically on the individual informant’s job role, semi-structured questions were then asked to explore each Design Choice and Experience Mechanism construct and probe and clarify where applicable to avoid misinterpretations (Greer 2015).

“O.K. and that process, is that governed by the FSA or is that something you do that is specific to this bank?” (B2 Service Supervisor).

Service designers and supervisors were also asked at the end of each interview whether there were any issues that had not been raised through the questions asked thereby minimising the risk that factors relevant to the research might have been missed (Sobh et al. 2006).

The aim of the interviews with customers was to understand the factors important to them in their interaction with the service system and how these influence their perception of the experience. After the initial introductions, questions were asked which allowed the informants to describe their involvement and participation in the delivery of the service and how they perceived their experience.

“What aspects are important to you in the service you receive from the bank?”

“How does the bank help you to achieve this?”

“How would you describe the experience of using the bank?”

It was anticipated that alternative factors or rival explanations (Yin 2009) might also be uncovered to explain how customers perceive their experience from the responses to these questions. Subsequently, questions focusing more specifically on each Experience Mechanism and Outcome construct were then asked (Voss et al. 2002). Questions asked of the banks customers about the Adaptability construct for example, included:

“What choices are provided by the bank in the way you manage your accounts?”

“How important are these choices?”

These questions were designed to understand the degree to which customers recognised opportunities to adapt the service to meet their particular needs. Similarly, questions to understand the degree to which patients were able to make changes in how the service was delivered were designed to suit a pharmacy context:

“What choices are provided by the pharmacy in the way you manage your medication”

“Have you ever tried to change this?”

“How important are these choices?”

Throughout each interview, attention was paid to developing a good rapport with each informant, focusing on what they were saying and demonstrating an *“intense curiosity about the participant’s opinions and experience”* (Dick 2016, p.3).

Whilst recording the interview can sometimes hinder the development of rapport (Dick 2016) and *“constrain an open and candid response”* (Lincoln and Guba 1985), Dick (2016) contends that the ability to maintain eye contact with the informant rather than concentrate on recording notes of their conversation, enables the interviewer to build a more effectively rapport. Similarly, recording interviews allows the interviewer to listen to what they are being told and respond appropriately, thereby enabling a richer conversation to take place (Downey 2003 p55; Dick 2016). Audio-recording was therefore the preferred method for documenting each interview. As an exact record of each conversation is obtained through recorded interviews they provide a means to

control bias and produce more reliable data (Voss et al. 2002; Saunders et al. 2009) “especially if the evidence is [then] presented verbatim rather than summarised” (Voss et al. 2002 p211). Notwithstanding its effect on the personal interaction between the researcher and interviewee, the audio recording of each interview is a useful additional method of triangulating the data (Perry 1998). Whilst recorded interviews require time to transcribe, adding additional cost to the project, Perry (1998) points out that recorded interviews are easier to check at a later date. Voss et al. (2002, p.209) also recognise the advantages of a precise record of the conversation especially when the “exactness of what people have said is important”. Recording interviews also provides an opportunity to check for nonverbal clues such as “significant pauses or raised voices” (Lincoln and Guba 1985). Following Saunders et al.’s (2009) suggestion, the reasons for recording the interviews were fully discussed with each informant and prior permission sought for the conversation to be recorded. All the informants were provided with an opportunity to talk off the record (Dick 2016), although this was not an option that interested any of the informants interviewed.

5.6 Case Study Analysis Procedure - Template Analysis

Once each interview had taken place the details were recorded on the research database (Appendix 4). The transcripts were then typed verbatim and Nvivo 10 software used as a method of arranging and sorting the data prior to analysis. Once all the interviews had been transcribed, it was decided that “data saturation” had been achieved as no new meaningful data was being identified for each construct being explored (Voss et al. 2002; Bowen 2005; Fusch and Ness 2015). A within-case analysis of the data was then carried out for both case studies. A within-case analysis involves an “in-depth exploration” of each case to “support, refute or expand” the propositions derived through the review of the literature, each case being treated as a “stand-alone entity” (Paterson 2010, p.970/971). Template analysis was the approach adopted to analyse the data from both case studies. King (2004a) argues that this method is highly flexible as it enables modification to suit the needs of the study and is suitable when the aim is to compare multiple interpretations and perspectives from different groups of informants within a specific context. As three specific groups of employees with varying levels of expertise, experience or seniority and a

cohort of the organisations customers were interviewed, it was anticipated that each would provide a different perspective on how the delivery system influenced the experience a customer has. Whilst this analytical approach is relevant for researchers following an interpretivist philosophy trying to understand multiple interpretations about a phenomenon, it is also suitable for the realist research paradigm aimed at “*discovering the underlying causes of human action*” (King 2004a, p.256).

The analytical procedure firstly involves researchers establishing an initial “*tentative*” coding schedule using the themes which are usually defined a priori (Brooks and King 2012). King (2004a) recommends that the key themes underlying the questions detailed in the research protocol interview guide (King 2004b) are appropriate to use in developing this initial set of higher-order codes. A predefined list of codes was first developed (Appendix 6) from questions detailed in the interview guide based on the descriptions of each construct detailed in Chapter 4. These key themes were expected from the data prior to the start of the coding process (King 2004a). A key feature of this analytical approach however is the development of a hierarchal coding template (Appendix 7) which builds from the higher-order schedule and is adjusted as the text is analysed and interpreted (King 2004a). The use of parallel coding, that is, the same data chunk being allocated to two or more different codes at the same level if relevant (King 2004a) is also permitted. The lower-order codes identified during the process of analysing the data represented relevant factors from each of the informant’s accounts which helped to develop a richer understanding of the constructs being analysed and uncover the relationships between them (King 2004a).

As a result of this approach, a multi-layered analysis of the data developed. The higher-order codes provided an illustration and demonstration of the relevance of the conceptual framework in the design of the delivery system and in customer’s perception of their experience, while the lower-order codes provided a more granular explanation of the constructs being explored, both “*within and between cases*” (King 2004a, p.258).

The advantage of using template analysis in an exploratory study therefore, is that this technique provides “*a relatively high degree of structure*” during the analysis of the data whilst allowing adjustments to be made as new information is uncovered (Brooks and King 2012). The lack of substantial information regarding this technique however, is a limitation which may result in templates that provide insufficient depth to allow a full interpretation of the data to be made or that are too complex to be managed effectively (King 2004a).

The coding template was built using the Nvivo software used to store the data. Each data chunk was allocated to one or more relevant codes. The software also recorded details of the frequency that data chunks were allocated to a particular code and the number of informants providing the information. This additional numerical detail acted to support the findings provided through the template analysis. The limited use of numbers to convey the relative frequency of the codes and illustrate the presence of the constructs adds to the richness of the data collected and minimises the risk of over or under emphasising the research findings (Sandelowski 2001). Humble (2009) and Sandelowski (2001) also note that using numbers in a qualitative study is appropriate when they improve and support the descriptions obtained through other data collection methods. Whilst the results of this element of the analysis were not taken as representative of the strength or importance of each construct, inferences however could be drawn from the data (Finn et al. 2000).

5.6.1 Within-Case Analysis

The data chunks taken from each transcript in case 1 were allocated a code that related to a key theme identified on the original coding template (King 2004a; Maxwell 2009). Each construct of the conceptual framework was represented by a number of themes. Analysing the data in this way helped to establish the presence and relevance of each construct and the relationships between them, thereby addressing the first aim of the empirical study (Section 5.3 p146). As the analysis progressed the coded data coalesced into several different categories within each code and the template was revised with a hierarchy of additional sub-codes. These sub-codes were ordered into several levels which added to the overall richness of the higher-order themes (Appendix 7a/b), the extent of the subdivision reflecting the depth of the analysis being

carried out during the coding process (King 2004a). Appendix 13 provides an example of a transcribed interview to demonstrate the extent to which the information provided by the informants was used during the development of the hierarchical coding template. The data chunks identified during the analysis relevant to the constructs being explored are recorded in red. Highlighted in yellow and recorded in blue are specific quotations used to support the arguments put forward in the thesis. After reducing the volume of data to a manageable level (Eisenhardt 1989; Saunders et al. 2009), the data received from individual employees and customers, each with a different perspective of the design of the delivery system, was triangulated and then integrated with the other sources of rich data obtained i.e. observations and secondary source material (Ridder 2017).

A cross-informant comparison between the employees and customer's data was also conducted for each Experience Mechanism construct to identify the degree of convergence between the two groups of informants. The relationships connecting the constructs were also analysed in a similar fashion. From this, the patterns of evidence obtained through the analysis were then compared to the predicted patterns detailed on the conceptual framework to identify the extent to which they matched. Through this process key themes emerged which helped to explain both the meaning of each construct and the theoretical propositions underpinning them (Yin 2009). A within-case summary of the findings from case 1 was then compiled.

The data obtained from the second case study was analysed in a similar manner. The data was first matched to the original coding hierarchy and if appropriate, the first level sub-codes established during the analysis of the first case study. From this, additional sub-codes specific to the context of the second case study, were then developed (Appendix 7c/d). Appendix 14 provides an example of the hierarchical coding template developed using the Nvivo software, from the data provided by pharmacy customers. The triangulation and analysis of the data from this case study identified similarities to the original case and also additional insights specific to the context being studied. A within-case summary of the findings from this case study was then also documented. Through this analytical process, a deeper understanding was

developed of each construct and the relationships between them in each specific context studied, the second aim of the empirical study (Section 5.3 p146).

5.6.2 Cross-Case Analysis

Building on this, a cross-case analysis was carried out between the two case studies. Using the coding templates, this analytical technique involves the researcher examining the data for each case for emergent patterns (Burns 2010) and making comparisons between the cases studied (Eisenhardt 1989; Voss et al. 2002; Ayres et al. 2003). Through the cross-case analysis the similarities and occasional differences between the cases were identified demonstrating the extent to which the findings could be generalised into different non-hedonic service contexts. Eisenhardt (1989) notes, that the theory that develops from the findings when this type of analysis has been carried out will be more “*reliable and accurate*”. Conducting a cross-case analysis therefore is an important means of increasing the internal validity of the study (Voss et al. 2002) and in generalising the results to a wider context. In doing this, the analysis seeks to demonstrate the reasons why the findings might be relevant or applicable to other similar settings and not simply characteristics of the particular context being studied (Miles and Huberman 1994). Similarly, examining contrasting results from different cases further strengthens the theory that develops by showing the specific conditions under which the findings will hold (Eisenhardt 1989; Miles and Huberman 1994 Yin 2009). Conducting a cross-case analysis ensures that the early within case findings are challenged and that researchers are focusing on looking for the “*subtle differences and similarities*” (Eisenhardt 1989) that yield new and unexpected insights through which a more informed appreciation of the phenomenon being studied can be obtained (Eisenhardt 1989; Miles and Huberman 1994 p173; Voss et al. 2002).

5.7 Establishing the Quality of the Research Design

A criticism of case study research strategies is that they lack objectivity and rigour (Rowley 2002; Stuart et al. 2002). To ensure the research design produces results which are “*trustworthy, authentic and credible*” (Creswell 2003, p.196), Yin (2009) highlights four commonly used tests relevant to case

research that ensure the quality of the research design and thereby establish the credibility of the finding.

5.7.1 Construct validity – Construct validity is concerned with minimising the influence and judgements of the researcher whilst collecting data (Rowley 2002; Yin 2009). Two elements of research design help to establish the construct validity of the study. Firstly, the constructs of the framework need to be adequately defined so that they can be distinguished from other possible constructs (Stuart et al. 2002; Voss et al. 2002). Secondly the research protocol needs to demonstrate the link between the questions asked during the data collection process with the original research questions and conceptual framework propositions (Rowley 2002). Triangulated multiple sources of evidence which explore “*different levels and perspectives of the same phenomenon*” (Fusch and Ness 2015) also reinforce the construct validity of the study (Stuart et al. 2002; Voss et al. 2002) and are a major strength in case study research strategy (Yin 2009). Voss et al. (2002) notes that including other forms of evidence also minimises the inherent bias created by relying solely on informant self-reports. Yin (2009, p.116) also points out that the findings generated from multiple sources of evidence are likely to be “*more convincing and accurate*”.

To enhance the construct validity of the study, the conceptual framework provided a detailed description of the constructs to be studied. The case study protocol established as a prelude to the data collection process also linked the study’s overall research question to the methods used to collect data through the questions asked during informant interviews and through the structured observation of branches visited. Triangulating the different sources of data such as the semi-structured interviews conducted with multiple informants and observation visits across a number of branches, also added to the construct validity of the research design (Eisenhardt 1989; Voss et al. 2002; Creswell 2003; Yin 2009). Secondary source material - relevant business documentation, archival records and photographs - also added to the construct validity of the project. To reduce observer bias, interviews were also recorded and quotes reported verbatim (Voss et al. 2002). Construct validity is also enhanced by eliciting feedback from key informants on the study’s findings (Stuart et al. 2002;

Voss et al. 2002). Creswell (2003) supports this approach, for example through external auditors used to evaluate the research and its finding. Whilst the resources available did not extend this far, once the employees interviews had been completed and typed up, follow-up sessions were also conducted with a branch manager (pharmacy) and area manager (bank) to clarify points raised.

5.7.2 Internal validity – Internal validity represents the extent to which an association between the constructs of the framework being studied can be established, “*as distinguished from spurious relationships*” (Stuart et al. 2002) or shortcomings in how the research was conducted (Saunders et al. 2009). Internal validity therefore, is concerned with the inferences made by researchers as to events which “*cannot be directly observed*” (Yin 2009, p.43). When the phenomenon being studied is applicable across a range of settings, the internal validity of the study is further enhanced (Stuart et al. 2002). Matching the data patterns obtained through the analysis in each case study with the proposed relationships between the constructs help to confirm the propositions being suggested by the framework and strengthen the internal validity of the study (Stuart et al. 2002; Yin 2009).

Whilst the internal brand and performance standards in each site selected were similar, the locations of each branch and the demographic profile of their customers varied. The findings therefore provide some evidence to demonstrate the experience customers have can be generalised across each of the organisation’s branch networks rather than being confined to a few unique localities. The cross-case analysis between case studies also increased the internal validity of the findings (Voss et al. 2002), the findings becoming more significant when the observed patterns are reproduced in additional cases (Stuart et al. 2002; Yin 2009).

5.7.3 External validity – External validity represents the extent to which the findings from the study can be generalised to a wider context (Stuart et al. 2002; Voss et al. 2002; Yin 2009) using replication logic to generalise multiple cases to the theory underpinning the study’s conceptual framework (Rowley 2002; Yin 2009). Whilst conducting multiple cases will increase the external validity of the findings (Voss et al. 2002) the criteria used to make the selections is important.

Theoretical sampling logic is applied to identify cases that “*differ as widely as possible from each other*” (Stuart et al. 2002) so as to fill gaps in the existing theory.

As the cases chosen in this study operated in completely different service sectors (retail banking and healthcare), replicating the results of the first case study in a second, contrasting study strengthens the overall external validity of the research project. The results obtained from exploring the phenomenon in two separate service settings, each providing customers with highly positive experiences, also adds to the analytical generalisability of the findings to other non-hedonic service contexts (Miles and Huberman 1994 p28; Voss et al. 2002).

5.7.4 Reliability – The reliability of the study represents the degree to which the data collection methods used were consistent over the period of the research (Miles and Huberman 1994) and indicates whether, if the research was repeated, similar findings would be obtained and conclusions drawn (Stuart et al. 2002; Voss et al. 2002; Yin 2009). Whilst the reliability of the study will be enhanced if a variety of different respondents are used during interviews (Voss et al. 2008), Saunders et al. (2009) note that observer error could influence the reliability of the data collected through for example, different interviewers / observers each carrying out the data collection process in different ways. To reduce this risk, greater reliability can be achieved by documenting the research process and maintaining records of the evidence gathered during the data collection phase (Rowley 2002).

Whilst the co-ordination of multiple researchers was not a concern in this study, the use of a case study protocol, an interview guide detailing the questions to be asked and the research database (Stuart et al. 2002; Voss et al. 2002; Yin 2009) did help to ensure the reliability of the study. Documenting the research in this way made sure the data collection process and the subsequent analytical procedure was as transparent as possible and could be replicated by another researcher if required (Stuart et al. 2002).

5.8 Presenting the Findings

Following a presentation of the research philosophy and the strategy used to explore the phenomenon of customer experience in non-hedonic contexts; this chapter described the case study methodology used during the empirical phase of the study to collect thick, rich data from the two case studies undertaken. Template analysis was used to categorise the data into a manageable format from which it could be analysed further. In the next section of this thesis, the findings from this analysis are presented in two chapters. The first chapter (Chapter 6) presents a summary within-case report for each case study using illustrative quotes to evidence the presence and relevance of the constructs and relationships between them thereby addressing the first aim of the empirical study. In describing the nature of each construct, the findings highlight a number of similarities between the employee and customer perspectives. Whilst therefore there is some repetition in the presentation of the findings, this provides an indication of the relevance of the conceptual framework to both the service provider and their customers. The findings therefore address the assertion by Johnston (1999b) that both points of view should be considered in the design of the delivery system. The analysis will also provide details of the frequency of which references to particular constructs were cited. The presentation of this information is not intended to infer any relative strength or importance to each construct which would need to be determined by other quantitative research methods in future projects. The inclusion of these details however will help in drawing assumptions about the common themes and significant features to emerge from the data.

The internal validity of the study is further strengthened by the in-depth cross-case analysis between the two case studies undertaken. The aim of this level of analysis was to establish the degree of congruence between the two cases and to provide an explanation for the differences. The results from this level of analysis are presented in Chapter 7 through which the second aim of the empirical study was fulfilled i.e. to compare the findings from each case study so that a better understanding of each construct could be developed. The chapter will first present an analysis of the similarities identified between Experience Outcome and Design Choice constructs and highlight a number of differences. This is followed by an examination of the relationships identified

between the constructs. A comparison of the common themes identified in the relationships connecting the constructs will also be presented both in terms of their frequency and meaning.

The cross informant analysis carried out on the Experience Mechanism constructs will then be presented drawing attention to the specific design characteristics common to both employee and customer transcripts which were relevant to both case studies. The relationship between the Experience Mechanism constructs with the other constructs of the framework will also feature in this description. In doing so, patterns of evidence suggesting a cause and effect relationship between the Design Choice and Experience Outcome constructs, mediated by the Experience Mechanism constructs, will be established. The analysis will therefore demonstrate how the Experience Mechanisms act as the *“flux of the phenomena”* (Bhaskar, 2008, p.56), providing an indication of how the design of the delivery system influences the experience customers perceive. The implications of the relationships between the constructs will then be presented in greater detail in the Discussion Chapter.

Chapter 6: Empirical Results: Within-Case Analysis

6.1 Introduction

This chapter presents the findings from the within-case analysis carried out on the data obtained from both case studies. At this stage, each case study was analysed independently. Data was initially coded from employee and customer transcripts, using the interview guide as the basis for developing an initial set of higher-order codes (Appendix 6). As the process of analysing the transcripts developed, a hierarchy of sub-categories was established within the coding template (Appendix 7a-d). Once the coding process had been completed, the data was then analysed to identify whether the constructs being explored were present and pertinent to both the design of the delivery system and the customers' perception of their experience. A summary of the key elements identified from the data for each construct will be presented in each within-case report. The Experience Outcomes which customers perceive as a result of engaging with the delivery system will be described first. Following this a description of each Design Choice construct will be presented. Finally, the details of each Experience Mechanisms influencing customer's involvement in the delivery of the service will be provided. These will be described from both the organisation's employees' point of view and from their customer's perception of engaging with the delivery system. To conclude, the relationships that connect the constructs identified in the data, will also be highlighted

6.2 Within-Case Analysis - Case 1

A total of 51 people were interviewed in case 1, the bank. This included 22 employees working in a variety of different roles throughout the organisations hierarchy and 29 customers.

6.2.1 Case 1 - Bank Experience Outcome Constructs

Evidence supporting the Outcome constructs were identified throughout the interview transcripts obtained from the banks customers in case 1. A total of 497 coded references representing the Experience Outcome constructs were identified. Table 6.0 summarises the analysis, identifying the total number of responses provided by the informants (references) and number of informants contributing a response for each construct (Memory Recall; Emotional Response; Perceived Control and Perception of Time). The number of

responses for each construct have also been expressed as a percentage of the total number of references (497) cited for this element (Experience Outcomes) of the conceptual framework. The responses have also been further categorised into the sub-categories identified in the initial coding template (Appendix 6). The total number of responses provided by the informants and number of informants contributing a response has then been recorded for each sub-category.

The findings from the analysis of the other elements of the conceptual framework (Design Choices and Experience Mechanisms) will also be demonstrated in a similar manner. The same format therefore has been applied to tables 6.1 - 6.3 describing data obtained from informants of the Bank and 6.5 - 6.8 describing data obtained from informants of the Pharmacy. A further explanation of the meaning of each subcategory is provided in Appendix 7a-d

Table 6.0 Experience Outcome Constructs - Bank			
	Informants	References	% of Total
		497	
Memory Recall	27	40	8.0%
1. Recall of either a positive or negative aspect of a past encounter with the delivery system	9	11	
2. Past encounters with the delivery system have resulted in an overall positive or negative impression being created	21	25	
3. Unable to recall any particular encounter in the past	4	4	
Emotional Response	29	248	49.9%
1. Demonstrating Advocacy Emotions	21	41	
2. Demonstrating Recommendation Emotions	28	103	
3. Demonstrating other Positive Emotions	24	39	
4. Demonstrating Negative Emotions	26	65	
Perceived Control	27	112	22.5%
1. The customer's perception of the degree of control they have over their finances	15	17	
2. Factors which influence the level of control a customer perceives	27	87	
3. Perception of lack of control	7	8	
Perceptions of Time	26	97	19.5%
1. Perception of duration of time engaged in delivery of the service	26	90	
2. Longer durations - enough time during meetings with employees discuss relevant issues	5	7	

Memory Recall (8.0%, 40 references): The majority of informants provided an overall positive impression or memory of their encounters with the service delivery system (24 references-Appendix 7b). When asked specifically about what they could remember or what had created the biggest impression, most answered in general terms:

“I suppose on the phone, a consistently good friendly interaction ... they won't just sit there in silence, they'll have a chat with you ... that is really nice, yes.”

(Informant C5)

“I don’t think there has been a particular instance that stood out but just the consistency of being able to contact them, get through easily ... yes, and how pleasant the experience is.” (Informant C28)

For some however, significant episodes to prevent or resolve a problem with their accounts provided a more enduring memory of their relationship and a stronger emotional connection. Informant C25, for example, highlights the performance of an employee in an incident he remembered when he was unable to access his account.

“I remember once when I forgot my password and the girl on the phone helped me through with other questions. She could have just put the phone down, you know, you don’t know the password and that’s it, but she didn’t. She talked me through a number of other questions, what was my first school, what was my mother’s maiden name, things like that and eventually she said “Right that’s good, would you like to reset your password again?” She was very helpful, she took time to help me sort the problem out and I like that about the bank.”

These events often defined how the informant perceived their experience of engaging with the organisation. Occasional short falls in the level of service provided were also recalled. These did not however appear to have a significant impact on how the experience was perceived over time.

Emotional Response (49.9%, 264 references): The analysis showed customers’ emotional response generated as a result of their interactions with the delivery system, was an important factor influencing their overall perception of their experience. The data demonstrated many of the informants expressed positive advocacy emotions (Shaw, 2007), that is, they reported feeling happy or pleased either when asked directly or through general comments relating to their involvement with the delivery system:

“Well I’m very happy ... I’m very happy with it and I would recommend it to anybody, in fact I do.” (Informant C9)

“Well I’ve been pleased, yes they’ve looked after me well.” (Informant C22)

A considerable number of references (103) were also made to the

recommendation cluster of emotions, such as trust and feeling valued which help build long-term relationships (Shaw, 2007).

“Implicitly yes, I have a high degree of trust.” (Trusted - Informant C14)

“Yes, they are reliable, they are trusted, I’m happy for my money to be there.” (Trusted - Informant C15)

“When I have phoned up and there has been a query or a problem ... I never felt that it was just too bad, you know, that’s it. They have always made me feel that I count.” (Valued - Informant C23)

The general perception of this informant cohort was that their experience was more than just satisfactory. Informant C3a explains this perception when comparing his experience with that of using another bank:

“When I leave here I feel satisfied I have been dealt with in a decent way ... I feel better when I use this place than I do next door [another bank] and I can’t quantify that. I always feel when I go in there no one gives a jot but when I come in here I get the impression people do care.”

Perceived Control (22.5%, 112 references): Evidence suggesting the informants’ perception of control was identified in the coded data. The level of communication and personal interaction provided by the bank during an extreme situation, for example where credit card fraud was involved, was shown to provide customers with a degree of cognitive control which helped reduce their anxiety and uncertainty. The informants’ ability to easily check the status of their account(s) through a variety of different communication mediums also enabled them to maintain an element of cognitive control over the management of their finances (10 references-Appendix 7b). The delivery system also provided customers with access to their accounts through a variety of channels which enabled them to manage their finances more effectively (17 references-Appendix 7b). This facility provided the informants with a degree of decisional control as Informant C23 explains:

“It’s great, very important, because even at midnight I can go on line and just do whatever ... I do everything on line. I still get my monthly statements sent because I’m the type of person who likes to just

check off the receipts, I still have that sent. I always still check on line, but still like the paper one and file it.”

Perceptions of Time (19.5%, 97 references): Whilst no evidence was provided to demonstrate the customer’s perception of time was distorted through their participation in the delivery of the service, the informants’ awareness of the duration of time engaged with the delivery system featured throughout the interviews conducted. Customer’s overall perception was that the time spent participating was generally in line with or slightly better than their expectation. For those informants who regularly managed their finances online, the ability to complete tasks quickly was a significant aspect influencing their overall perception of their experience. For Informant C10, a key factor in her positive perception of the delivery process was the ease and speed at which she was able to transfer money between her accounts:

“I’m very happy because I can transfer within the bank ... I know instantly I can transfer money around these four accounts and it’s really easy to do ... I can have the two accounts open and I can twiddle between them and I can see what’s happening and I know that it’s all done and dusted.”

For more complex issues such as administering the estate of a deceased relative, sufficient time was provided by bank employees to enable the informants to fully discuss and resolve their problems (7 references-Appendix 7b) and the informants did not appear to be under undue pressure to complete these discussions quickly.

“I just feel they’d have more time for you here.” (Informant C4)

“I wasn’t pushed or rushed into anything either way. I was happy with what I’d done.” (Informant C12)

Whilst the duration of these conversations did not materially affect the outcome of the delivery system, the time afforded to the customer positively contributed to the value they derived from their experience.

6.2.2 Case 1 - Bank Design Choice Constructs

A total of 507 coded references were identified in the employees’ data which related to the Design Choice constructs providing some evidence to suggest

these components were pertinent to the design of the delivery system (Table 6.1).

Table 6.1 Design Choices Constructs - Bank			
	Informants	References	% of Total
		507	
Technology and Physical Support	13	44	8.7%
1. The customers' ability to access the service offering through a variety of real and virtual delivery channels	6	18	
2. The technology employed in Front Office operations to enable employees to build a relationship with their customers	11	26	
Customer Interface	18	86	17.0%
1. Customer engagement through branch settings	16	79	
2. Customer engagement through the call centre	2	4	
3. Customer engagement through the website	1	3	
Organisational Infrastructure	20	295	58.2%
1. Leadership values which influence how people perform	17	129	
2. Recruitment, induction and training processes responsible for developing employees	16	73	
3. Standard operating processes and performance measurement routines to maintain quality	18	93	
Organisational Integration	18	82	16.2%
1. Internal Integration - collaboration between head office functions	6	14	
2. Adaptive Mechanisms - the methods through which information and knowledge is assimilated throughout the organisation	13	56	
3. Opportunities for organisational learning	5	12	

Technology and Physical support (8.7%, 44 references): Whilst employees recognised “customers demand more than just one point of access” (Manager A1) (18 references), the data highlighted that these access points were rapidly changing. To manage their financial affairs more effectively, customers increasingly require greater flexibility in how they communicate and gain information from their bank, moving away from traditional printed statements sent on a periodic basis towards digital and real-time communication platforms. Similarly, the ability to coordinate their banking routines between these channels was also acknowledged as a key benefit. The organisations IT system had also been developed to provide branch employees with information about their customers’ accounts. This was used on a regular basis to build a dialogue and rapport (26 references). This system also alerted employees to initiate conversations with customers prior to a financial investment maturing or a product reaching its expiry date, as general branch advisor BA8 explains:

“I would say “would you be happy for me to call you” because you can call them a month before their policy ends ... you get some that just aren’t interested but then you do get the few that say “well yes ... that would be good.””

In addition, when a new financial product is launched, branch teams are also notified via their IT systems of customers who have expressed an interest in the product in the past. In this way, a regular series of conversations can be maintained with customers over a number of years.

Customer Interface (17.0%, 86 references): The data describing the Customer Interface focused predominantly on the design of the branch setting, both in terms of its physical appearance (9 references) and key points of contact with the customer (56 references-Appendix 7b). The Financial Review process, for example, a structured assessment aimed at improving customers' financial circumstances and maximising the benefits obtained from the financial products they hold with the bank, was identified by managers as an important point of contact with customers, as Manager A1 points out:

"...the difference between us and the internet is we've got people who are paid to unearth products and if a customer comes in for an hour then we should be doing more, they should be getting greater value than being able to just do it on the internet."

Whilst the organisation had established a clear design specification for branch offices, the analysis also showed lack of space meant these conversations were often conducted in the open-style personal service cubicles made available in the banking hall (Appendix 4e 6.3d-f). In these circumstances customers, might be reticent to fully engage or prolong their conversations. Distribution Development Manager (A2) also explained how the design of office space influenced customers' willingness to participate. In this example, a branch office had been located in a prominent position in a food store:

"We thought this was ideal [location of office] because it's in a really good prominent place ... We put glass interview rooms there and customers were complaining that they would be in there and their friends would be queuing for their food and there seemed to be a stigma about having a financial review ... that you're in trouble or something, so just the fact that they could be seen by their friends in there. We had to eventually go back and frost up all of the windows".

Organisational Infrastructure (58.2%, 295 references): This construct was the most complex, with a substantially larger number of references suggesting

employees perceive this as an important aspect in the design of the delivery system. Drawing from Roth and Menor, (2003), the design characteristics which relate to Organisational Infrastructure include:

- the customer-centric values the organisation’s leaders promote (129 references);
- the operational policies and procedures that ensure employees are capable of performing their roles (73 references); and
- the processes and productivity objectives applied to monitoring quality and measuring performance (129 references)

The analysis demonstrated these elements were present in the design of the delivery system. In recent years the organisations leadership have been redefining their operating values influencing service culture and customer-orientation (Roth and Menor 2003), moving away from rewarding performance purely for achieving financial targets towards a more customer-centric approach emphasising the need to ensure the products sold to customers met their particular needs. To embed this change in operating culture, managers demonstrated that tight controls and monitoring systems (93 references-Appendix 7a) were in place to ensure compliance standards were maintained and the financial products customers acquired were suitable for their specific circumstances. The bank also acknowledged that their employees were important ambassadors supporting this change in business strategy. The recruitment and development of capable frontline employees who were encouraged to actively engage with their customers was identified from the data as a high priority (73 references-Appendix 7a) as Manager B2 commented:

“We employ people because of the nature they have ... the passion for it. That will always shine through ... that’s where we can really make a difference ... a real impact”.

Developing interpersonal behavioural skills formed a large part of ongoing training and people development. This was managed in part through a formal observation process conducted in both branch and call-centre settings (Appendix 4e 1.3a-i) which enabled managers *“to challenge those [branch employees] that were not following certain processes”* (Manager A1). As well as ensuring regulatory standards were maintained, this process also helped to improve the quality of employees’ interactions with their customers. Service

quality was also managed through external assessments of operational standards (mystery shopper assessments) and through customer satisfaction surveys (Appendix 9).

Organisational Integration (16.2%, 82 references): Evidence demonstrating the relevance of the Organisational Integration construct was also identified in the data. Whilst managers recognised the need for an integrated relationship between head-office departments, a tendency for a silo mind-set was evident from the data, as Learning and Development Manager A5 confirmed:

“I don’t think it’s perfect by any means in terms of how all the channels work together because they are siloed. You don’t have one team looking at current account experience across all of the channels; you’ve got the web team, telephony team, branch team.”

Branch and head-office teams however appeared to be more closely integrated, co-ordinated through a central operations team at their head-office. A structured approach to internal communication had been developed, cascaded to branch employees through weekly training meetings and daily briefing sessions (38 references - Appendix 7a). The organisation also encouraged feedback from branch offices and customers to identify opportunities to improve the overall experience. The information gathered from these sources enables head-office managers to understand the impact of the operational decisions they take from a customer’s point of view:

“We went through quite an extensive phase of qualitative work with customers and non-customers, looking at what they wanted from their banking relationship ... when are the moments that are most important to them, when the bank absolutely needs to deliver. That qualitative work was really responsible for the design of the programme as it is today.” (Manager A8).

6.2.3 Case 1 - Bank Experience Mechanism Constructs

The analysis demonstrated the Experience Mechanism constructs represented factors employees and customers of the bank considered relevant in the design of the delivery system.

Data obtained from employees interviews: A total of 485 coded references relating to the Experience Mechanism Constructs were identified in the data from employees (Table 6.2).

Table 6.2 Experience Mechanisms Constructs - Employees		Informants	References	% of Total
			485	
Focused Attention		18	110	22.7%
1. Rectifying knowledge imbalance		10	23	
2. Management practices that enable customers to achieve their goals easily when visiting branch offices		13	28	
3. Distractions which prevent customers from focusing on the activities they are undertaking		15	59	
Sensory Stimulation		16	95	19.6%
1. Humanic clues - behaviours which employees consider important in having an impact on customers' sensory perception		14	71	
2. Mechanic clues - factors which influence how customers' perceive the setting in which the service is delivered		9	24	
Interaction		19	182	37.5%
1. Creating a dialogue with patients		16	82	
2. Building a relationship through social interaction with the pharmacist		17	68	
3. Maintaining contact with customer over duration of relationship		9	14	
4. Learning from interactions with customers		4	11	
5. The ability to build relationships with other professionals		2	7	
Adaptability		18	98	20.2%
1. Operating processes that enable customers to adapt		11	23	
2. The customers' ability to synchronise their banking activities between channels		3	8	
3. Willingness of organisation to respond to customer input		16	67	

Focused Attention (22.7%, 110 references): Two main characteristics were identified in the data relating to the Focused Attention construct.

- the measures provided to enable customers to achieve their consumption goals; and
- the impact of interruptions and other distractions which limited customers' ability to concentrate on the activities they were participating in.

The first characteristic highlights efforts made to increase the customers' level of knowledge, thereby enabling them to more fully participate in managing their accounts (23 references). In selecting a financial product for example, customers were provided with a sufficient level of knowledge and support to help them make an informed decision about which product best suited their needs, as manager B2 describes:

“We will really try to get to know them on a financial basis and on a personal basis to some degree. We're not allowed to advise or recommend, we're not allowed to have any personal opinion, what we will do is say “You told me you need this and that, this current account does this, this and that” and it's sort of making it obvious to

them which account would best suit them, but at the same time the decision is still left to them.”

The second characteristic of the Focused Attention construct considered the impact of distractions and interruptions that occur during the delivery of the service which influence the customers' ability to achieve their consumption goals (59 references). Whilst day-to-day operational issues were identified as distractions which needed to be regularly managed, managers also expressed concern regarding the layout and configuration of their branch offices. They highlight how this often meant customers became distracted during their conversations with branch employees because of concerns their conversations could be overheard or would not remain private (14 references-Appendix 7a). Manager B2 described the problems he faced in managing a complex range of discussions with customers in a relatively small but busy branch office:

“You’ve got the semi-privates [cubicles], you’ll have customers queuing for the counter, you’ve got customers queuing for the pod [Greeters workstation] you’ll have someone sat down there and maybe discussing a fifty-grand investment, it’s not ideal.”

Research carried out by the bank also identified the menu of options available through the call centre's voice recognition system and the length of time waiting for an advisor whilst connected were also potential distractions if not operating efficiently [Placement Location, 2013a] (Appendix 4e 5.1b). The research also highlights how the quality of the information provided through the organisation's website was also a source of potential distractions. The research showed that customers require *“jargon-free sign-posting and information* [Placement Location, 2013a] when interacting with this communication channel.

Sensory Stimulation (19.6%, 95 references): The sensory signals provided by the service context, that is, the setting and the people involved in the delivery of the service, stimulate customers' sensory perceptions, which ultimately generates an emotional response. The visual and auditory humanic clues generated through the behaviour of frontline employees were a significant feature identified in the data representing the Sensory Stimulation construct (71 references). The Customer Insight Manager for Telephone Banking (A4), for example, highlighted how call-centre advisors service-oriented behaviours were

regularly monitored to ensure customers received the correct auditory clues during their telephone conversations:

“Specific stuff we pick up on is the structure around the way you talk to a customer and particularly in the solutions you provide to make them understand you have got their best interests at heart.”

Mechanic clues also stimulate customers’ sensory perceptions generating either a positive or negative emotional response to the activity being undertaken and to the service provider in general. The internal aesthetic mechanic clues in this setting, such as decoration and furnishings were not significant factors highlighted by employees. Through the branch observations carried out, however (Appendix 5a), further data was collected. The information gathered through this process increased the understanding of the impact of mechanic clues in this setting. The branch observations demonstrated a high degree of consistency in how the bank’s brand image was presented. Branches were well lit and there were no distinguishing smells or sounds such as background music or in-house radio station broadcasting. Functional clues demonstrating the technical quality of the service offering (Berry et al. 2006a) were mainly demonstrated through the marketing material available in each branch providing customers with basic information about the financial products available (Appendix 4e 4.1b), for example, details of the mortgage rates available to customers (Appendix 4e 4.1c).

The mechanic clues which were significant elements of branch design related to how customers engaged with the delivery system (24 references). The design of the main serving counter for example was an important mechanic clue influencing employees’ ability to develop a dialogue with their customers. In one of the branch observations carried out, transactions with cashiers were conducted over counters enclosed within a glass security screen. Whilst these “fortress style counters” reduced the threat of a robbery and provided employees with a degree of security, the glass barrier made it difficult for both employees and their customers to communicate effectively and conversations were generally restricted to basic banking transactions, as manager B2 explained:

“Anyone that works on that counter will tell you ... ”I don’t want to talk to customers through a piece of glass” ... it’s difficult to get your point across, difficult to hear what a customer is saying. So that is a real inhibitor for conversations ... it will put some people off because they can’t have a quality conversation.”

Interaction (37.5%, 182 references): Creating a dialogue (82 references) and then building and maintaining a relationship with customers (68 references) was highlighted as a significant element of the Interaction construct. Recent qualitative research conducted by the bank highlighted how customers engaged with the delivery system through a regular number of minor interactions interspersed with occasional but more significant major episodes. The bank termed these activities “Major” and “Minor” servicing events [Placement Location, 2013b] (Appendix 4e 5.1a-b). Manager (A3) explains how both types of encounter have an influence on how relationships with customers develop:

“So when you’re opening an account with us, you don’t know anything about us, so you need a bit of background, you need to know how to do things. When you’re transacting with us, [Minor event] you just want things done quickly and efficiently, with a smile, politeness, you know but generally it’s just on off ... done. When something’s gone wrong, [Major event] like a complaint or something that needs a bit more attention, you need to switch out of transactional mode and get into problem solving mode ... make them feel that you are in control. You’re going to own it and keep them informed about what to do next.”

Minor servicing activities represent the less complex, day-to-day interactions customers have with the bank. Counter assistants recognised the importance of building a rapport with customers during these minor servicing activities.

“It does make it a lot more comfortable when you are serving them ... if you don’t talk to them, you are literally sat there, head down. It’s not really a good experience for the customer, like it’s an awkward kind of silence ... so definitely hold a conversation with them, a general conversation always helps.” (General Advisor BA10)

Customers’ needs at this point in their journey are largely transactional [Placement Location, 2013a], predominately to manage their financial affairs.

The research identified that if customers were not able to carry out these interactions in an acceptable amount of time, they became frustrated with the delivery system, with recurring problems creating a more potential threat to their relationship with the bank [Placement Location, 2013a]. Major servicing events are important but infrequent interactions generated because of a significant change in a customer's personal circumstances [Placement Location, 2013a]. A redundancy situation, for example, might require customers to engage with employees generally operating within a specialist head-office team, to find a suitable solution to minimise the impact of this disruption to their finances. Alternatively, a maturing bond might necessitate an interaction with branch employees to obtain additional information to enable them to make an informed decision about future investment opportunities. In both situations, a follow up process ensures that the customer has the information they require to enable them to continue their relationship with the bank.

Adaptability (20.2%, 98 references): The data for the Adaptability construct showed that employees were empowered with some discretion to rectify a customer's problems and provide solutions where possible. Manager A5 emphasised this emerging culture and how this influenced the expectations of branch employees:

"I think it's a broad thing around customer-centricity and going the extra mile for the customer. We talk a lot about empowerment as well, that you shouldn't wait for permission to do something that is the right thing for the customer."

Whilst fixed service scripts were provided for some conversations (McCarthy et al. 2010), this degree of flexibility was evident during the informal social interaction that occurred with customers, as counter assistant BA10 describes:

"Overall there is an expectation of me to deliver the service, but it's not sort of scripted ... you can within reason go your own way about it. So it gives that extra bit of freedom, so it's not like robotic ... you don't want to literally read it off of a piece of paper, you want to make it sort of come naturally ... so there is a certain amount of freedom there."

Front-line cashiers also demonstrated their ability to take the initiative to satisfy a customer's particular needs. General Advisor (BA8), for example, explained

how she posts out tax certificates every year for some regular customers with mobility problems:

“Like I don’t have to do that, I could say “well no, you need to come in when you need them and I’ll print them there and then for you” but this customer lives in Kingsbridge, she finds it difficult to get in, so I’ve said to her “Fine, I’ll make a note to say you need your tax return [and post it to her] ... just little things like that.”

In addition, the delivery system also provides customers with a limited range of options (23 references) through which they could influence how their current accounts were managed, for example, to pay bills or amend transfers, although this was not an aspect of the delivery system highlighted by managers as important. In this way, some control was devolved to customers, enabling them to more fully participate in the delivery of the service.

Data obtained from customer interviews: Table 6.3 presents the customers’ perspective of the Experience Mechanisms. The 1041 references were allocated to the Experience Mechanism constructs from interviews with customers.

Table 6.3 Experience Mechanisms Constructs - Customer			
	Informants	References	% of Total
		1041	
Focused Attention	29	358	34.4%
1. Primary goals for using the bank (what is important to the customer)	29	226	
2. Distractions - factors which prevent customers from achieving their goals	28	111	
3. Delivery system provides customers with sufficient knowledge to fully	11	21	
Sensory Stimulation	29	239	23.0%
1. Humanic Clues - the appearance and behaviour of employees	28	142	
2. Mechanic Clues - factors which influence how the setting is perceived	27	97	
Interaction	29	242	23.2%
1. The ease with which customers can interact with employees	29	79	
2. The ease with which customers can interact through a virtual medium	20	51	
3. The general responsiveness of the organisation	25	49	
4. Minimal indirect contact with the organisation	26	63	
Adaptability	29	202	19.4%
1. Enabling the customer to participate in the delivery of the service (their actions)	28	173	
2. Willingness of organisation to respond to customers' input	17	29	

Focused Attention (34.4%, 358 references): Customers demonstrated a clear vision of the goals they hoped to satisfy from initiating the service and their importance to them (226 references) which can be summarised as:

- confidence in the security of their finances and in the secure execution of deposits, withdrawals and money transfers;

- easy access to and control of their accounts through the most convenient delivery channel;
- privacy from other customers when disclosing their financial circumstances and trust that information disclosed remain confidential; and
- when requested, support from knowledgeable and competent staff

The ability to easily contact employees to ask for information or seek clarification if they were unsure about a particular aspect of their account was recognised as a benefit which enabled customers to fully participate in the delivery of the service. Informant C11, an advocate of the online banking channel, describes the confidence she receives from knowing that an advisor is available should she need one:

“I’d rather ask somebody face to face ... so actually, I think if I were really struggling then I would just phone them and say “I’m trying to do this and I can’t do it” and I’m sure they would do it, I have every confidence they would be at the end of the phone if I needed them.”

Customers also recognised there were aspects of the delivery system, such as the design and layout of branch offices, which influenced their ability to concentrate (111 references). The opinion expressed by Informant C24 regarding the layout of her local branch typifies this problem:

“It [design of the banking hall] detracts from the experience. You have to accept there will be other customers in a thriving branch and that’s not a problem but I do think the queuing could be further away from the tellers and that awful public area where people have to sit ... the tables are so close so even if customers waiting can’t hear you, you can still hear what people at the other tables are saying.”

Similarly, whilst customers overall assessment of their interaction with technology was generally positive, there were elements that had the potential to distract. The menu of options on call-centre phone directories for example was a negative clue which some informants found frustrating

“The music is a bit tedious and the repetitive nature and the cycle it goes through just reinforces the time you are waiting.” (Informant C19)

The informants also described situations they had encountered across a range of organisations where they were not able to understand the dialect spoken by

employees. Whilst this was not a concern in the context of the bank, it was highlighted as a distraction influencing customers' capacity to fully participate and had an impact on their perception of the overall experience in other organisations as Informant C28 describes:

“Over the phone, it's really important, I don't get irritated very often but if I'm kind of having to deal with someone in the service industry who doesn't understand me or if there is a bad line or a delay, it's incredibly frustrating. I have honestly never found that with the bank. Certainly, I don't recall ever having any issues with understanding people when we were talking face to face ... over the phone, I've always felt they understand me and I understand them and it's quite refreshing and it's never been an issue actually.”

Sensory Stimulation (23.0%, 239 references): The humanic clues provided through the appearance and behaviour of employees (142 references) was a significant factor influencing how customers perceived the delivery system:

“They're just normal people, but to me they seem that it's important to make you feel comfortable as the customer. I think that's what they do.” (Informant C2)

“I went in for this probate thing and the guy was absolutely wonderful. He was superb, very good. He seemed to go out of his way to help”. (Informant C25)

In addition, whilst the setting was expected to look business-like and professional, the internal aesthetic design and ambience had a minimal impact on customers' descriptions of their experience regardless of the brand fascia of their local branch office (Appendix 5a). Similarly, the internal signage, point of sale material and general information provided were largely ignored by customers waiting to be served. The design of the main serving counter and the positioning of the personal service cubicles where individual meetings with employees were held, were however perceived by customers as important mechanic clues influencing how customers felt about engaging with the delivery system (15 references-Appendix 7b). In the example below, the mechanic clues generated by the design and proximity of the personal service cubicles used for individual meetings with customers evoked a negative emotional response:

“They could have a much more private place in the branch ... It’s all very open and I hate that ... you just get a little cubbyhole or a cubicle where other people can hear what you are saying.” (Informant C24)

Similarly, the mechanic clues generated by glass-fronted counters or the proximity of other customers waiting to be served influenced the degree to which customers were willing to develop a rapport with branch cashiers and the emotions they felt:

“When you go into a branch, you want to pay something in, taking money out or you have a query and talking through those screens is ... you know it is difficult ... people don’t like talking through those screens, I certainly don’t, and it just creates that kind of them and us, it’s not a customer-focused environment.” (Informant C14)

Interaction (23.2 % 242 references): The ease with which customers were able to interact with the organisation was an important factor influencing their perceptions of their experience. The informants interviewed all had a preferred method of interacting with the delivery system although most used more than one route to communicate. Whilst the ability to interact easily through the design of the website was important (27 references), being able to contact an employee either through a branch (43 references) or the call centre (36 references) was cited as a key factor in building trust and confidence (Appendix 7b). Informant C26 describes how being able to talk with a nominated employee during an account transfer process was both helpful and provided her with a degree of confidence in the overall process:

“I saw him two or three times, he was easy to see and went through all the transfers of standing orders, direct debits and everything that needed to happen and was very helpful in that process and I went back to him a couple of times and he said if I had any concerns I could just go back to him, so dealing with a person for me was a big asset, yes.”

Similarly, she describes how being able to communicate with employees without being subjected to aggressive sales techniques was also an important criterion in her assessment of the banks performance

“That’s why my experience is so positive with the bank. Whenever I’ve gone in and asked for a statement or asked them to do a task for

me, they never try to sell me anything. At XXX [Competitor bank] I would go in and say "Could I have a statement" and they would sit me down and say "Can we give you a quote for home insurance?" and I just got totally fed up with that."

The bank's ability to respond to a customer's query in a timely manner was also highlighted (28 references-Appendix 7b), as Informant C25 emphasised:

"We've never had a problem with them. They have always been honest with us, they are always helpful ... courteous, supportive. If we run out of cheque books, I phone them up and within a couple of days they are back with us ... Once you get through to somebody they are very sympathetic, understanding and they action whatever you ask them to do straight away once they have clarified that you are who you say you are."

The data also suggested that whilst customers received a minimal amount of additional communication from the bank (63 references-Appendix 7b), much of what was received was either of little interest or not read.

Adaptability (19.4%, 202 references) The ability to participate in managing their finances (173 references-Appendix 7b) was a significant feature in the design of the delivery system as the data from customers demonstrated. Being able to access their account at a time and through a delivery channel that was convenient, was an important element influencing this ability. The banking management options the delivery system provided were sufficient to enable day-to-day transactions with the bank to be managed effectively (86 references-Appendix 7b), as Informant C10 explained:

"I can do everything I want with moving money online ... I'm very happy with bill paying and setting up standing orders, that's really convenient for me ... I'm very happy to do it on-line. The chief thing is that it's easy for me to do."

Text alerts and payment reminders were optional facilities that also enabled customers to take action if required to maintain control over their financial affairs. The willingness of employees to respond and adapt their approach to the customer's input was also a factor highlighted in the data. On noticing how she had shown an interest in a particular financial product during a meeting on

an unrelated matter, Informant C6 commented on how the advisor she was seeing had been receptive to her needs:

“...and again, this comes to the customer service. I am really impressed with what I get. While I was waiting, I’ve picked up the leaflets and thought oh I didn’t know these services were available. When I sat down and was talking to the person who was seeing me I had a leaflet by my side and they took it on themselves when we’d finished to say “did I want to talk about the leaflet” which I really liked ... I felt the right level of encouragement was there ... I felt I had the right amount of information to suit me to go and do what I need to do.”

6.2.4 Case 1 - Bank Construct Relationships

The literature informing the conceptual framework also suggests a number of theoretical relationships exist between the Experience Mechanism Constructs and Experience Outcome and Design Choice constructs (Appendix 2). In the first case study, the within-case analysis provided some evidence to support the existence of these relationships. These findings helped to strengthen the validity of the conceptual framework in the non-hedonic contexts studied.

Table 6.4 presents the findings from this analysis both in terms of the numbers of references cited and the numbers of informants making a contribution. The extent to which the presence of these relationships has been identified has been classified into 3 categories through which inferences can be made as to their influence. ‘Strong relationships’ highlighted in yellow represent the relationships between the constructs in which 30 or more references were identified. ‘Moderate relationships’ highlighted in green represent relationships in which 20-29 references were identified. ‘Weak relationships’ represent those relationships in which less than 20 references were identified in the data.

The analysis also uncovered limited evidence of relationships which had hitherto not been identified in the literature and were therefore unexpected. These have been highlighted in blue on Table 6.4. Whilst the number of references to these relationships was small, they demonstrate a link between three of the Experience Mechanisms, Focused Attention (1i), Interaction (2i),

and Adaptability (3i) to the construct of Memory Recall. Appendix 10a provides a fuller account of the nature of each relationship identified in case 1.

Table 6.4 Within-Case Analysis of Relationships Between Constructs – Bank

		Bank	
		Informants	References
>20	Strong		
19-10	Moderate		
10>	Weak		
Focused Attention			
B1 Customer Interface / Focused Attention			
Ding (2011); Gupta and Vajic (2000); Hong et al. (2013); Pine and Gilmore (1998)		15	58
1i Focused Attention / Memory Recall			
New Relationship		1	1
1ii Focused Attention / Emotional Response			
Ding et al. (2010); Ding (2011); Gentile et al. (2007); Hoffman and Novak (1996); Johnston (2004); Pine and Gilmore (1998); Zomerdijk and Voss (2010)		22	57
1iii Focused Attention / Perceived Control			
Csikszentmihalyi and LeFevre (1989); Csikszentmihalyi (1975, 2003); van Rompay et al. (2008)		21	34
1iv Focused Attention / Perception of Time			
Baker and Cameron (1996); Chase and Dasu (2001); Conti (2001); Csikszentmihalyi (2003); Healy et al. (2007); Hong et al. (2013); Novak et al. (2003); Shieh and Ling (2010)		4	4
Sensory Stimulation			
B2 Customer Interface / Sensory Stimulation			
Berry et al. (2006a); Brunner-Sperdin and Peters (2009); Chase and Dasu (2001); Collier and Meyer (1998); Coyle and Thorson (2001); Hartline and Ferrell (1996); Healy et al. (2007); Pullman and Gross (2003, 2004); Rayport and Jaworski (2004); Voss et al. (2008); Zomerdijk and Voss (2010); Wall and Berry (2007)		15	53
C2 Infrastructure / Sensory Stimulation			
Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989); Ford et al. (2001); Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012), Parfitt (2006); Sirianni et al. (2013); Voss and Zomerdijk (2007)		3	3
2i Sensory Stimulation / Memory Recall			
Berry et al. (2006a); Bitran et al. (2008); Kelley (1989); Morrin and Ratneswar, (2003); Oh et al. (2007); Pine and Gilmore (1998); Taylor and Thompson (1982); Zomerdijk and Voss (2010)		14	14
2ii Sensory Stimulation / Emotional Response			
Berry et al. (2006a); Bitner (1990); Dasu and Chase (2010); Haeckel et al. (2003); Pullman and Gross (2003) Shieh and Ling (2010); Taylor and Thompson (1982); Turley and Milliman (2000); Voss and Zomerdijk (2007); Zomerdijk and Voss (2010)		23	54
2iii Sensory Stimulation / Perceived Control			
Grewal et al. (2007)		6	6
2iv Sensory Stimulation / Perception of Time			
Hornik (1984); Baker and Cameron (1996)		4	5

Interaction	Informants	References
A3 Technology and Physical Support / Interaction		
Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008)	12	27
B3 Customer Interface / Interaction		
Collier and Meyer (1998); Ding (2011); Johnston and Kong (2011); McCarthy et al. (2010); Payne et al. (2007); Prahalad and Ramawamy (2003, 2004); Roth and Menor (2003); Voss et al. (2008)	13	35
C3 Infrastructure / Interaction		
Berry et al. (2006); Ding (2011); Ford et al. (2001); Shah et al. (2006); Voss et al. (2008)	13	21
D3 Integration / Interaction		
Caemmerer and Wilson (2010); Dasu and Chase (2010); Ford et al. (2001); Oliveira et al. (2002); Shah et al. (2006); Voss et al. (2008); Voss and Zomerdijk (2007)	14	24
3i Interaction / Memory Recall		
New Relationship	5	5
3ii Interaction / Emotional Response		
Berry et al. (2006a); Dasu and Chase (2010); Ding (2011); Ding et al. (2010); Hoffman and Novak (1996); Grove and Fisk (1997); Pullman and Gross (2003); Voss and Zomerdijk (2007); Zomerdijk and Voss (2010)	19	39
3iii Interaction / Perceived Control		
Dasu and Chase (2010); Ding et al. (2010); Collier and Sherrell (2010); Cook et al. (2002); Grewal et al. (2007); Guo et al. (2016); Hui and Bateson (1991); McMillan and Downes (2000); Zhu et al. (2007)	11	16
3iv Interaction / Perception of Time		
Bitran et al. (2008); Bitner (1992); Ding (2011); Ding, et al., (2010); McCarthy et al. (2010); Shieh and Ling (2010); Yeung and Soman (2007)	21	30

Adaptability	Informants	References
A4 Technology and Physical Support / Adaptability		
Badgett et al. (2006); Kellogg and Nie (1995); Racherla et al. (2011)	8	16
B4 Customer Interface / Adaptability		
Collier and Meyer (1998); Glushko and Tabas (2009); Gupta and Vajic (2000); Hartline and Ferrell (1996)	11	31
C4 Infrastructure / Adaptability		
Chebat and Kollias (2000); Collier and Meyer (1998); Glushko and Tabas (2009); McCarthy, et al., (2010); Roth and Menor (2003); Sirianni et al. (2013); Tansk and Smith (2000); Zeithaml et al. (1988)	14	41
4i Adaptability / Memory		
New Relationship	4	4
4ii Adaptability / Emotional Response		
Chase and Dasu 2001; Cook et al. (2002); Lee (2010); Mills and Krantz (1979)	15	22
4iii Adaptability / Perceived Control		
Dasu and Chase (2010); Hui and Bateson (1991); Grewal et al. (2007); van Rompay et al. (2008); Ding (2011)	23	52

6.3 Within-Case Analysis Case 2 - Pharmacy

A total of 51 people were interviewed in case 2, the pharmacy. This included 21 employees working in a variety of different roles throughout the organisations hierarchy and 30 customers. The analysis of the data obtained from the

informants in this case study revealed similar patterns to those identified in the bank data. The Experience Outcome constructs (Table 6.5) were shown to be present in the informants' description of their experience (526 references).

Table 6.5 Experience Outcome Constructs - Pharmacy			
	Informants	References	% of Total
Memory Recall	25	43	8.2%
1. Recall of either a positive or negative aspect of a past encounter with the delivery system	18	26	
2. Past encounters with the delivery system have resulted in an overall positive or negative impression being created	8	11	
3. Unable to recall any particular encounter in the past	6	6	
Emotional Response	30	288	54.8%
1. Demonstrating Advocacy Emotions	21	53	
2. Demonstrating Recommendation Emotions	29	120	
3. Demonstrating other Positive Emotions	22	44	
4. Demonstrating Negative Emotions	22	71	
Perceived Control	29	126	24.0%
1. The patient's perception of the degree of control they have over the delivery of the service (dispensing medication)	13	14	
2. Factors which influence the level of control a patient perceives	26	98	
3. Perception of lack of control	10	14	
Perception of Time	26	69	13.1%
1. Perception of time engaged in delivery of the service - branch response times	23	53	
2. Longer durations - enough time during meetings with employees discuss relevant issues	9	14	

6.3.1 Case 2 - Pharmacy Experience Outcome Constructs

Memory Recall (8.2%, 43 references): The data demonstrated the process of engaging with the delivery system, was capable of creating an encounter which would be remembered or created a positive impression. Whilst for most patients interviewed, their overall experience did not generate particularly strong memories, for some informants with long-term medical conditions, their relationship with the pharmacist was sufficient to provide an enduring memory (18 references-Appendix 7d). The ability to talk to a pharmacist and the advice pharmacists were able to provide were important elements of the delivery system, which featured strongly in these recollections. Informant P20 recalls how she felt after her pharmacist had given her advice for the treatment of an eye infection:

"... my eye was massive and I was starting to panic and I felt reassured, they said that if I use the drops for three days, it should start to clear up, so I was reassured, happy."

Whilst occasional shortfalls in the dispensing process were remembered, generally these did not appear to impact on the informants' overall impression.

Informant P25, however, was representative of a significant minority of patients who recalled how the speed of the dispensing process, the employees' approach and the presence of other patients in one particular branch had negatively influenced their perception of the experience.

"It's all about the length of the queue. There's always a queue and you know you're going to be there a long time ... there is an anxiety built in because you just don't know how long you're going to be in there"

"... one or two of them [employees] ... there's one old dear can be really unpleasant and I've heard her be unpleasant to lots of people. She's sharp, she gets muddled, she gets crotchety"

"It's horribly public in that little chemist. It's not a very nice experience. You tend to want to go round the corner and whisper in their ear because there's about twenty people queueing"

Emotional Response (54.8%, 288 references): Patients' Emotional Response to the service provided was a significant element in their overall perception of their experience. A high proportion expressed positive emotions. Advocacy emotions accounted for 53 references. For example:

"On each occasion, Tom [Pharmacist] has explained it to me, like on my terms and I have gone away feeling really happy." (Informant P13)

"I was highly pleased and generally if we are talking about the staff here, I think they are extremely, you know, professional." (Informant P15)

However, recommendation emotions (120 references) were also clearly dominant in the data.

"They are polite and courteous and friendly"
(Cared-for-Informant P21)

"It was though there was somebody there that was keeping an eye on you, it was very good." (Valued-Informant P10b)

The actions of employees and the overall performance of the branch were highlighted as important factors influencing the emotions aroused. The advice and support provided by the pharmacist, for example, was particularly valued and shown to have reduced patients' uncertainty and their level of anxiety. A

number of the informants however, demonstrated negative emotions throughout their accounts although these comments were generally focused on the same branch which was responsible for the negative memories created through the poor performance of the delivery system.

Perceived Control (24.0%, 126 references): Whilst patients recognised they had little control in diagnosing or dispensing the correct prescription for their medical condition, examples of perceived control were identified in their data. Perceived decisional control, for example, was obtained through the number of choices available in how prescriptions could be ordered (20 references-Appendix 7d). Patients also perceived a degree of cognitive control through the information and advice the pharmacist was able to provide (35 references-Appendix 7d). Similarly, their ability to see the dispensing technicians at work enabled them to make a positive interpretation concerning how the service was being delivered, as Informant P17 pointed out:

“I like seeing that ... It gives me that feeling, that feeling that “we’re not hiding anything from you. We’re not being secretive about what we are doing”. So, I think it’s important that, that would stay.”

An element of behavioural control was also perceived through the information provided by the pharmacist about how best to administer the medication prescribed which enabled patients to change their administration regime thereby maximising the effectiveness of the medication prescribed (9 references-Appendix 7d).

Perception of Time (13.1%, 69 references): The perception of time was also a factor identified in patient’s data although there was no evidence to suggest this perception altered during the delivery of the service. The time taken to dispense medication (38 references-Appendix 7d), for example, was an element influencing how the experience was perceived. For most patients interviewed, this appeared to be generally within an acceptable time frame. Seeking advice from the pharmacist was also perceived to be quicker than booking an appointment with their local GP surgery. In addition, the duration of time spent in individual consultation meetings with the pharmacist was also sufficient for the informants’ questions to be fully answered (14 references). This was highlighted as an important factor in the development of a personal relationship

with branch employees, influencing patients' overall perception of the experience and the value they derived from the delivery system. Informant P13, for example, described how she felt about her consultations with her local pharmacist:

“There was no pressure. I could explain or ask about the contraindications of the tablets, my concerns about the tablets and then he then explained it back to me in his time, I didn't feel rushed at all ... I came out of there feeling a lot happier ... it was a very good experience for me.”

For a number of patients (13 references-Appendix 7d), however delays in collecting their prescribed medication, that is, failure to deliver within an acceptable time frame, or the pharmacy setting time expectations and then not delivering on them, were key factors influencing how they perceived their experience.

6.3.2 Case 2 - Pharmacy Design Choice Constructs

The data drawn from the employees' transcripts in the second case study also identified similar patterns (Table 6.6) to those found in case 1. A total of 603 coded references were identified in the data provided by employees describing aspects of the Design Choice constructs.

Table 6.6: Design Choices Constructs - Pharmacy			
	Informants	References	% of Total
		603	
Technology and Physical Support	14	37	6.1%
1. The customers' ability to access the service offering through a variety of real and virtual delivery channels	5	17	
2. The technology employed in Front Office operations to enable employees to build a relationship with their customers	12	20	
Customer Interface	18	112	18.6%
1. Customer engagement through branch setting	18	112	
Organisational Infrastructure	21	321	53.2%
1. Leadership values which influences how people perform	21	122	
2. Recruitment, induction and training processes responsible for developing employees	19	77	
3. Standard operating processes and performance measurement routines to maintain quality	19	122	
Organisational Integration	21	133	22.1%
1. Internal Integration - collaboration between head office functions	6	11	
2. Adaptive Mechanisms - the methods through which information and knowledge is assimilated throughout the organisation	17	79	
3. Opportunities for Organisational Learning	8	30	
4. External integration - senior management encouragement to work with other stakeholders	5	13	

Technology and Physical support (6.1%, 37 references): Whilst customers were provided with access to the pharmacy's service offering through a website, the branch network was the main delivery channel through which the service was delivered. The data for this construct therefore focuses specifically on the pharmacy's network of branch offices. Whilst limited, technology has been introduced to improve operational performance across the branch estate. Sales-based ordering stock replenishment systems, for example, had recently been introduced in branches to improve the availability of both retail and pharmacy-dispensed products. Systems capability, which has enabled employees to maintain a relationship with their patients over a number of years (7 references-Appendix 7c) has also been developed. Manager (B1), for example, described how technology is used to alert him when patients are prescribed new drugs so that review sessions can be arranged to ensure they are being administered correctly without major side effects:

"We would flag up that it is a new item because we keep a record of patients' medication and then I would intervene and talk them [the patient] through it."

Customer Interface (18.6%, 112 references): References from employees describing the Customer Interface construct also focused predominantly on the branch network. Branch offices were designed with the minimum of adornments, the focus being on practical issues such as the location of consultation rooms (Appendix 4f 4.3a-c) and where seating should be positioned. Key points of contact with patients (58 references-Appendix 7c) were also highlighted by employees. The semi open style of the dispensary (Appendix 4f 4.4a-b/Appendix 5b), for example, was one contact point that managers emphasised as important. Whilst designed to maximise efficiency, the dispensary was also planned to enable patients to see the pharmacy technicians at work so they were *"not hidden off somewhere in a separate room"* (Manager B3). This made it easier for patients to initiate a conversation, that is, to ask questions or seek advice, and enabled *"the pharmacist to hear both the conversations in the dispensary and at the front counter that are going on with the patients"* (Manager B3). Consultations with patients and other structured medical reviews were also highlighted as important points of contact which had an influence how the relationship with patients subsequently

developed. The New Medicine Service (NMS) and Medicine Use Review (MUR), for example, were key points of contact which were designed to support patients with long-term medical conditions, rectify problems and provide sufficient information to enable them to administer their medication more effectively. Direct contact with patients also meant employees' underlying approach to their work and their attitudes towards other people were important factors distinguishing the way the service offering was delivered.

Organisational Infrastructure (53.2%, 321 references): The Organisational Infrastructure was also a significant design choice in this case study. The pharmacy's senior managers recognised the important impact the performance of their branch offices had on customers' experiences. This was reflected in leadership values which supported branch managers through, for example, the development of a central operations department. This team was responsible for ensuring branch managers were not overloaded by instructions and initiatives directed by head-office departments and were able to deliver the service standards expected, as a manager (A6) responsible for Refits and Shop design explained:

“One of the fundamentals we have got at the moment ... is making things a lot easier for stores to be able to execute things ... how we make things easier for the staff to be able to execute the retail standards and how we make sure we have got the right products in the right place at the right time.”

The importance of branch employees was also highlighted by the Colleague Recruitment and Communication Manager (A3) who pointed out that when recruiting for new employees, *“... a big part of what we would look for would be the ability to be able to offer exceptional customer service [service-oriented behaviours].”* Recruitment, training and socialisation processes (77 references) had been developed to support the performance of branch teams both in the technical requirements necessary in dispensing medication (Appendix 4f 7.2a-b) and through rapport building, included in the induction of new recruits and in training processes (10 references-Appendix 7c).

Service quality (122 references) is managed through mystery-shopper programmes and pre-planned audits of service standards (Appendix 9), which

are carried out by external assessors to determine the level of compliance across a wide range of operational standards and to benchmark against their competitors. A head-office manager (A1) working in the Superintendent's office, the department responsible for the management and supervision of the dispensing operation explained this further:

"We do some independent assessments, where we have market research companies that stand outside the shop and ask customers as they are coming out what their experience has been like and then they will also go and do a similar exercise outside a competitor's pharmacy as well and then some bench-marking is done on that."

Organisational Integration (22.1%, 133 references): Employees' data representing the Organisational Integration construct was also significant. The internal functions within the pharmacy appeared to be closely integrated. Regular weekly updates of operational issues and changes to operating procedures (Appendix 4f 1.4a) are shared with both head-office and branch employees through a weekly branch huddle (30 references-Appendix 7c). Communication processes had also been developed to encourage branch colleagues to highlight operational problems and to provide opportunities to improve branch performance as manager A3 explained:

"So operations have a listen, act, fix process where we've been out and had meetings and various different conversations with people out in the branches to understand what their frustrations are."

Issues identified through this process were then raised with the head-office manager responsible and action taken to resolve the problem and then communicate back to the branch colleague that raised the initial query.

External sources, that is, patients, suppliers and a collaborative network of other pharmacy organisations, were also used to gain knowledge and relevant information used to improve the operational performance of the branch network. The ability to build a relationship with other health professionals and key stakeholders was also identified as important (13 references-Appendix 7c) in ensuring that patients receive the most effective treatment for their medical condition, as manager B3 highlights:

“So if you’re a GP and you’ve got a patient in front of you and you are debating in your mind, what should I prescribe? What strength should I prescribe? They’ve got the knowledge clearly, but they will phone the pharmacy if the relationship is good enough and say “This is what I am thinking about” and the pharmacist can then guide them. Equally the pharmacist’s fundamental role is to do a clinical check on what’s on there [the prescription] ... so quite often they will phone the GP to clarify and say are you aware ... that’s their role in the whole relationship.”

This relationship-building was actively encouraged and supported by both the central operations department at the pharmacy’s head-office and by regional field management teams. Pharmacists were also expected to have a good working relationship with their local competitors. The data demonstrated how pharmacists from different businesses, often in competition with each other, would work proactively together to satisfy a patient’s needs. This collaborative approach is unusual in commercial organisations. One pharmacist (BA1) described this relationship in more detail:

“Yes so we have that relationship, especially with XXX [Competitor] ... they will ring us or we will ring them on occasions and we can just make sure that something is in stock before we send somebody up ... Sometimes we have done a swap with XXX [Competitor] where we’ve taken an equivalent medicine from them to cover the cost.”

6.3.3 Case 2 - Pharmacy Experience Mechanism Constructs

Data obtained from employees interviews: A total of 472 references were identified in the data provided by employees of the pharmacy relating to the Experience Mechanism Constructs (Table 6.7).

Focused Attention (25.8%, 122 references): The data demonstrating the Focused Attention construct showed similar characteristics to those highlighted in the bank. The pharmacist’s ability to interact effectively with patients enabled patients to gain a greater knowledge of their medical condition, thereby help them to achieve their consumption goals (to gain advice or improve a medical condition). Manager A1 described how the value of these conversations were

often realised after the service had been delivered, as the patient self-administered their medication.

“So, the pharmacist doesn’t necessarily go into what the condition is or how the condition has been diagnosed, but they might give some supporting advice or information on the actual condition or management of that condition. It’s more about how to take the medicines ... specific foods that might be needed, you know supplements or general advice on storage, where to keep the medicine.”

Table 6.7: Experience Mechanisms Constructs - Employees - Pharmacy			
	Informants	References	% of Total
		472	
Focused Attention	19	122	25.8%
1. Rectifying knowledge imbalance	8	15	
2. Management practices that enable customers to achieve their goals easily when visiting branch offices	19	69	
3. Distractions which prevent customers from focusing on the activities they are undertaking	14	38	
Sensory Stimulation	19	76	16.1%
1. Humanic clues - behaviours which employees consider important in having an impact on customers' sensory perception	17	62	
2. Mechanic clues - factors which influence how customers' perceive the setting in which the service is delivered	6	14	
Interaction	20	127	26.9%
1. Creating a dialogue with patients	17	55	
2. Building relationship through social interaction with the pharmacist	12	24	
3. Maintaining contact with customer over duration of relationship	8	19	
4. Learning from interactions with customers	4	11	
5. The ability to build relationships with other professionals	5	18	
Adaptability	21	147	31.1%
1. Operating processes that enable customers to adapt	11	29	
3. Willingness of organisation to respond to customer input	19	98	
3. Consultations with patients require a flexible approach and highly adaptive scripts	11	20	

Pharmacy employees also recognised distractions and interruptions influenced how patients engaged with the delivery system (38 references). Manager A6 for example, explained how the effectiveness of the dispensing process – the availability of medication and the time taken to wait for prescriptions to be dispensed, influenced patients’ ability to achieve their goals:

“... that’s the two frustrations for people, they wait a long time or they turn up and then haven’t got the medicine, so we have done a lot of work around that. That would be the key distractions I would suggest for the pharmacy.”

Similarly, a counter assistant (BA8) also highlighted how the presence of other customers in close proximity can influence the level of service being provided which branch employees need to be aware of:

“So you’re trying to speak to somebody ... and you want to help them and you’re asking them questions and the person behind them is getting annoyed and giving you the evils ... obviously you can’t be overly rude about it or anything, but sometimes you have to just say ... acknowledge the other person and get on with it.”

Where possible, these discussions are held in the consultation rooms made available and away from other customers.

Sensory Stimulation (16.1%, 76 references): The sensory signals generated through the presence of mechanic and humanic clues in the service setting were also identified in the data from pharmacy employees. The signals (visual and auditory clues) provided to patients through the service-oriented behaviours of employees (62 references) were acknowledged as being important in influencing customers’ emotions and in developing an enduring relationship. Manager (A2) Head of Training and Development, for example, noted these behaviours were a significant aspect of how the organisation was perceived by its patients:

“The things we are strong at is being nice to customers, helping them, giving them what they need, being kind to them when they are not feeling well [service-oriented behaviours] ... so they [Branch colleagues] have a really nice rapport, they have that emotional connection with the customers.”

Whilst the internal aesthetic clues within each branch setting did not feature heavily in the data provided by the pharmacy’s employees, additional supporting data was collected through the observations conducted in each branch (Appendix 5b). The observations highlighted how a consistent brand image was presented in each branch. Each branch had a good level of lighting throughout and a pleasant ambient temperature was maintained. The only sound interference was from other customers present in the branch. Branches were decorated in neutral colours. Functional clues were observed in both the retail and dispensing areas. Standard shelf-edge labels were large enough to

ensure prices were clearly visible and a range of health awareness and prevention information leaflets were made available for the most common minor medical ailments (Appendix 4f 4.1e-h; 5.1a-h). Point-of-sale material positioned on the walls and shelving of the retail area also demonstrated the price competitiveness of their retail offer (Appendix 5b). Creating confidence in the dispensing process by making the pharmacist visible and therefore more accessible to patients, was a key principle in branch design highlighted by the pharmacy's managers. The semi-open style of the dispensary was an important mechanic clue which created an opportunity for patients to observe some of the dispensing process in action, and when required, initiate a conversation with the pharmacy staff, as a manager (B1) explained:

“From a professional point of view, it’s important for me to be accessible at all times, that’s the major strength of pharmacy over general practice. You can walk in and go “I’d like to talk to a pharmacist”, so you don’t have to wait for an appointment with a GP.”

Managers also recognised the visual appearance and cleanliness of the branch were also important mechanic clues which created a positive impression which patients associated with the standards expected of a proficient dispensing process:

“The key thing that we like to think resonates with customers is the fact that whenever they come into the pharmacy it’s a clean, presentable environment, so they have confidence when they are bringing in their prescription and getting their medicine dispensed ... what they think in the shop will translate into the dispensary.”
(Manager A6)

Interaction (26.9%, 127 references): The importance accorded to the ability to build a relationship with patients (24 references) was a key factor drawn from the data. The type of interaction that occurred with patients was generally defined by the nature of their medical condition. For patients prescribed medication on a regular basis, their interaction with the delivery system involved a series of minor encounters generally occurring over a number of years when they collected their repeat prescriptions. These ad hoc conversations generally took place with counter assistants. Depending on their medical condition, the patients' relationship with the pharmacy might also include a number of planned

and structured reviews such as the New Medicine Service and Medicine Use Review. These points of contact with pharmacy employees were seen as crucial opportunities to reaffirm the organisation's relationship with their patients over a longer period of time.

In contrast, the pharmacy's relationship with acutely unwell patients who seek medication for a short-term and curable condition was limited to a smaller number of encounters, in most cases confined to a single visit to the branch. In these circumstances, patients might not develop a particularly deep relationship with the pharmacy, although if these occasional visits were to take place over many years, the relationship might intensify over time. The pharmacy does not differentiate their service offering between these two patient groups. The pharmacist's ability to interact and the advice they were able to provide was recognised as an important element in helping to build a relationship regardless of the patients' medical condition. The pharmacy encourages a proactive approach from their branch teams to initiate conversations with patients to reduce the potential embarrassment to patients of having to start a conversation with an employee regarding a sensitive issue:

"It's just encouraging staff to recognise that need, and encouraging them [patients] to come over. What we generally do is, the queue is obviously where people are coming in with the scripts, so we pull people over to one side where it is quieter, so they can't be overheard and also offer the consultation room." (Manager B4)

The often-sensitive nature of their discussions with patients meant that how these conversations were conducted was an important factor determining how patients perceived the experience. Ongoing training was provided to ensure branch employees had the necessary skills to effectively manage these delicate conversations.

Adaptability (31.1%, 147 references): Whilst the data showed that little flexibility was permitted in how prescriptions were dispensed or what range of retail products was stocked, employees were encouraged to adapt the way they communicated and acted (98 references) to satisfy a patient's individual needs:

"Consultation skills, I think, are quite a personal thing, the way you approach people, so it's all about finding out what works for you and

your particular style. It's all very well having a script of what I have to say but if I'm reading from a script, it's obvious that I'm reading from a script, it's not my own words ... so how you go about it is more or less up to you really.” (Manager B1)

Branch teams were also empowered to take some initiative without reference to their line manager (10 references). This flexible approach was demonstrated by a Pharmacist (BA1):

“... fundamental with pharmacy, which I think you would find is different to other kinds of retail businesses, is that it's peoples medication that you are dealing with and in some cases you know they can't go without that. If it's something that they're dependent on for whatever reason, whether it's diabetes or asthma or anything like that, you can't just tell them that it will be in stock tomorrow ... there are sometimes when you've got to actually think “We need to do something about this straight away because this isn't going to be resolved otherwise”.”

The ability to diagnose a medical condition also necessitated a high degree of flexibility in how the service is delivered to patients (20 references), each patient presenting a different range of symptoms and a high degree of variability. Many consultations regarding less serious medical ailments are also conducted by members of the dispensing team and counter assistants rather than the branch pharmacists. To support employees in making the correct diagnosis, the organisation has developed a clear consultation framework based on an industry-standard questioning protocol. This enabled employees at a relatively junior level to diagnose and provide advice on some medical ailments such as, for example, migraine. Manager A2 described the communication process employees are provided with to help build rapport during consultations with patients:

“We talk about ... so meet, ask, describe ... so M.A.D., so first of all meet them, smile, welcome them which we are pretty good at generally, ask them, that's the key thing is to ask questions, don't just take an order from them and then describe, so describe the best options for that customer, so give them options, give them choices really.”

Working rota arrangements also appeared to be flexible enough to enable employees to diagnose and then provide bespoke advice effectively. Patients were also provided with an opportunity albeit limited, to control some aspects of the delivery system. Patients were provided with a variety of communication channels through which they could decide how they place repeat prescriptions (9 references-Appendix 7c). Pharmacy branches also provided a range of toiletry and healthcare products from which patients can make purchase choices.

Data obtained from patient interviews: The pharmacy's patients also recognised that the Experience Mechanisms were relevant factors influencing their participation and involvement in the delivery of the service (1250 coded references) (Table 6.8).

Table 6.8 Experience Mechanisms Constructs - Customer - Pharmacy			
	Informants	References	% of Total
		1250	
Focused Attention	30	437	35.0%
1. Primary goals for using the pharmacy (what is important to the patient)	30	164	
2. Distractions - Factors which prevent customer from achieving their goals	27	158	
3. Delivery system provides customers with sufficient knowledge to maintain	26	115	
Sensory Stimulation	30	330	26.4%
1. Humanic Clues - the appearance and behaviour of employees	30	172	
2. Mechanic Clues - factors which influence how the setting is perceived	29	158	
Interaction	30	204	16.3%
1. The ease with which customers can interact with employees	30	179	
2. The general responsiveness of the organisation	4	6	
3. Minimal indirect contact with the organisation	16	19	
Adaptability	30	279	22.3%
1. Enabling the customer to participate in the delivery of the service (their actions)	30	202	
2. The willingness of the organisation to respond	21	77	

Focused Attention (35.0%, 437 references): The data demonstrated patients had clear goals for initiating the delivery process and could describe what was important to them in the operational standards being provided by the pharmacy.

- to obtain their medication accurately in a prompt and convenient manner;
- to have privacy from other customers when discussing their medical condition and trust that information disclosed would remain confidential; and
- to be able to easily gain advice, knowledge and support with sufficient time provided to enable questions to be fully answered

The informant's ability to focus on their primary goals without distractions (158 references) and easily access competent and reliable employees (92 references-Appendix 7d) were key characteristics identified for this construct. Obtaining advice concerning their medical condition and sufficient information about the potential side effects of the medication prescribed was highlighted as important. Informant P13, a cancer patient, explains the importance of being able to talk to her local pharmacist and the support and advice he was able to provide:

"I'm very anxious about my medication, I get very anxious about that and I get very anxious about contraindications ... to be able to go and speak to somebody and come away and not be anxious about it and feel safe, then that is really, really important to me."

Similarly, for some patients with a new medical condition or prescribed different medication this was a significant aspect of their experience. The ability of counter assistants to hold a consultation and the advice they were able to provide for minor medical ailments was also seen as a positive benefit.

Distractions, factors which prevented the patient from achieving their goals were also highlighted as important (158 references). The size of the branch and the positioning of counters and retail fixtures for example, had an influence on the informant's ability to concentrate during conversations with employees because of concerns regarding privacy:

"If you were at the counter and somebody wanted to ask for something a bit embarrassing or ask an embarrassing question, then I do feel the shop is a little bit on the small side because there's like two seats and the counter ... so everyone is all huddled together." (Patient P14)

The presence of large numbers of customers also meant some patients felt under pressure to rush their conversations or felt reticent to take up an excessive amount of time with employees, which meant their questions were not always fully answered:

"I always feel like you are interrupting what they [the Pharmacist] are doing ... and sometimes you feel like customers that are in here are annoyed because you are talking to them." (Patient P21)

Methadone being dispensed in the same location as patients obtaining other medication was also a factor which negatively influenced how the experience was perceived in some branches, as Informant P30 explained:

“The only thing that I have ever felt uncomfortable with in a chemist is where they have to hand out methadone and things. I can’t think of a particular occasion I have noticed that, but I have been in other chemists and that makes me feel uncomfortable.”

The patients’ ability to engage with the pharmacy’s employees was also reliant on being able to understand the dialect being spoken. Informant P21 describes the effect of not being able to understand the advice he was given when collecting a prescription:

“Sometimes very uncomfortable ... they think they`re speaking pretty good English, they think they are explaining it well, sometimes it can get annoying when they use words the wrong way, say the wrong things and you feel like you`re being rude saying that you don’t understand them.”

Highly technical language also had the potential to limit how patients’ conversations with medical specialists developed. In these circumstances, patients would be less likely to learn about their medical condition or challenge assumptions being made. The data demonstrated both factors were significant in influencing a patient’s ability to concentrate on their conversations with their pharmacist (28 references-Appendix 7d).

Sensory Stimulation (26.4%, 330 references): The sensory clues identified in the data as important had a direct influence on the patients’ ability to achieve their goals. The performance and behaviour of employees (172 references), for example, were important factors in patients’ overall perception of their experience.

“Brilliant couldn’t ask for nicer people. They`re helpful, you get respect from them, so anyone could go into that chemist for the reason I was going in and they would be treated as equals.”
(Informant P14)

“Yes, I think it is good, I think it`s really nice because it makes me feel that he truly cares, that he has an interest in my wellbeing, so yes I find that really important, yes.” (Informant P17)

Whilst most patients interviewed had a positive impression of employee behaviour, a minority described how the employee's approach had negatively influenced how they perceived their experience. Patient P27 for example explained how the behaviour of employees in her local pharmacy branch had influenced her overall impression of the service provided:

"I don't know if I feel valued as a customer ... I think feeling valued comes from the way the staff treat you, so therefore it does come down to customer service and customer care. I can't say I ever felt they recognised me or that they were particularly warm. There was no real recognition of names and I think that helps actually ... it makes you feel known when somebody uses your name, you feel as if you are known."

The visual signals provided by the standard of branch cleanliness and the appearance of employees were also factors which patients associated with the organisation's ability to perform to the standards expected, as Informant P23 explained:

"Well, if the operation is working properly then it will be clean. If it was not clean, I would assume there was a management problem and I would be concerned about other aspects of the operation."

Likewise, examples were also provided where the appearance of a disorganised and muddled dispensary operation negatively influenced the informants' perception of the overall delivery system.

Interaction (16.3%, 204 references): Patients' interaction with branch employees was highlighted as important in their overall perception of their experience (179 references). Whilst patients demonstrated that they had searched a variety of different sources to gain information and advice about their medical condition for example, doctors and other healthcare professionals, for some the advice they received from their pharmacist was a significant factor. Having access to the pharmacist when required and being afforded enough time to have their questions fully answered meant for some minor conditions, the pharmacist was the preferred source of medical expertise as Informant C23 explained:

"I feel they really listen each time, you know. Whenever I've had either a rash or I don't know, as I say a cough or something and they

have suggested something. He [pharmacist] will always ask other questions to make sure he knows my circumstances ... better than the doctor sometimes because he's not looking at his watch or anything ... you know it really is good."

Similarly, the pharmacist following up patients with new or long-term medication had a positive influence on how the experience was perceived (6 references-Appendix 7d). Informant P2 described how the support he received when prescribed new medication influenced his perception of the pharmacist in his local branch:

"Three days after I'd started that medication I had a phone call to see how I was getting on with it and a week later I had another phone call ... Now that to me is very good care. I'm assuming they do it with all people who start on that particular medication, but they said they would ring me and they did, which I thought was very good."

Patient's face-to-face interactions with counter staff, which were cited as predominantly positive, was also an important theme identified in the pharmacy data (63 references-Appendix 7d. According to Informant P15, for example, when performed well their consultations and the advice they were able to provide were seen as additional benefits:

"I had trouble with my feet and the lady behind the counter was extremely thorough and she recommended a particular ointment that I purchased ... I was highly pleased and generally if we're talking about the staff here, I think they are extremely professional."

Adaptability (22.3%, 279 references): Patients recognised there were some elements of the delivery system that provided them with a degree of choice in how they participated in the delivery of the service (202 references).

"Well I can choose to use the pharmacist or not because at the end of the day, I could take my prescription somewhere else if I choose ... I have a choice as to whether I accept the advice the pharmacist offers, what he's saying to me or not ... I could go and have a look on the internet to confirm what he is saying. So I have lots of choices."

The ability to initiate the service, for example, placing repeat prescriptions, at a time most convenient to them and through a variety of different communication mediums, was considered a key benefit. Patients also recognised that they had

a choice in how and when to administer their medication (7 references-Appendix 7d). The pharmacy supported patients with customised packaging (19 references), such as easy-open lids, labelling of their medicines with braille and pill organisers to simplify the administration of multiple medications or to assist patients who have difficulty remembering when to take their medicines as, Informant P2 explained:

“If you are elderly and are not coping well with reordering your medications, you can get a system called Dosett Boxes [a modified dosage system], where they put the dose out into different daily boxes and they are time and day organised. You can have those ... I think they will issue a month’s supply.”

The initial advice and subsequent follow-up checks by pharmacy staff also provided patients with the confidence to change how they administered their medication, thereby maximising its effectiveness. Similarly, the advice provided enabled patients to make lifestyle changes to minimise the side effects of the medication prescribed. Informant P17, for example, provided an account of how the information provided by the pharmacist enabled her to make changes to her diet thereby maximising the impact of the medication prescribed by her doctor:

“I’m on tablets for high blood pressure ... and there’s been a couple of times, where the pharmacist has given me information that I didn’t have ... he actually said that if I don’t watch my salt intake, the blood pressure tablets that I’m taking are ineffective and I didn’t know that and that’s not necessarily ... well it wasn’t something that the doctor had told me”.

6.3.4 Case 2 - Construct Relationships

The within-case analysis of the relationships between the constructs in the second case study was based on a similar classification method to that used in the first case study. Table 6.9 presents the findings from this analysis. The relationships identified in the first case study including weak references between the Memory Recall construct and the Focused Attention (1i), Interaction (2i), and Adaptability (3i) constructs were also demonstrated in the data obtained in the second case study thereby adding to the validity of the conceptual framework. In case 2, the analysis of the data from the pharmacy’s employees also revealed some limited support for an additional relationship

“Organisational Integration/Adaptability” (D4). This relationship had not been previously found during the initial literature search nor had it been identified in the data from the bank. The data from this case however demonstrated the ability of branch office employees to influence change through a close working relationship with their head-office colleagues was a distinctive feature in the design of the delivery system in the pharmacy, as counter assistant BA8 explained:

“There is also the “talk-back” process where you can send ideas up to head-office, uninterrupted, with nobody else in the chain and those ideas can get reviewed ... [branch manager] got a gold one [award] because he had an idea which the company implemented nationwide to do with the ordering system. So there is a process for getting ideas from people and there is also a reward process for it as well. They’ve gone quite big on that, just letting everybody have their say.”

The depth of support identified in case 2, for a number of the relationships also differed to those recorded in the first case study. This suggests that the relevance of the relationships between the constructs were contingent on the design of the delivery system in both case studies. An further explanation for these differences will be provided in the next chapter. Appendix 10b provides the within-case analysis for case 2 and a more in-depth examination of the nature of each relationship identified.

Table 6.9 Within-Case Analysis of Relationships Between Constructs – Pharmacy

		Pharmacy	
		Informants	References
>20	Strong		
19-10	Moderate		
10>	Weak		
Focused Attention			
B1 Customer Interface / Focused attention			
Ding (2011); Gupta and Vajic (2000); Hong et al. (2013); Pine and Gilmore (1998)		13	36
1i Focused Attention / Memory Recall			
New Relationship		4	4
1ii Focused Attention / Emotional Response			
Ding et al. (2010); Ding (2011); Gentile et al. (2007); Hoffman and Novak (1996); Johnston (2004); Pine and Gilmore (1998); Zomerdijk and Voss (2010)		23	60
1iii Focused Attention / Perceived Control			
Csikszentmihalyi and LeFevre (1989); Csikszentmihalyi (1975, 2003); van Rompay et al. (2008)		18	35

1iv Focused Attention / Perception of Time		
Baker and Cameron (1996); Chase and Dasu (2001); Conti (2001); Csikszentmihalyi (2003); Healy et al. (2007); Hong et al. (2013); Novak et al. (2003); Shieh and Ling (2010)	9	15

Sensory Stimulation	Informants	References
B2 Customer Interface / Sensory Stimulation		
Berry et al. (2006a); Brunner-Sperdin and Peters (2009); Chase and Dasu (2001); Collier and Meyer (1998); Coyle and Thorson (2001); Hartline and Ferrell (1996); Healy et al. (2007); Pullman and Gross (2003, 2004); Rayport and Jaworski (2004); Voss et al. (2008); Zomerdiijk and Voss (2010); Wall and Berry (2007)	16	40
C2 Infrastructure / Sensory Stimulation		
Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989; Ford et al. (2001; Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012), Parfitt (2006); Sirianni et al. (2013); Voss and Zomerdiijk (2007)	7	15
2i Sensory Stimulation / Memory Recall		
Berry et al. (2006a); Bitran et al. (2008); Kelley (1989); Morrin and Ratneswar, (2003); Oh et al. (2007); Pine and Gilmore (1998); Taylor and Thompson (1982); Zomerdiijk and Voss (2010)	6	6
2ii Sensory Stimulation / Emotional Response		
Berry et al. (2006a); Bitner (1990); Dasu and Chase (2010); Haeckel et al. (2003); Pullman and Gross (2003) Shieh and Ling (2010); Taylor and Thompson (1982); Turley and Milliman (2000); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)	28	61
2iii Sensory Stimulation / Perceived Control		
Grewal et al. (2007)	10	12
2iv Sensory Stimulation / Perception of Time		
Hornik (1984); Baker and Cameron (1996)	8	16

Interaction	Informants	References
A3 Technology and Physical support / Interaction		
Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008)	4	5
B3 Customer Interface / Interaction		
Collier and Meyer (1998); Ding (2011); Johnston and Kong (2011); McCarthy et al. (2010); Payne et al. (2007); Prahalad and Ramawamy (2003, 2004); Roth and Menor (2003); Voss et al. (2008)	8	25
C3 Infrastructure / Interaction		
Berry et al. (2006); Ding (2011); Ford et al. (2001); Shah et al. (2006); Voss et al. (2008)	12	23
D3 Integration / Interaction		
Caemmerer and Wilson (2010); Dasu and Chase (2010); Ford et al. (2001); Oliveira et al. (2002); Shah et al. (2006); Voss et al. (2008); Voss and Zomerdiijk (2007)	7	11
3i Interaction / Memory Recall		
New Relationship	3	3
3ii Interaction / Emotional Response		
Berry et al. (2006a); Dasu and Chase (2010); Ding (2011); Ding et al. (2010); Hoffman and Novak (1996); Grove and Fisk (1997); Pullman and Gross (2003); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)	20	42
3iii Interaction / Perceived level of Control		
Dasu and Chase (2010); Ding et al. (2010); Collier and Sherrell (2010); Cook et al. (2002); Grewal et al. (2007); Guo et al. (2016); Hui and Bateson (1991); McMillan and Downes (2000); Zhu et al. (2007)	13	13

3iv Interaction / Perception of Time		
Bitran et al. (2008); Bitner (1992); Ding (2011); Ding, et al., (2010); McCarthy et al. (2010); Shieh and Ling (2010); Yeung and Soman (2007)	13	20

Adaptability	Informants	References
A4 Technology and Physical support / Adaptability		
Badgett et al. (2006); Kellogg and Nie (1995); Racherla et al. (2011)	1	2
B4 Customer Interface / Adaptability		
Collier and Meyer (1998); Glushko and Tabas (2009); Gupta and Vajic (2000); Hartline and Ferrell (1996)	13	30
C4 Infrastructure / Adaptability		
Chebat and Kollias (2000); Collier and Meyer (1998); Glushko and Tabas (2009); McCarthy, et al., (2010); Roth and Menor (2003); Sirianni et al. (2013); Tansk and Smith (2000); Zeithaml et al. (1988)	18	52
D4 Integration / Adaptability		
New Relationship (Pharmacy only)	4	8
4i Adaptability / Memory		
New Relationship	5	7
4ii Adaptability / Emotional Response		
Chase and Dasu 2001; Cook et al. (2002); Lee (2010); Mills and Krantz (1979)	12	17
4iii Adaptability / Perceived Control		
Dasu and Chase (2010); Hui and Bateson (1991); Grewal et al. (2007); van Rompay et al. (2008); Ding (2011)	18	45

6.4 Within-case Results Summary

The empirical research was designed to discover whether the conceptual framework was relevant to the design of the service delivery system and to customers' perceptions of their experience. The chapter presents the findings from the within-case analysis for each case study, matching the data obtained with the predicted patterns provided by the framework. The analysis demonstrates evidence that the constructs were relevant factors both in the design of the service delivery system and in how customers perceive their experience. The analysis also revealed strong support for a number of the relationships between the constructs, identified on the conceptual framework. In addition, the analysis of the data in the first case study also uncovered limited evidence of several relationships which had hitherto not been identified in the literature review and were therefore unexpected. These focused on the impact of the delivery system, that is the Experience Mechanism constructs (Focused Attention, Interaction, and Adaptability) on the customer's memory. To accommodate these new findings, an iterative approach was adopted, following the example presented by Yin (2009), and the conceptual framework was revised with the additional associations identified, Focused Attention/Memory Recall (1i); Interaction/Memory Recall (2i) and Adaptability/Memory Recall (3i).

In the second case study the data also demonstrated a replication of the constructs and associated relationships connecting them in the revised framework. In the second case study however, an additional relationship, Organisational Integration/Adaptability (D4) was also identified in the data. This focused specifically on the degree of integration and support provided by the pharmacy's head-office to their branch office network and the ability of branch employees to influence change in how the delivery system performed. A true literal replication of the revised conceptual framework (achieved after the analysis of the first case study) was therefore not achieved in this second case study because of the additional relationship identified. The second case study has, however, provided an additional factor to consider in the ways in which organisations design for customer experience. A further revision to the modified framework was therefore required. Figure 6.0 represents the constructs and relationships between them identified on the original conceptual framework, plus the new relationships (1i), (2i), (3i) and (D4) which the analysis of the data had uncovered across the two case studies. These have been identified with a dashed arrow. The colours used to depict each relationship have no specific meaning other than to aid in the visual appearance of the model and provide the reader with greater clarity regarding the relationships identified.

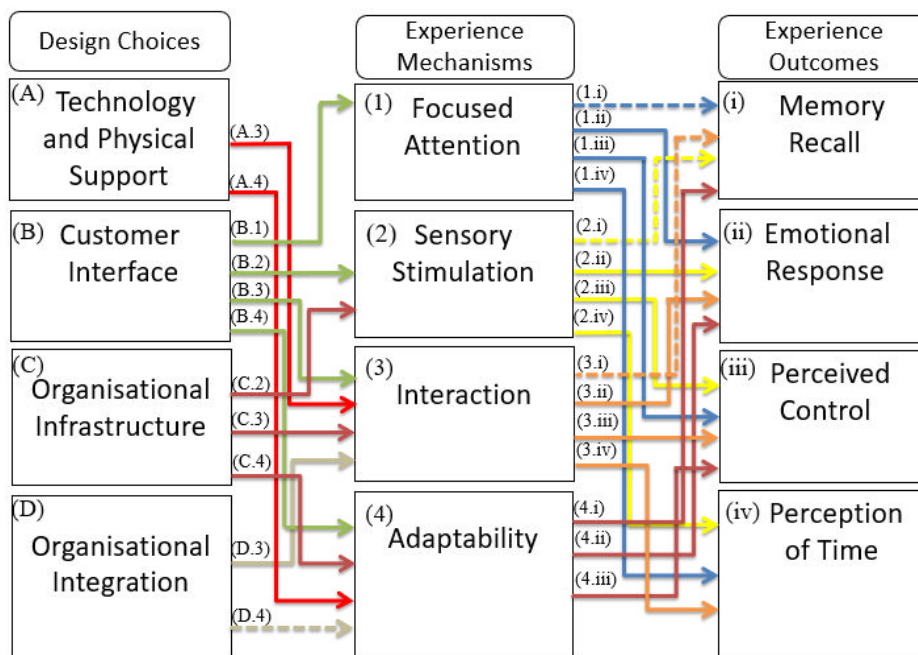


Figure 6.0 Revised Conceptual Framework to Demonstrate Relationships Identified During Data Analysis

Chapter 7: Empirical Results-Cross Case Analysis

7.1 Introduction

This chapter presents the findings from the cross-case analysis conducted between the constructs and the relationships connecting them in the two cases studies. In doing so similarities between the two cases will be established and an explanation for the occasional differences provided. Conducting this in-depth exercise adds to the internal validity of the study (Voss, et al. 2002) and provides a clearer indication of the significant features of each construct which have an important bearing on how experience was delivered by the organisations studied and perceived by their customers. The findings from this analysis will be presented in an amended format. The Experience Outcome constructs will be reported first, combining the data for each construct from the two case studies. This will be demonstrated in a similar tabular format as the within case reports. Common factors which influence how customers perceive their overall experience will then be established for each construct. Similarly, data explaining how the Design Choice constructs influence the design of the delivery system will be presented and some differences between the organisations highlighted. Combining the findings from both case studies, a cross-case analysis of the relationships between the constructs will then follow. This will also demonstrate similarities and differences between the two cases studied. Presenting the results in this way will establish a foundation upon which the final section of the analysis, focusing on the Experience Mechanisms, will be presented. In this section, the data representing both employee and customer perspectives will be combined into one table for each construct to demonstrate their different points of view. Characteristics of each Experience Mechanism that have been identified as similar to both employee's and customer's perspectives will then be described. Based on this, patterns of evidence that connect each Experience Mechanism with a specific Design Choice and Experience Outcome construct will be highlighted.

7.2 Experience Outcome Constructs

The analysis demonstrated a similar set of responses relating to the Experience Outcome constructs in both case studies. Whilst the findings demonstrate the informants' experience was generally positive, the performance of one particular

pharmacy branch resulted in a number of negative comments being allocated to the Memory Recall and Emotional Response constructs. These comments add to the richness of the data and demonstrate the relevance of the constructs in relation to negative experiences generated as a result of service failures.

7.2.1 Memory Recall: This construct represents customers' ability to recall at a later date, a characteristic, activity or event that relates to the performance of the delivery system. The analysis showed some informants were able to recall a significant event or interaction with the delivery system (*11 references-bank; 26 references-pharmacy*), (Table 7.0); however, in both customer cohorts a number answered in more general terms (*25 Informants bank; 11 Informants pharmacy*). For these customers, whilst their engagement with the service provider did not create any significant moments or memorable events, their regular encounters with the delivery system were sufficient to create a strong impression of their overall experience.

Table 7.0 Cross-Case Analysis of Experience Outcomes Constructs			
Memory Recall	Informants	References	% of Total
Bank	27	40	7.8%
1. Recall of either a positive or negative aspect of a past encounter with the delivery system	9	11	
2. Past encounters with the delivery system have resulted in an overall positive or negative impression being created	21	25	
3. Unable to recall any particular encounter in the past	4	4	
Pharmacy	25	43	8.0%
1. Recall of either a positive or negative aspect of a past encounter with the delivery system	18	26	
2. Past encounters with the delivery system have resulted in an overall positive or negative impression being created	8	11	
3. No actual recall	6	6	

When, for example, Informant C23 was asked to describe what she remembered most about engaging with the bank, she provided this overall positive impression which typified the responses received from the informants:

“I think dealing with my queries, I’ve never been afraid to ring up and ask. I’ve never felt belittled or that I shouldn’t be asking. I’m not always on the phone but if there has been something I’ve always felt at ease to ask and been satisfied with the way I have been dealt with.”

In the bank, the organisation’s performance created a positive memory for 7 Informants (Appendix 7b). In the pharmacy, 13 patients (Appendix 7d) identified

situations where they remembered a significant positive event. Many of these episodes were remembered more for the attitude and actions of the employee handling the incident than the actual resolution of the problem. Informant C9 explained how the bank managed a situation when her credit card was cloned. As well as refunding the money stolen, the way employees in the fraud office managed this serious situation was a significant factor influencing the overall impression she formed about the bank:

“And I said to them “Look I’m really in a problem, I’m going to France tomorrow I need my cards ... and they were absolutely brilliant, I had no problem, I went to France. They sorted it out, they told me to ring them when I got to France, they told me where to go and they were absolutely brilliant. I was so impressed that I tell people this, because I hear about people who have had their cards stopped, and the service I’ve had was wonderful.”

The speedy resolution of the problem also meant she was able to continue with her holiday plans, which was an important factor in her account of the incident. The personal interaction that occurred with employees was also a feature in these descriptions in both case studies. The ability, for example, to talk to the pharmacists and the advice they were able to provide were important factors influencing these positive memories. Patient P30 for example, recalled a situation when she was unsure how long she could wait before repeating medication for migraine, a long term medical condition. The event was remembered because of the way the conversation was conducted and the reassurance she perceived from the pharmacist:

“I had taken Solpadine for migraine in the morning and I didn’t think I could take anything again for x amount of time, four hours, six hours but I desperately needed something because it hadn’t worked ... The pharmacist was very helpful, explained what I could and couldn’t do.”

Occasional shortfalls in the level of service provided were also easily recalled although these did not appear to have a significant impact on how the experience was perceived over time. Informant C5 provided an example of hedonic-editing (Thaler and Johnson, 1990; Cowley, 2008) as he reflected on initial problems experienced in setting up a mortgage when his credit history was confused with that of somebody with a similar name. This resulted in his mortgage offer being refused, which he clearly remembered. When asked,

however, about his lasting impression of over seventeen years' experience with the bank this initial disappointing event appeared to have been replaced by a more positive outlook. His predominantly positive encounters with the delivery system over the years of his experience cancelled out (that is, had a cancellation effect – (Cowley, 2008)) the impact of this initial negative event:

“On the phone, they seem to be able to respond to the person on the other end of the phone ... they won't just sit there in silence, they'll have a chat with you and I think that is really nice, yes consistently good ... I compare it to other organisations and it's always better, much better.”

Whilst customers of the bank (4) (Appendix 7b) provided examples of negative memories, patients of the pharmacy recalled a significant number of poor incidents (13) generated through the actions of *people* (6), both employees or other customers, and the general performance of the *dispensing process* (7). For Informant P27, for instance, the way in which an employee attempted to diagnose a health problem for her mother led to an unhappy memory which influenced her perception of the performance of her local branch:

“I also had a situation where there was a young man who worked behind the counter. He was not a pharmacist; he was just one of the sales people. I actually found he was asking a lot of quite personal questions about my mother's medication and why she needed it and I actually said to him “I don't think I really need to answer these questions”. The fact is the doctors prescribed this for my mother and it wasn't up to him to decide whether she needs it or not. So I got a little bit cross ... my Mother had a leg ulcer and she had MRSA in it and she was in her nineties and the only thing that would get rid of MRSA was silver plasters and they are extremely expensive. He was questioning whether or not she really needed them ... he was saying how expensive they are and whether she really needed them or not and I thought “This is so rude when it's none of your business.”

7.2.2 Emotional Response: This construct demonstrates the emotions that a customer expresses as a result of their involvement in the delivery of the service. The type and strength of emotions expressed as a result of a

customer's relationship with the service provider was clearly a significant factor in the informants' accounts in both case studies (Table 7.1). The data from both studies demonstrated advocacy emotions being expressed (41 references-bank; 53 references-pharmacy). Informant C2, a customer of the bank, typifies these responses:

“They are brilliant and I can’t fault them. No matter what you ask them, they are there and they give you one hundred percent concentration on what you’re doing and they are brilliant, you can’t fault them.”

Emotional Response	Informants	References	% of Total
Bank	29	248	49.9%
1. Demonstrating Advocacy Emotions	21	41	
2. Demonstrating Recommendation Emotions	28	103	
3. Demonstrating other Positive Emotions	24	39	
4. Demonstrating Negative Emotions	26	65	
Pharmacy	30	288	54.8%
1. Demonstrating Advocacy Emotions	21	53	
2. Demonstrating Recommendation Emotions	29	120	
3. Demonstrating other Positive Emotions	22	44	
4. Demonstrating Negative Emotions	22	71	

A significant theme however drawn from both case studies related to the number of references made to the recommendation cluster of emotions (feeling Cared for, Safe, Trusted and Valued and that the organisation was Focused on their needs) (Table 7.2) as they are to referred to by Shaw (2007) (103 references-bank; 120 references-pharmacy). Instances of other positive emotion such as pride and surprised were also identified in the data.

Table 7.2 Comparison of Recommendation Emotions identified in Customer Data

Bank	Informants	References	Pharmacy	Informants	References
a. Cared for	10	10	a. Cared for	14	20
b. Focused	5	5	b. Focused	23	24
c. Safe	17	32	c. Safe	15	22
d. Trust	24	36	d. Trust	28	37
e. Valued	15	20	e. Valued	17	17
f. Other Positive Emotions	24	39	f. Other Positive Emotions	22	44

The transcript data for example, demonstrated a high level of trust (recommendation emotion) in the operation of both organisations and in

particular with the performance of employees. The ability to talk to the pharmacist and the advice they were able to provide for example, were important in generating a positive emotional response. Informant P13 explained how her relationship with the local pharmacy branch developed following her illness. A key element in building the relationship was the personal interaction she experienced with the pharmacist and her growing understanding of the type of advice he could provide:

“Yes it makes me feel really pleased ... You`ve got to feel that if they do affect you [her medication], you can talk to somebody about it and also you`ve got to have the confidence that they are dispensing the right things to you. The pharmacist has explained it to me, like on my terms and I have gone away feeling really happy“.

Whilst in new or unusual circumstances the data showed some anxiety being expressed, the informants' ability to talk directly to an employee who was able to provide a solution in a timely manner also helped to alleviate these concerns. Informant C24 describes how the actions of the bank's employees eased her anxiety when she was attempting to make an international money transfer for the first time:

“They were completely patient. They just said “Well don`t worry this is what you need to do ... they were all very, very kindly I suppose you would say in an old fashioned sort of sense about it ... all very patient.”

Although the emotions expressed were predominantly positive, negative emotions were also identified within the data (65 references-bank; 71 references-pharmacy). These were generally mild, for example, frustration and irritation, and focused on the speed and efficiency of the delivery process and lack of privacy. Informant P25 provided a summary of her emotions as she described the impact of distractions which occurred during the delivery of the service both through the volume of customers using the branch and speed at which prescriptions for walk-in patients were dispensed:

“It`s just a hassle ... your heart sinks as you walk towards the pharmacy ... there`s always a queue and you know you`re going to be there a long time ... It doesn`t make me feel happy at all. It frustrates me beyond belief. I just wish they`d get somebody in to

organise them because I'm sure it could be a perfectly successful, happy pharmacy. They've lost their way."

A number of customers interviewed in both case studies also felt undervalued by the limited degree of personalised contact from the organisations (12 references-bank; 17 references-pharmacy). In these instances, the informants believed little had been done by either organisation to develop a deeper relationship with them or to reward them for their loyalty. For those that did feel valued, a significant factor was the personal communication and relationships developed with individual employees rather than the general performance of either organisation.

7.2.3 Perceived Control: This construct considers the extent to which a customer believes they have control over the delivery of the service (Table 7.3). Both customer groups recognised the concept of control was a relevant factor in how they assessed the quality of their experience:

"I feel like I have pretty much all of the control I need over my account ... in the manner I bank with them currently I feel I don't need to do anything other than what I do, so I feel I have as much control as I require over it." (Informant C28)

It was also recognised, however, there were aspects of the delivery process over which they had little opportunity to exert any control, as Informant C24 explained:

"I can manage my own transactions and I have a lot of control over that, transactions, yes, but I have no control if they abolish certain accounts and bring in new accounts, I have no control over that at all. You just hear about it and you have to go along with it."

Table 7.3 Cross-Case Analysis of Experience Outcomes Constructs			
Perceived Control	Informants	References	% of Total
Bank	27	112	21.8%
1. The customers' perception of the degree of control they have over their finances	15	17	
2. Level of customer control in delivery process	27	87	
3. Perception of lack of control	7	8	
Pharmacy	29	126	23.4%
1. Patients' perception of control over delivery process	13	14	
2. Factors which influence the level of control a patient perceives	26	98	
3. Perception of lack of control	10	14	

Patients also pointed out their experience with the pharmacy was influenced in part by the input from a number of different medical specialists and that there were elements of the process where they lacked sufficient knowledge to have any meaningful contribution, such as in the dispensing of their medication, as Informant P2 explained:

"I'm in a chain of professionals and processes and they are delivering what I require, when I require it. So, I have sufficient control for my purposes, but I'm clearly not in control of the whole process."

Whilst the Informants data did not differentiate between the types of perceived control being demonstrated i.e. decisional control, cognitive control and behavioural control, the analysis identified situations which illustrate each control type. Table 7.4 summarises the design characteristics identified in the data which influence customers' perception of control

Table 7.4 Types of Perceived Control

Decisional Control
<p>Decisional Control: Customers perceive an element of decisional control when provided with the opportunity to either initiate the delivery process or select a course of action from a range of options influencing the way the service was delivered. In both case studies decisional control was evident (39 references - bank; 24 references - pharmacy) in the informants descriptions of the options the delivery system provided.</p>
<p>Bank - Design characteristics</p> <ul style="list-style-type: none"> - The ability to access accounts through a variety of channels - The options made available to manage account online <p style="padding-left: 40px;"><i>"... ideally the internet works for me, so having that choice is number one. I would like to have access to somebody if I needed to, to be able to walk into a branch and have an appointment with somebody ... So whilst I probably only use now one form of contact, it is important for me to have the other opportunities as well."</i></p> <p>Pharmacy - Design characteristics</p> <ul style="list-style-type: none"> - Choices provided in how patient placed new or repeat prescriptions - Deciding which pharmacy to use when placing prescription orders - The range of retail pharmacy products available (not a significant factor identified from <p style="padding-left: 40px;"><i>"I could ring up by telephone and incidentally I also have an option of go in online to the surgery and ordering a repeat prescription from there."</i></p> <p>(Informant P23)</p>

Cognitive Control

Cognitive Control: Cognitive control was also identified during periods of passive participation where the service could not be accessed or controlled by the customer (19 references - bank; 35 references - pharmacy).

Bank - Design characteristics

- Customers' ability to easily check the status of their account(s) through a variety of different communication mediums i.e. paper statements, online account, text alerts and mobile app.

"Although I do everything online, I still get my monthly statements sent, because I'm the type of person who likes to just check off the receipts ... I think I've got control because I know what is happening, when things are going in and out. I've got a record of it ... If I'm not sure of something I can just look at it and it's there ... No I feel I am in control quite sufficiently."

Pharmacy - Design characteristics

- The perception of control gained by being able to see the dispensary operation or access the pharmacist and to gain advice and support

"I will ask the consultant and I might ask the cancer nurse and I might then go and ask the pharmacist, then double check with the doctor. That's just my way of being in control ... the pharmacist will know more about the contra indications about the drugs, more so than would a consultant."

Behavioural Control

Examples of behavioural control were identified in customer's transcripts in both case studies (29 references - bank; 39 references - pharmacy). Behavioural control builds through the options provided that enable customers to take direct action

Bank - Design characteristics

- Activities which allowed patients to manage their own financial affairs e.g., to set up or alter where and when payments and transfers were made.

"It's important that I can view everything easily and it's important that the things that I need to do regularly, so things like setting up standing orders and cancelling things, that's important... it is important that it's easy and straight forward ... so I feel I know how to control and change the things I need to." (Informant C28)

Pharmacy - Design characteristics

- Patients ability to modify how their medication was administered e.g., the provision of Modified Dosage systems which enabled patients taking multiple medicines at different times to manage their medication regime better.

- The advice and support provided by their pharmacist also enabled patients to modify how they administered their medication to maximise its effectiveness.

"As part of the review the pharmacist did, the guy said "When do you take them?" and I said after a meal and he said "Oh that particular one you shouldn't take with those others because one of them tends to dampen down one of the others". It was never a directive, it was a suggestion that the better way to take it would be..." (Informant P2a)

7.2.4 Perception of Time: This construct represents customers’ perceptions of the duration of time engaged in the delivery of the service. In the non-hedonic contexts studied, typified by the control channel experiences that Massmini and Carli (1988) refer to, none of the informants in either customer cohorts described losing their sense of time through their involvement in the delivery of the service. Their awareness of the duration of time engaged with the delivery system however featured throughout the interviews conducted (Table 7.5).

Table 7.5 Cross-Case Analysis of Experience Outcomes Constructs			
Perceptions of Time	Informants	References	% of Total
Bank	26	97	19.5%
1. Perception of duration of time engaged in delivery of the service	26	90	
2. Longer durations - enough time during meetings with employees discuss relevant issues	5	7	
Pharmacy	26	69	13.1%
1. Perception of duration of time engaged in delivery of the service - Branch	23	53	
2. Longer durations - enough time during meetings with employees discuss relevant issues	9	14	

The length of time customers were involved in the delivery of the service to successfully achieve their objectives was a factor influencing how they perceived their experience and a contributing factor to the perceived value they derived from the delivery system. For those informants that regularly used the online and call-centre delivery channels in the bank for example, their interactions were considered fast and efficient, which was highlighted as a significant benefit (12 references-Appendix 7b).

In the branch offices in both case studies, the unpredictable nature of customer demand meant the informants using this delivery channel were sometimes subject to delays. The informant’s perception of this waiting time, however, was generally considered acceptable. For some patients in the pharmacy, observing employees working in the dispensary reduced their perception of time spent waiting, although this was not a factor generally raised. A poorly-managed dispensing process however reinforces patients’ negative perceptions of their waiting time, as Patient P21 describes:

“Sometimes you can see three or four people sat around and you think “Why aren’t they working, why aren’t they doing my prescription?” especially if you are not feeling very well.”

The ability to hold a conversation about more complex issues without feeling rushed or pressured to conclude was also a theme identified in both organisations, influencing the relationship the informant's formed with employees (*7 references-bank; 14 references-pharmacy*). In situations where a new financial product was being acquired for example, customers in the bank perceived they were provided with sufficient time and information from which to make an informed choice. Informant C12 for instance had recently visited his local branch to review his finances with an advisor. Reflecting on how he felt about this meeting and on the time afforded to him whilst he was deciding which investment to make, he commented:

"I felt really good. He`s a good chap [branch advisor] and he`s really interested in his customers you know and guiding them. I appreciated it very much ... I wasn't pushed or rushed into anything either way. I was happy with what I'd done ... yes, no complaints at all."

In the telephone call centre, the amount of time employees were allocated to talk to customers also created a more relaxed atmosphere, which added to the positive nature of the experience, as Informant C5 explained:

"Yes, I've always found the bank friendlier and particularly in the contact centre ... you never feel for example they are trying to get rid of you, whereas they must have a huge pressure of calls to deal with."

In the pharmacy, being able to spend enough time with a pharmacist to talk about their medical condition and have questions answered without feeling rushed was also an important factor influencing how patients perceived the experience. Informant P13 typifies the general impression drawn from the data as she describes her perception of the consultations she has with her local pharmacist:

"... you can ask any question you want to without feeling you`re taking up somebody`s time or you`re being silly ... there was no pressure. I could explain or ask about the contraindications of the tablets, my concerns about the tablets and then he explained it back to me in his time. I didn't feel rushed at all ... I came out of there feeling a lot happier."

In both case studies the customers perception of time related to the intrinsic value they perceived through the duration of time they were

engaged in the delivery system rather than any sense of time distortion being achieved through planned distractions or high levels of concentration in the activities they were performing as typified through flow experiences.

7.3 Design Choice Constructs

Interviews with marketing managers demonstrated both organisations had carried out research to fully understand the market in which they were competing. The customer segments that had evolved from these studies were based more on a customer's life stage for example, young adults and students, families and retirees than their demographic profile or lifestyle (Appendix 4e 9.1a-b). These segments guided the organisations' marketing campaigns and the products, for example, student bank accounts, children's savings accounts and winter flu jabs for older patients, made available. Both organisations' target markets therefore included a broad range of customers with varying financial and medical needs. The needs of customers in each market however were shown to be broadly similar focused predominantly on satisfying prevention goals, that is, maintaining control of their financial affairs or improving a medical condition.

The data also demonstrated that to satisfy these needs, a single service concept had been established and a standardised method of delivering the service developed in both cases. These service concepts however also recognised the way in which the service was delivered, that is, the functional quality of the service offering was also important. Customer-facing employees were encouraged to personalise the delivery of the service in terms of how they communicated and respond to customers' specific needs. Comments by pharmacy counter assistant BA5 are representative of how branch employees in both organisations perceived their role in delivering this particular element of the service concept:

"I think we should be treating everybody fairly when they come in. I think they should all feel valued, that they are not just another number. Treat them how I would like to be treated if I went into any other organisation. Not feel pressurised into anything. That somebody is looking out for my needs and that's how I feel ... I try to put that across, I try to be friendly and welcoming really"

The analysis also demonstrated a number of similarities in terms of the design of the delivery system, for example, recruitment and the monitoring of performance (Organisational Infrastructure) and the problems experienced through the layout of branch offices (Customer Interface). Both organisations recognised their IT system could be an invaluable source of information regarding their customers' trading history and had innovated technology so that employees could establish a proactive dialogue with customers, in order to develop their relationship with them.

A significant difference between the two cases studied however was identified in the general application of technology and information systems in terms of different channels to market and monitoring internal compliance standards. In the bank, much of the service offering was delivered through the back office which has necessitated the development of their technology and information system's capability and facilitated the development of a variety of different delivery channels. In contrast, the face-to-face interaction between the pharmacists and their patients was a more significant element of the delivery system in the pharmacy, the production of the service being predominantly focused on the front-office, that is, on dispensing medication and giving advice. The employee's performance in their branch offices was therefore a crucial element in the delivery of the service. The importance of this was reflected in the degree of integration and collaboration between employees in both branch and head-office functions rather than through a highly-integrated IT system.

7.3.1 Technology and Physical Support: This construct represents the means through which a customer can access the service offering and the technology employed to maintain a relationship with them (Table 7.6) (*44 references-bank; 37 references-pharmacy*). Whilst the data demonstrated a large number of similarities between the design of the delivery system in both case studies, a key point of difference identified was the extent to which technology had been developed to assist customers in accessing the service offering. The bank manages customer demand through a number of delivery channels: a branch office network of over 160 branches; telephone call centre; and a website for internet banking. These were made available to all customers.

Table 7.6 Cross-Case Analysis of Design Choices Constructs			
Technology and Physical Support	Informants	References	% of Total
Bank	13	44	8.7%
1. The customers' ability to access the service offering through a variety of real and virtual delivery channels	6	18	
2. The technology employed in Front Office operations to enable employees to build a relationship with their customers	11	26	
Pharmacy	14	37	6.1%
1. The customers' ability to access the service offering through a variety of real and virtual delivery channels	5	17	
2. The technology employed in Front Office operations to enable employees to build a relationship with their customers	12	20	

Mobile phone apps had recently been introduced to add additional flexibility and customers can also make deposits via the Post Office. Whilst the organisation had conducted little research to identify how customers manage their financial affairs, the bank recognised customers' ability to coordinate their banking routines through a variety of delivery channels was a key benefit. Manager A1 commented on the importance to customers of being able to access their accounts through multiple sources:

“The days of where you would only just access the branch and nothing else or the internet and nothing else, it's recognised that that's gone and a lot of our customers, yes will never go in their bank, but actually they like the idea of there being one on the high street in case something goes wrong ... but how often they do that may be very, very rare.”

Whilst senior pharmacy managers recognised the opportunities to innovate technology to provide patients with greater opportunities to access their service offering, at present this was mainly restricted to one main delivery channel; a network of over 700 branches. These were differentiated as either high street or community branches based on their location. This study focused on the experience customers received in community branches. These were located in close proximity to, or in some cases within General Practitioners' surgeries and focused to a greater extent on dispensing prescription medication rather than on the health, toiletry and cosmetic ranges available in the larger high street locations.

IT Systems Capability: Developing effective face-to-face interactions with branch employees represented a key element in the business strategy for both organisations and a point of similarity between the two case studies. To assist

in this process, IT Systems have been developed to enable branch employees to establish and maintain a relationship with their customers (26 references-bank; 20 references-pharmacy). The bank has developed their IT systems capability to provide branch employees with information about their customers' accounts. This enabled branch employees to maintain contact with customers during crucial periods in their relationship. Manager B3 provided an example of this when she described a monitoring process called the "*customer tracks programme*". This system provides branch employees with information of customers who have purchased a "*premium packaged current account*". These accounts charge a small fee for a range of additional services such as insurance and breakdown services. To ensure these additional services were activated correctly, customers are expected to complete the application process once the appropriate documentation had been received. Branch employees use this process to diarise follow-up phone calls to check the customer has completed the initial application and they are adequately benefiting from the additional services acquired. General Advisors (cashiers) also manage an online diary system which helps to maintain an ongoing relationship after the initial account opening process has been completed, as manager B3 explained:

"We proactively call up those people and they discuss their accounts with us just to make sure that they are still getting the right thing ... we've got customers who are paying for their accounts and it's really important for us to understand if they are benefiting from that, so it's kind of a review basis to make sure they are still benefiting from the account."

The pharmacy have also developed their system's capability to enable employees to maintain an extended relationship with their patients. Technology was developed to highlight potential interventions which could be arranged to maximise the effectiveness of the medication being dispensed. Technology for example, alerts the pharmacist to arrange follow-up sessions for patients participating in the New Medicine Service, at 14 and 28 days, to ensure the new drugs prescribed are being administered correctly (8 references-Appendix 7c). This NHS intervention provides support for patients taking new medicines for some long-term illnesses. Similar alerts are activated for patients who attend Medicine Use Reviews. These yearly assessments are conducted with patients taking multiple medicines for certain long-term medical conditions such as

asthma, arthritis, diabetes or epilepsy (Appendix 4f 6.1a; 6.2c). These interventions are designed to ensure patients are still taking their medication and that they are working satisfactorily. Systems were also developed to monitor patient waiting times whilst prescription medication was being dispensed. The speed at which the pharmacy dispenses prescription medication was recognised as an important element in how patients' perceive their experience. The majority of prescriptions in health centre branches were generated through GP surgeries for patients with chronic but stable conditions. The turnaround for dispensing these regular repeat prescriptions was agreed locally with the surgery. This was generally between 3-4 working days. Prescriptions for walk-in patients make up a smaller but more variable proportion of the overall number of prescriptions dispensed. Walk-in patients were more likely to be acutely unwell and needed medication to rectify an immediate need. Systems were developed to track the time taken to dispense these prescriptions thereby focusing the branch team's attention on this performance measure, as manager B1 noted:

"Waiting times are tracked so when somebody hands in a prescription, the till prints a docket that is printed at a certain time, when we hand back the prescription it gets scanned back out so they can track how long it takes on average".

Branches are expected to operate to an average of 9 minutes per prescription. The capacity of each branch to manage the variability of demand from walk-in patients was influenced by the level of staff available to dispense prescriptions and the availability of trained pharmacists to oversee the services offered.

7.3.2 Customer Interface: This construct describes the specific points of contact through which a customer engages with the service delivery system (Table 7.7). The employees' one-to-one interaction with their customers was a significant theme (*56 references-bank; 58 references-pharmacy Appendix 7a/7c*) that developed from both case studies.

Table 7.7 Cross-Case Analysis of Design Choices Constructs			
Customer Interface	Informants	References	% of Total
Bank	18	86	17.0%
1. Customer engagement through branch settings	16	79	
2. Customer engagement through the call centre	2	4	
3. Customer engagement through the Website	1	3	
Pharmacy	18	112	18.6%
1. Customer engagement through branch setting	18	112	

In both case studies, a number of structured reviews provided customers with specific advice enabling them to make the most effective use of either their finances or medication. In the bank, one-to-one conversations were had in both the physical branch and via the call centre. In the pharmacy, whilst an online diagnosis was available from a medical specialist, these key interventions were only available in the branch. The process for conducting each session was clearly defined and consistently applied. Conversations were either scripted, as in the Financial Review process for customers of the bank, or had a strong framework around which the conversation was held, as in the protocol used to conduct a consultation with the pharmacy's patients. The follow-up communication process in both organisations was also identified as an important aspect of these interventions. Managers also recognised branch employees' ability to communicate effectively was important when engaging with customers. Senior managers in the bank were strongly of the opinion that the performance of employees was a significant factor which differentiated their service offering and represented a clear opportunity to strengthen and build a long-term relationship with them. Manager A4 observed:

"It's the people really at the end of the day that make the difference and we've recognised that for a long time and people that are new to the business observe it too."

The data drawn from the pharmacy's employees also suggest managers recognise the importance of their branch employee's performance, as the Head of Marketing (A4) explained:

"We believe we have as a business a key strength in our people and the way our colleagues at branch level engage with our customers."

The environment in which the service was delivered was also identified as a factor influencing how these conversations were perceived by customers. The

analysis highlighted that the layout and positioning of counters and fixtures were significant aspects of branch design. Managers recognised this influenced how effectively the service was delivered. Standard footprints to maximise the use of available space had been developed which included a consideration of customers' personal space around desks and counters and the location of offices for private discussions (Appendix 4e 6.5a for example, in the bank). Both groups of employees however, had concerns regarding their customers' privacy whilst engaged in one-to-one meetings and the influence of other customers congregating at strategic points for example, in queues and around counter areas. Privacy was identified as an important concern for customers, which influenced their willingness to discuss their financial or medical concerns. The observations in the bank, (Appendix 5a) identified that a limited number of offices were available where private meetings with customers could be conducted. Conversations with customers who required information or wanted to discuss something specific were likely to be carried out in open-style personal service cubicles (Appendix 4e 6.3d-f). In two of the branches observed however, these booths were located in close proximity to the main customer queuing system and only secluded by screens. The managers interviewed recognised that whilst these spaces provided an element of privacy, they were not conducive to developing a positive experience for their customers.

Similarly, in the pharmacy, the design footprint applied across their branch estate included areas where discussions could be conducted discretely (Appendix 5b). Whilst in the branches observed the consultation rooms provided were small, they all appeared tidy, organised and adequate to hold a consultation with a patient (Appendix 4f 4.3b). Importantly they all appeared to be soundproof. Whilst patients would be more likely to feel comfortable disclosing sensitive personal information in these areas, the fact they were all accessed from the shop floor might have been a distraction to some (Appendix 4f 4.3c). The regional manager (B3) interviewed explained how the location of customer seating areas was an additional consideration in the design of pharmacy branches:

“Again that’s another challenge because actually if you were in that queue and you were listening to that conversation, it could be a bit embarrassing for you as well ... so we would consider in terms of the

design principles that ... for example, the seating would be as far away as possible, so that any patients sat waiting aren't within earshot of any of those conversations."

Whilst personal interaction with customers was identified as important in both case studies, the data demonstrated however the design of the physical setting had the potential to compromise the branch team's ability to develop a deeper relationship with their customers beyond basic day-to-day transactions.

7.3.3 Organisational Infrastructure: The organisational infrastructure construct (Table 7.8) relates to the internal policies and procedures an organisation adopts through which their service strategy can be implemented.

Table 7.8 Cross-Case Analysis of Design Choices Constructs			
Organisational Infrastructure	Informants	References	% of Total
Bank	20	295	58.2%
1. Leadership values which influence how people perform	17	129	
2. Recruitment, induction and training processes responsible for developing employees	16	73	
3. Standard operating processes and performance measurement routines to maintain quality	18	93	
Pharmacy	21	321	53.2%
1. Leadership values which influence how people perform	21	122	
2. Recruitment, induction and training processes responsible for developing employees	19	77	
3. Standard operating processes and performance measurement routines to maintain quality	19	122	

A significant theme drawn from both case studies was the development of a strong customer-centric operating culture emphasising how the service was delivered to customers rather than focusing on financial targets or the volume of sales achieved (*129 References-bank; 122 References-pharmacy*). In the bank for example, managers regularly check customers' adequately benefit from their purchase, as manager B4 explained:

"I would look at the review that's taken place and I would go through each section to determine if the benefits to the customer have been adequately addressed. So actually, based on what they have told us, does the product meet their needs and if it doesn't we would insist on the advisor re-contacting the customer or me re-contacting the customer in order to ascertain further information."

The operating culture of the bank's call centre was also recognised to have a significant influence on the quality of their conversations with customers, as manager A4 acknowledged:

"... it doesn't feel like a normal contact centre environment in here. You haven't got wall boards shouting like, we've got a backlog of fifty calls queuing ... You haven't got the average handling time flashing up as red. You don't get people held to account over the amount of time they are talking to customers as if it's their fault they've spent a long time talking to customers."

Interviews with senior managers in the pharmacy also demonstrated that their patients' needs were central to their operating strategy. To help facilitate this, the Head of Marketing (A4) emphasised how a high priority was placed on the level of internal service quality provided to their branch estate:

"one of our critical objectives is to make life easier for branches, so we know anything we do at all [business initiatives] puts pressure and has an impact on branch colleagues and so there's always lots and lots of debate as to whether or not we should do it."

This ensured the work load down to branch offices from head-office departments was managed effectively so service standards to customers were not compromised. To support this customer-centric approach, the performance of individual branches across both organisations was monitored on a weekly basis through balanced scorecards (Kaplan and Norton, 1993). As well as a small number of financial targets, these reports also included both operational controls and customer-facing measures for example owings, that is, unfulfilled prescriptions caused by lack of available products, and waiting times (pharmacy), and customer satisfaction and complaints management (bank) (Appendix 4e 2.1a-b; Appendix 4f 2.1a).

The data also demonstrated that support processes had been developed to ensure employees were able to perform their roles adequately. Internal monitoring processes, for example, had been established to maintain compliance to the standards set by the statutory bodies responsible the sectors in which they operated. Whilst the professional standards set by the General Pharmaceutical Council ensured pharmacy managers complied with the correct

procedures for dispensing medication, a stronger level of focus was apparent in the bank regarding compliance to a range of other internal management practices such as training and performance management processes. A significant difference between the two case studies was identified in the use of IT systems to monitor these internal compliance standards. The bank appeared to have well developed IT systems providing operational managers with a clearer understanding of the individual performance of employees and levels of compliance to operational standards. The pharmacy recognised this was a factor which needed improvement and recent innovations to their IT systems help to provide this additional visibility, enabling operational managers to focus on ensuring compliance standards were maintained.

Both organisations recognised their employees were important assets and demonstrating the right service-oriented behaviours was a prerequisite for developing effective relationships with their customers. Employee behavioural frameworks had been established to support this, detailing the expected behaviour required of both customer-facing and head-office employees (Appendix 4e-3.1a-b/ Appendix 4f-1.3a-f; 4f-3.1a/Appendix 8). These complemented standard operating processes which define the technical standards of performance required. Behavioural frameworks are used in both the recruitment of new employees and assessments carried out during their induction training (Appendix 4f 7.4a-m) and as the basis for measuring individual performance. Whilst each framework was obviously distinctive, common trends could be identified. Key elements focused on employees' relationships with customers and on developing a collaborative working environment. Employees were also encouraged to take responsibility for the problems they were occasionally presented with, and demonstrate an ability to reflect on how their successes were achieved. Two additional behaviours provide an insight into how customers might perceive their interactions with employees in these particular organisations. The ability to communicate effectively with colleagues at all levels throughout the business hierarchy, and with customers and other stakeholders, was a distinctive expectation of employees in both organisations. The pharmacy for example, provides guidance to help branch teams to communicate effectively with patients and a framework designed to facilitate an effective diagnosis of their medical

complaint. In addition, in both organisations employees were expected to be able to recognise the impact of their behaviour on the performance and feelings of other people, both customers and their colleagues.

Service quality was monitored through unannounced quality assessments carried out by external agencies, that is, mystery shopper and experience audits (Appendix 4e 1.21-1.23 Appendix 4f 1.1a-c/Appendix 9). These focused on determining the degree of compliance being achieved across a range of operational standards. Customer satisfaction surveys, focusing predominantly on the appearance and performance of employees and the presentation and cleanliness of branch offices, were also carried out (Appendix 4e 1.24-1.27/Appendix 9). The results from these assessments were then distributed at individual branch, area and regional levels and used during review sessions with line managers. A summary was also published on a national basis on both organisations' websites (Appendix 4e 1.11-1.16). The pharmacy also conducted exit interviews with patients from other pharmacy providers to measure their performance alongside their competitors and evaluate against sector averages. An annual survey of service standards, a condition of the NHS contract, was also conducted (Appendix 43f 1.2b-e).

The performance of individual employees was also monitored internally on a regular basis, albeit in two separate control formats. In the bank, the data demonstrated a consistent standard of delivery was maintained through a formal observation process (Appendix 4e-1.3a-i). Whilst this ensured regulatory standards were maintained, it also helped to improve the quality of employees' interactions with their customers. All employees are observed on a regular basis by line managers with observations of new recruits being conducted more regularly. These reviews also formed part of the employees' formal appraisal process. In contrast, the pharmacy employed a looser and more informal arrangement to monitor employees' performance and their interaction with customers. The pharmacist role, an integral element in the dispensing process, involves a higher level of supervision of employees and sign-off at the point of delivery to the patient. As such the pharmacists are directly involved and aware of the interactions individual employees have with their patients. Manager B2

described how he maintained regular contact with his team members which enabled him to address poor performance immediately it occurred:

“I am observing most of the time. If I spot somebody is having a bad time with customers or just has no people skills I will pick them up on it at that time or just shortly afterwards, rather than leaving it until eight months later [annual appraisal] when we’ve all forgotten about what actually happened.”

The performance of all pharmacy employees is reviewed by line managers on an annual basis, although senior managers have only just been provided with the means to monitor the level of compliance and the effectiveness of this process.

7.3.4 Organisational Integration: This construct includes both the capacity of the organisation to learn from the relationships they develop with other stakeholders, for example, customers and suppliers, and the ability of their internal departments to co-operate together to deliver their service strategy (Table 7.9).

Table 7.9 Cross-Case Analysis of Design Choices Constructs			
Organisational Integration	Informants	References	% of Total
Bank	18	82	16.2%
1. Internal Integration - collaboration between head-office functions	6	14	
2. Adaptive Mechanisms - the methods through which information and knowledge is assimilated throughout the organisation	13	56	
3. Opportunities for organisational learning	5	12	
Pharmacy	21	133	22.1%
1. Internal Integration - collaboration between head-office functions	6	11	
2. Adaptive Mechanisms - the methods through which information and knowledge is assimilated throughout the organisation	17	79	
3. Opportunities for organisational learning	8	30	
4. External integration - senior management encouragement to work with other stakeholders	5	13	

Whilst a culture of learning from both external and internal sources was evident in both case studies, the data also demonstrated a difference between the degree of internal integration identified between their respective head-office functions. The bank’s senior managers recognised the need for a closer and more integrated working relationship between head-office functions, for example, operations, marketing and finance, to improve their overall operational effectiveness and had started to focus on developing systems to facilitate this. From an operational perspective, the data showed the different delivery

channels available to the customer were operating in well-defined silos, that is, the branch network, call centre and website. Marketing and operations departments had however started to develop a more integrated approach; service design innovations for example, were now being managed through cross-functional working groups. In the pharmacy, the potential consequences of branch employee's incorrectly diagnosing or dispensing medication because of the stress of managing the additional work load imposed through internal initiatives necessitated a closer degree of integration. A weekly communication process involving all head-office employees for example, ensured those in support departments (Finance, Human Resources, and Buying) were kept up to date with the organisation's results and projects designed to improve business performance. A summary of this information was also cascaded down to branch offices to ensure all employees were aware of the operational decisions being made by head-office teams.

Both organisations had established a central operations team to ensure their head-offices and branch office networks communicated effectively. In this way, the flow of information down to offices could be managed, thereby ensuring service standards were maintained regardless of the internal workload. The pharmacy however, appeared to take a more proactive approach to learning how operational processes could be improved, and identifying and resolving problems or internal conflicts that impacted on the day-to-day operations in each branch. Branch employees were encouraged to participate in discussions, as manager A3 pointed out:

“So operations have a “Listen, Act, Fix” process where we’ve been out and had meetings and various different conversations in the branches to understand what their frustrations are and then we have a process where we feed back through the Listen, Act, Fix around systems, IT issues, operational issues and challenges.”

The information gathered also enabled managers to better understand how operational decisions influenced the way customers perceived their experience. This process helped to develop a strong collaborative working relationship between branch office employees and their head-office colleagues and between individual functional departments.

In both case studies, a consistent and structured approach had been developed regarding communication with their network of branch offices (*20 references-bank; 30 references-pharmacy Appendix 7a/c*). A regular weekly series of updates were cascaded down to branch employees from their central operations colleagues (Appendix 4e 7.1). In the bank, these were delivered through weekly training meetings and daily briefing sessions. Time was set aside before the branch opened, which meant the majority of employees were able to attend these meetings. In the pharmacy, a similarly structured approach to communicating with both branch and field management teams had also been established. Regular weekly updates of operational issues and changes to operating procedures were shared with employees through a weekly branch huddle. Recognition of employees' performance through internal newsletters was also a common theme identified between the two organisations (pharmacy example Appendix 4f 1.4a). As well as laying out the priorities for the month ahead, these publications featured articles of extraordinary customer care provided by branch employees. Manager A1 explained how these publications helped to focus his team's attention on providing customers with the standards of service the organisation expects:

“So there are lots of examples there about us talking to customers which has resulted in them saving themselves a lot of money ... It's another way in trying to make sure the focus is still on outputs ... but it's about making sure it's done for the right reasons.”

The main source of external learning was through the relationships built with customers. Data from the bank demonstrated both qualitative and quantitative information had been obtained through face-to-face interviews, and telephone and postal surveys with their customers. Similarly in the pharmacy, external sources, that is, customers and other pharmacy organisations were also used to gain information. Customer focus groups for example, were used periodically to gather information to identify future opportunities and to make improvements in branch design. The Superintendent's Office also captured information from customer complaints, which was used to improve the operational performance of the branch network, as manager A1 explains:

“So what we try and do is pull out common themes and say “Right this is an area we need to do something with” and it might be

cascading it to the relevant team, it might be looking at our processes, there might be something local to that branch that is broken and fixing that to improve the patient experience.”

In addition, relationships with other stakeholder’s such as doctors, healthcare workers and other pharmacists were also encouraged, demonstrating the extent of external integration within the pharmacy. Local pharmaceutical committees for example, worked with the NHS commissioning groups to introduce new services into an area where a need had been previously identified. These groups, which include representatives of independent pharmacists and multiple pharmacy organisations, often shared best practice which was identified as an opportunity by the pharmacy to gain new knowledge.

7.4 Cross-Case Analysis of Relationships between Constructs

A cross-case analysis of the relationships between each construct was also carried out. Table 7.10 demonstrates the relationships in which a moderate to high level of support was identified in the data.

Table 7.10 Cross-Case Analysis: Significant Relationships identified between Constructs

		Bank		Pharmacy	
		Informants	References	Informants	References
>20	Strong				
19-10	Moderate				
10>	Weak				
Focused Attention					
B1 Customer Interface / Focused Attention					
Ding (2011); Gupta and Vajic (2000); Pine and Gilmore (1998)		15	58	13	36
1ii Focused Attention / Emotional Response					
Ding et al. (2010); Ding (2011); Gentile et al. (2007); Hoffman and Novak (1996); Johnston (2004); Pine and Gilmore (1998); Zomerdiijk and Voss (2010)		22	57	23	60
1iii Focused Attention / Perceived Control					
Csikszentmihalyi and LeFevre (1989); Csikszentmihalyi (1975, 2003); van Rompay et al. (2008)		21	34	18	35

Sensory Stimulation	Informants	References	Informants	References
B2 Customer Interface / Sensory Stimulation				
Berry et al. (2006a); Brunner-Sperdin and Peters (2009); Chase and Dasu (2001); Collier and Meyer (1998); Coyle and Thorson (2001); Hartline and Ferrell (1996); Healy et al. (2007); Pullman and Gross (2003, 2004); Rayport and Jaworski (2004); Voss et al. (2008); Zomerdiijk and Voss (2010); Wall and Berry (2007)	15	53	16	40
C2 Infrastructure / Sensory Stimulation				
Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989; Ford et al. (2001; Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012); Sirianni et al. (2013); Voss and Zomerdiijk (2007)	3	3	7	15
2ii Sensory Stimulation / Emotional Response				
Berry et al. (2006a); Bitner (1990); Dasu and Chase (2010); Haeckel et al. (2003); Pullman and Gross (2003) Shieh and Ling (2010); Taylor and Thompson (1982); Turley and Milliman (2000); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)	23	54	28	61

Interaction	Informants	References	Informants	References
A3 Technology and Physical Support / Interaction				
Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008)	12	27	4	5
B3 Customer Interface / Interaction				
Collier and Meyer (1998); Ding (2011); Johnston and Kong (2011); McCarthy et al. (2010); Payne et al. (2007); Prahalad and Ramawamy (2003, 2004); Roth and Menor (2003); Voss et al. (2008)	13	35	8	25
C3 Infrastructure / Interaction				
Berry et al. (2006); Ding (2011); Ford et al. (2001); Shah et al. (2006); Voss et al. (2008)	13	21	12	23
D3 Integration / Interaction				
Caemmerer and Wilson (2010); Dasu and Chase (2010); Ford et al. (2001); Oliveira et al. (2002); Shah et al. (2006); Voss et al. (2008); Voss and Zomerdiijk (2007)	14	24	7	11
3ii Interaction / Emotional Response				
Berry et al. (2006a); Dasu and Chase (2010); Ding (2011); Ding et al. (2010); Hoffman and Novak (1996); Grove and Fisk (1997); Pullman and Gross (2003); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)	19	39	20	42
3iii Interaction / Perceived Control				
Dasu and Chase (2010); Ding et al. (2010); Collier and Sherrell (2010); Cook et al. (2002); Grewal et al. (2007); Guo et al. (2016); Hui and Bateson (1991); McMillan and Downes (2000); Zhu et al. (2007)	11	16	13	13
3iv Interaction / Perception of Time				
Bitran et al. (2008); Bitner (1992); Ding (2011); Ding, et al., (2010); McCarthy et al. (2010); Shieh and Ling (2010); Yeung and Soman (2007)	21	30	13	20

Adaptability	Informants	References	Informants	References
B4 Customer Interface / Adaptability				
Collier and Meyer (1998); Glushko and Tabas (2009); Gupta and Vajic (2000); Hartline and Ferrell (1996)	11	31	13	30
C4 Infrastructure / Adaptability				
Chebat and Kollias (2000); Collier and Meyer (1998); Glushko and Tabas (2009); McCarthy, et al., (2010); Roth and Menor (2003); Sirianni et al. (2013); Tansk and Smith (2000); Zeithaml et al. (1988)	14	41	18	52
4ii Adaptability / Emotional Response				
Chase and Dasu 2001; Cook et al. (2002); Lee (2010); Mills and Krantz (1979)	15	22	12	17
4iii Adaptability / Perceived Control				
Dasu and Chase (2010); Hui and Bateson (1991); Grewal et al. (2007); van Rompay et al. (2008); Ding (2011)	23	52	18	45

Table 7.11 provides a summary of the common themes that emerged from this comparison.

Table 7.11 Common Themes drawn from the Significant Relationships identified in each Case

Focused Attention
B1 Customer Interface/Focused Attention - the design of the physical interface should enable customers' to focus on the activities they are participating in, in pursuit of their consumption goals
Ding (2011); Gupta and Vajic (2000); Pine and Gilmore (1998)
<ol style="list-style-type: none"> 1. The design of the setting influences the customers' ability to focus on their goals 2. The organisation recognises the need to provide customers with relevant information to enable them to fully participate in the delivery of the service 3. Internal distractions (operational problems) influence/hinder customers' from achieving their goals
1ii Focused Attention/Emotional Response - the customers ability to focus on an activity that enables them to achieve their goals has an impact on the emotions they express
Ding et al. (2010); Ding (2011); Gentile et al. (2007); Hoffman and Novak (1996); Johnston (2004); Pine and Gilmore (1998); Zomerdiijk and Voss (2010)
<ol style="list-style-type: none"> 1. Delivery processes that are consistent and reliable result in a positive emotional outcome 2. The ability to easily access the delivery system results in a positive emotional outcome 3. The presence of other customers have a negative influence on the experience customers have 4. The customers' ability to gain information from the delivery system enabling them to actively participate, has a positive impact on their emotions 5. Distractions that prevents the customer from participating in the delivery of the service result in negative emotions being felt 6. The advice employees are able to provide has a positive impact on customer emotions
1iii Focused Attention/Perceived Control - the customers ability to focus on an activity that enables them to achieve their goals has an impact on the level of control they perceive they have over the delivery of the service
Csikszentmihalyi and LeFevre (1989); Csikszentmihalyi (1975, 2003); van Rompay et al. (2008)
<ol style="list-style-type: none"> 1. The ability to access the service to actively participate has a positive influence on the level of control the customer perceives. 2. The ability to access support when customers lacked knowledge also provides a degree of control over the delivery of the service.
Sensory Stimulation
B2 Customer Interface/Sensory Stimulation - the capacity of clues embedded within the design of the interface to stimulate customers' sensory perception
Berry et al. (2006a); Brunner-Sperdin and Peters (2009); Chase and Dasu (2001); Collier and Meyer (1998); Coyle and Thorson (2001); Hartline and Ferrell (1996); Healy et al. (2007); Pullman and Gross (2003, 2004); Rayport and Jaworski (2004); Voss et al. (2008); Zomerdiijk and Voss (2010); Wall and Berry (2007)
<ol style="list-style-type: none"> 1. The organisation recognises that their employees are a significant point of contact with their customers 2. The behaviours demonstrated by the organisation's employees influence how customers perceive their experience 3. Other mechanics clues embedded in the service setting which influence how customers achieve their goals also have an impact on the emotions they feel
C2 Infrastructure/Sensory Stimulation - the design of operational policies and management practices which influence the signals provided by employees humanic clues during the delivery of
Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989); Ford et al. (2001); Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012); Sirianni et al. (2013); Voss and Zomerdiijk (2007)
<ol style="list-style-type: none"> 1. The organisation recognises the need to recruit employees with the correct service-oriented behaviours to ensure effective interactions take place

2ii Sensory Stimulation/Emotional Response - the signals generated through the humanic and mechanic clues in the service context have the capacity to evoke an emotional response

Berry et al. (2006a); Bitner (1990); Dasu and Chase (2010); Haeckel et al. (2003); Pullman and Gross (2003) Shieh and Ling (2010); Taylor and Thompson (1982); Turley and Milliman (2000); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)

1. The customers' goals determine what mechanic clues they perceive as important. Not all mechanic clues therefore create an emotional response
2. The mechanics clues provided by the setting create both a positive and negative emotional response
3. The humanic clues provided by the organisations' employees create both a positive and negative emotional response

Interaction

A3 Technology and Physical Support/Interaction - the ability of the customer to interact with the organisation through a variety of mediums and receive a timely response and employees ability to maintain a relationship with their customers through the technology employed

Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008)

1. Customers expect to be able to interact with the organisation across a variety of different channels and synchronise their activities seamlessly
2. The branch network is a key element in the organisations' communication strategy.
3. Technology has been innovated to enable branch employees to initiate and maintain a relationship with their customers

B3 Customer Interface/ Interaction - the design of key points of contact with the customer that enable effective interactions to take place

Collier and Meyer (1998); Ding (2011); Johnston and Kong (2011); McCarthy et al. (2010); Payne et al. (2007); Prahalad and Ramawamy (2003, 2004); Roth and Menor (2003); Voss et al. (2008)

1. Employees proactively initiate conversations with customers using technology to prompt relevant questions
2. Scheduled meetings (financial review meeting / structured medicine reviews) are a key element in the organisations' operational and communication strategy
3. Unscheduled interventions with branch assistants are also a key element in building a relationship with their customers

C3 Infrastructure/Interaction - the organisations leadership recognise the importance of the interactions and relationships employees develop with their customers

Berry et al. (2006); Ding (2011); Ford et al. (2001); Shah et al. (2006); Voss et al. (2008)

1. The organisations leaders recognise the interaction and relationships employees develop with their customers is important and is actively encouraged
2. Standard communication frameworks have been developed to maximise the effectiveness of employees' communication with their customers

D3 Integration/Interaction - the degree to which the organisation communicates with their customers and suppliers, and the extent to which internal functions collaborate to improve the delivery of the service

Caemmerer and Wilson (2010); Dasu and Chase (2010); Ford et al. (2001); Oliveira et al. (2002); Shah et al. (2006); Voss et al. (2008); Voss and Zomerdiijk (2007)

1. Through their relationship with customers and other stakeholders, the organisation is able to identify opportunities to improve the effectiveness of their operational processes
2. Employees are made aware of business issues via an in-house magazine and newsletters issued by area management. This information is reinforced through a structured meeting process
3. The organisation facilitates upward communication so opportunities identified at branch level can be fed back to national management

3ii Interaction/Emotional Response - the interaction that occurs with the customer has the capacity to influence the level of control they perceive over the delivery of the service

Berry et al. (2006a); Dasu and Chase (2010); Ding (2011); Ding et al. (2010); Hoffman and Novak (1996); Grove and Fisk (1997); Pullman and Gross (2003); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)

1. The interactions between the customer and branch employees have the potential to positively influence the emotions customers feel
2. Badly executed encounters have a negative impact

3iii Interaction/Perceived Control - the degree to which a customer's interaction with the organisation influences the level of control they perceive they have over the delivery of the service
Dasu and Chase (2010); Ding et al. (2010); Collier and Sherrell (2010); Cook et al. (2002); Grewal et al. (2007); Guo et al. (2016); Hui and Bateson (1991); McMillan and Downes (2000); Zhu et al. (2007)
1. The ability of the organisations' employees to interact in a manner the customer can understand influences the degree of cognitive control the customer perceives over the delivery of the service
3iv Interaction/Perception of Time -the customers' perception of the duration of time interacting with the delivery system is an element in the value they derive from the service offering
Bitran et al. (2008); Bitner (1992); Ding (2011); Ding, et al., (2010); McCarthy et al. (2010); Shieh and Ling (2010); Yeung and Soman (2007)
1. The customer's ability to interact with branch employees without feeling rushed or pressured to complete without their concerns being fully addressed is an important element in their perception of the experience 2. The speed at which customers can interact with the delivery system and can get a response from the organisation is also a factor considered

Adaptability
B4 Customer Interface/Adaptability - the extent to which key points of contact with the delivery system are flexible enough to allow customers to tailor the delivery process to meet their
Collier and Meyer (1998); Glushko and Tabas (2009); Gupta and Vajic (2000); Hartline and Ferrell (1996)
1. Structured review meetings are flexible enough to meet the needs of the customer, providing sufficient information for them to make an informed choice about the range of products available 2. The delivery system is capable of being adaptable to suit their particular requirements
C4 Infrastructure/Adaptability - the extent to which employees are empowered to think and act on
Chebat and Kollias (2000); Collier and Meyer (1998); Glushko and Tabas (2009); McCarthy, et al., (2010); Roth and Menor (2003); Sirianni et al. (2013); Tansk and Smith (2000); Zeithaml et al. (1988)
1. Employees are encouraged to think and act on behalf of the customer 2. Employees are empowered with a degree of discretion to adapt their approach or take the initiative to satisfy the needs of their customers 3. All customers are treated similarly regardless of their medical condition or potential profitability
4ii Adaptability/Emotional Response-The capacity of the delivery system to adapt to the customers' needs has a positive impact on their emotions felt whilst engaged with the delivery system
Chase and Dasu 2001; Cook et al. (2002); Lee (2010); Mills and Krantz (1979)
1. The willingness and ability of employees to adapt the service to meet customer's needs has a positive impact on their emotions 2. The capacity of the delivery system to accommodate changes in how the service is delivered also has a positive impact on the their emotions
4iii Adaptability/Perceived Control - the flexibility provided by the delivery system to initiate the service or adapt the outcome has a positive impact on a customers perception of control
Dasu and Chase (2010); Hui and Bateson (1991); Grewal et al. (2007); van Rompay et al. (2008); Ding
1. Information provided by the delivery system enables the customer to take action or adapt their behaviour (percieved behavioural control) 2. The choices made available in either how customer's initiate the service or manage elements of the delivery process once this has commenced provides them with a degree of perceived decisional control

Table 7.12 shows the relationships in which less evidence was identified and finally Table 7.13 presents a comparison of the new relationships identified.

Table 7.12 Cross-Case Analysis: Weaker Relationships identified between Constructs

		Bank		Pharmacy	
		Informants	References	Informants	References
>20	High				
19-10	Medium				
10>	Low				
1iv Focused Attention / Perception of Time					
Baker and Cameron (1996); Chase and Dasu (2001); Csikszentmihalyi (2003); Healy et al. (2007); Hong et al. (2013); Novak et al. (2003); Shieh and Ling (2010)		4	4	9	15
2i Sensory Stimulation / Memory Recall					
Berry et al. (2006a); Bitran et al. (2008); Kelley (1989); Morrin and Ratneswar, (2003); Oh et al. (2007); Pine and Gilmore (1998); Taylor and Thompson (1982); Zomerdijk and Voss (2010)		14	14	6	6
2iii Sensory Stimulation / Perceived Control					
Grewal et al. (2007)		6	6	10	12
2iv Sensory Stimulation / Perception of Time					
Hornik (1984); Baker and Cameron (1996)		4	5	8	16
A4 Technology and Physical Support / Adaptability					
Badgett et al. (2006); Kellogg and Nie (1995); Racherla et al. (2011)		8	16	1	2

Table 7.13 Cross-Case Analysis: New Relationships Identified

		Bank		Pharmacy	
		Informants	References	Informants	References
>20	High				
19-10	Medium				
10>	Low				
1i Focused Attention / Memory Recall					
New Relationship		1	1	4	4
3i Interaction / Memory Recall					
New Relationship		5	5	3	3
D4 Integration / Adaptability					
New Relationship (Pharmacy only)		0	0	4	8
4i Adaptability / Memory					
New Relationship		4	4	5	7

The analysis also identified differences between the construct relationships in each case study. These findings echo the data describing each construct and reflect differences in the design of the delivery system between the two case studies.

7.4.1 Infrastructure / Sensory Stimulation Relationship

Whilst minimal evidence was uncovered from employees' data in the bank, the pharmacy's employees provided some evidence of the need to recruit employees with the correct service oriented behaviours (Table 7.14). In the bank, recruitment was managed through regional centres which were responsible for advertising vacant positions and selecting new employees. Branch employees' involvement in this process was limited, which accounts for the small numbers of references allocated to this relationship.

The secondary data obtained from both organisations however added further support for this relationship, demonstrating in greater detail the behavioural frameworks used to recruit and train employees and monitor performance. The data from the pharmacy also showed that the behaviours of a significant subculture (Kerr, 1987) within their cohort of pharmacy managers were a cause for concern among senior management. Many of these pharmacists had entered the profession to dispense medication, but had under-developed communication skills. This limited their ability to develop relationships with their patients. To address this, policies and procedures had been established which ensured that employees demonstrated the correct behavioural competencies and were provided with the necessary support to develop their skills so they were better able to engage with both patients and colleagues effectively.

Table 7.14 Cross-Case Analysis demonstrating Significant Differences between Cases (C2) Infrastructure / Sensory Stimulation

		Bank		Pharmacy	
		Informants	References	Informants	References
>20	High				
19-10	Medium				
10>	Low				
C2 Infrastructure/ Sensory Stimulation					
Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989; Ford et al. (2001; Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012), Sirianni et al. (2013); Voss and Zomerdijk (2007)		3	3	7	15

7.4.2 Technology and Physical Support / Interaction Relationship

The analysis also demonstrated differences between the Technology and Physical Support/Interaction relationship (Table 7.15). The bank provided customers with a range of integrated delivery channels. This enabled customers to manage their finances across multiple points of access - branch network, Telephone call centre, Website, Post Office, Mobile app - at a time most convenient to them. In the pharmacy, the main delivery channel was through the branch network which limited opportunities to uncover evidence of customers interacting with the delivery system through other means.

Table 7.15 Cross-Case Analysis demonstrating Significant Differences between Cases (A3) Technology and Physical Support / Interaction

		Bank		Pharmacy	
		Informants	References	Informants	References
>20	High				
19-10	Medium				
10>	Low				
A3 Technology and Physical Support / Interaction					
Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008)		12	27	4	6

7.5 Experience Mechanism Constructs

Whilst the Design Choice constructs demonstrated occasional differences between the two case studies in the design of the delivery system, the Experience Mechanisms showed a high degree of similarity both between the cases studied and between the responses obtained from employees and customers. From the cross-case analysis of these different informant groups, insights were drawn of the key design characteristics for each Experience Mechanism which were relevant to all of the informants interviewed. In identifying the similarities and filtering out perspectives which did not represent each informant group, the possibility of “*rival explanations*” (Yin, 2009, p.133) was therefore reduced. From these points of similarity, the appropriate relationships with the Design Choice and Experience Outcome constructs were then examined further. In doing this, patterns of evidence were identified which suggest a causal link between the Design Choice and Experience Outcome constructs. The Experience Mechanisms acting as the means through which a customer engages with the delivery system and influences the Experience Outcomes which customers perceive as part of their overall experience. These associations also suggest a “craft rival” explanation of the findings, that is, the experience perceived by customers occurred by “*chance circumstances*” (Yin 2009, p.135) could be also be rejected. The following section summarises the key elements within each Experience Mechanism construct identified from both service provider and customer perspectives. Based on this, relationships between these common elements and the Design Choice and Experience Outcome constructs have also been highlighted.

7.5.1 Focused Attention

From the customers' perspective, the informants from both organisations demonstrated a clear vision in the goals they were expecting to achieve through their involvement in the delivery of the service and its importance to them. Their primary objectives were focused predominantly on satisfying a prevention need, for example improving a health condition (pharmacy) or maintaining control of their financial affairs (bank), rather than from any intrinsic enjoyment obtained through participating in the delivery of the service. Based on the analysis of the data, a number of similarities were observed relating to the Focused Attention construct (Table 7.16) which can be summarised as:

1. The capacity of the delivery system to improve a customer's level of skill and knowledge
2. Distractions and interruptions which limit the degree to which customers are able to focus on the activities they are undertaking during the delivery of the service.

Table 7.16 Comparison Between Employee and Customer data: Focused Attention			
Bank	Informants	References	% of Total
Focused Attention	18	98	20.7%
1. Rectifying knowledge imbalance	10	15	
2. Management practices that enable customers to achieve their goals easily when visiting branch offices	13	28	
3. Distractions which prevent customers from focusing on the activities they are undertaking	15	55	
Customers	29	335	32.9%
1. Primary goals for using the bank (what is important to the customer)	29	203	
2. Distractions - factors which prevent customers from achieving their goals	28	111	
3. Delivery system provides customers with sufficient knowledge to fully participate	11	21	
Pharmacy	Informants	References	% of Total
Focused Attention	19	122	25.8%
1. Rectifying knowledge imbalance	8	15	
2. Management practices that enable customers to achieve their goals easily when visiting branch offices	19	69	
3. Distractions which prevent customers from focusing on the activities they are undertaking	14	38	
Customers	30	437	35.0%
1. Primary goals for using the pharmacy (what is important to the patient)	30	164	
2. Distractions - factors which prevent customer from achieving their goals	27	158	
3. Delivery system provides customers with sufficient knowledge to maintain control	26	115	

1. Improve a customer's level of skill and knowledge

One element of the Focused Attention construct is concerned with the support provided to the customer by the delivery system, which enables them to focus on activities in pursuit of their consumption goals. Both service providers

recognised the importance of giving customers information so their participation could be more effective (Table 7.17) (23 references-bank; 15 references-pharmacy). Key points of contact through structured review sessions (*Customer Interface*) had been designed to provide customers with enough information so that they could make informed decisions when the delivery system relied on their active involvement (for example, to initiate the service). Service provider data in both cases also demonstrated branch employees' behaviour to support customers and provide assistance when they were unsure (*Customer Interface*) was highlighted as an important factor, the employees therefore supplementing their customers' lack of knowledge. In the bank for example, customers were made aware of the benefits and obligations of the financial products available to them and information was provided to enable them to fully participate in managing their accounts once a product had been acquired. Similarly, in the pharmacy, the delivery system had been designed to provide patients with advice and information which enabled them to better understand how their medication worked, to minimise possible side effects and to administer it effectively.

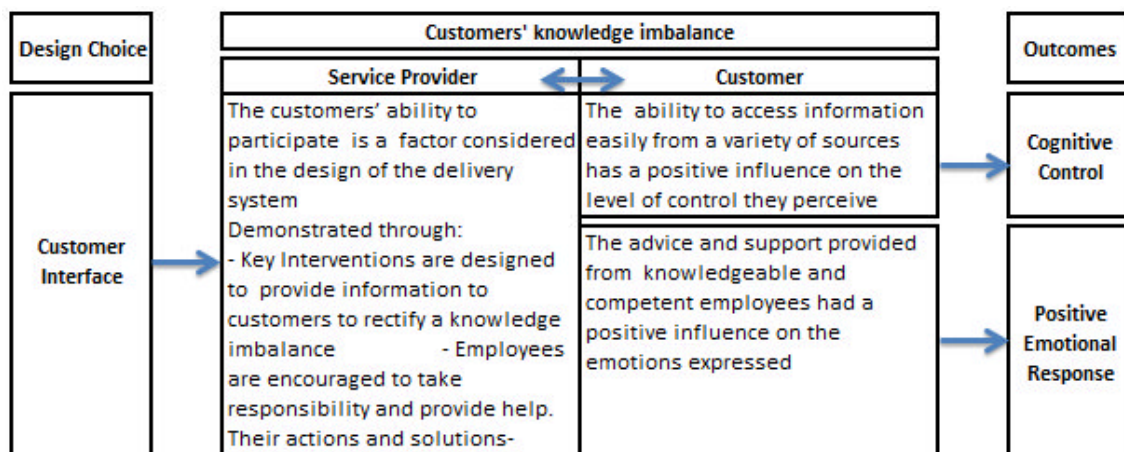
Obtaining sufficient knowledge to enable customers to fully participate was also identified as a key theme in the data obtained from customers (21 references-bank; 115 references-pharmacy). Customers of the bank highlighted how this learning process generally occurred through personal one-to-one communication with employees although branch leaflets and the website also provided support and product information. They also highlighted how the delivery system provided information which allowed them to manage their accounts through a range of communication mediums including paper statements, the website, text alerts or the mobile app. Patients also relied on being provided with adequate information to enable them to understand their medical condition and correctly administer their medication. Whilst a comprehensive range of reading material covering the most common minor ailments was made available in the branch (Appendix 5b) and via their website, the data showed face-to-face interaction with branch employees was the most common method used to gain information. Whilst the pharmacist was often not the first point of contact regarding a health concern, the informants recognised the benefit of the pharmacist in adding to their understanding of their condition

and increasing awareness of what to expect from the medication prescribed. Customers of both organisations recognised the ability to access information easily from a variety of sources had an influence on the level of control they perceived and had a positive effect on their emotions.

“Well I feel happy; you know that the pharmacist has taken his time to discuss my ongoing problems with me, my ongoing medication. So I go away happy you know that somebody is taking an interest in the medication that I am receiving, which I find is good.” (Informant P15-pharmacy)

The ability to get advice direct from employees, and employees’ willingness to take responsibility for providing a solution when they were unsure or lacked knowledge, was also shown to act positively on their customers emotions.

Table 7.17 Focused Attention: Customers knowledge Imbalance



2. Distractions and Interruptions

The Focused Attention construct also highlights factors which act to distract customers from the activities they were engaged in whilst pursuing their goals (59 references-bank; 38 references-pharmacy). From a customer’s perspective, distractions which occur during the delivery of the service (*Customer Interface*) (111 references-bank; 158 references-pharmacy) limit their ability to concentrate on achieving their objectives and have an impact on how they perceive their experience (Table 7.18). A number of common factors have been identified which act as distractions or interruptions during the delivery of the service as discussed below.

Speed of delivery: The speed of delivery and customer waiting times were factors common to both customers and employees data. Insufficient staffing during periods of peak demand can cause delays which can be perceived as an annoyance, preventing the customer from achieving their goals (Bitran et al. 2008). Branch managers demonstrated a willingness to proactively manage customer waiting times although employees in both organisations recognised fluctuations in demand and staff shortages created operational problems. In the pharmacy, the time taken to dispense medication and the ability to fulfil the entire prescription were performance standards which were closely monitored by senior managers. Queue management and the use of greeters to direct customers to the right location were methods highlighted by the bank's employees to minimise the impact of large numbers of customers slowing the speed of delivery. The organisation's ability to manage queues effectively was also a factor that influenced customers' perception of the delivery system in both organisations. In particular, patients of the pharmacy highlighted how a lack of clear queueing systems and the slow speed of delivery caused by excessive numbers of other customers, and occasionally, employees' actions had a negative impact on their emotions.

“It makes you feel slightly confused, a little bit confused and little bit sort of ... almost a little bit on edge because you're thinking “Well is it my turn next” or “Should that person go next”. So it just feels slightly off putting.” (Informant P27)

Physical design of counters and layout of setting: The layout of branch offices was another theme identified in the data from employees and customers of both organisations. Employees recognised the design of counters and the layout of the branch setting had an influence on their customers' level of engagement and ability to concentrate. Space restrictions however meant this was often difficult to rectify. For financial review meetings in the bank to be worthwhile for example, customers had to be prepared to disclose sensitive information regarding their financial circumstances. For customers to remain engaged during these meetings, the ability to discuss these matters in private and away from other customers was an important factor. Managers recognised the design and location of private office spaces often compromised the effectiveness of their employees' face-to-face meetings with customers. In the

pharmacy, the proximity of other customers was also shown to influence patients' inclination to initiate a conversation or their willingness to discuss personal or sensitive medical information when their conversations could be overheard. This was exacerbated when the seated waiting area where the initial contact with the pharmacist often occurred was located adjacent to the main serving counter.

The lack of personal space when interacting with employees and the confidentiality of their discussions were also common themes identified in the data provided by customers, as Informant C15 points out:

"I do feel uncomfortable when you're being asked questions like "What is your name, what's your postcode ... what's your telephone number?" and people are in a queue behind you. Because all of that for me it's confidential information. I know nine times out of ten there's not going to be anybody behind you that's likely to make use of it, but there always could be."

The design and layout of offices adjacent to public areas which did not provide sufficient privacy were negative clues which contributed to this problem. In the bank for example, a number of customers explained how they were reticent to discuss their financial details because of concerns other customers, in close proximity to them, would overhear their conversations even when these meetings were held in the semi-permanent cubicles provided (Appendix 4e 6.3d-f)

"I tell what I don't like, those little cubicles everybody can hear what's going on ... everybody's listening to what you're saying ... because other people are lining up. I do find that ... I just think ... well are they listening to me, I don't want them to know all of my financial ... you know." (Informant C24)

"I hate that, so anybody standing up behind you can hear ... although if you request it, I know they will take you upstairs, but I really, really hate it." (Informant C24)

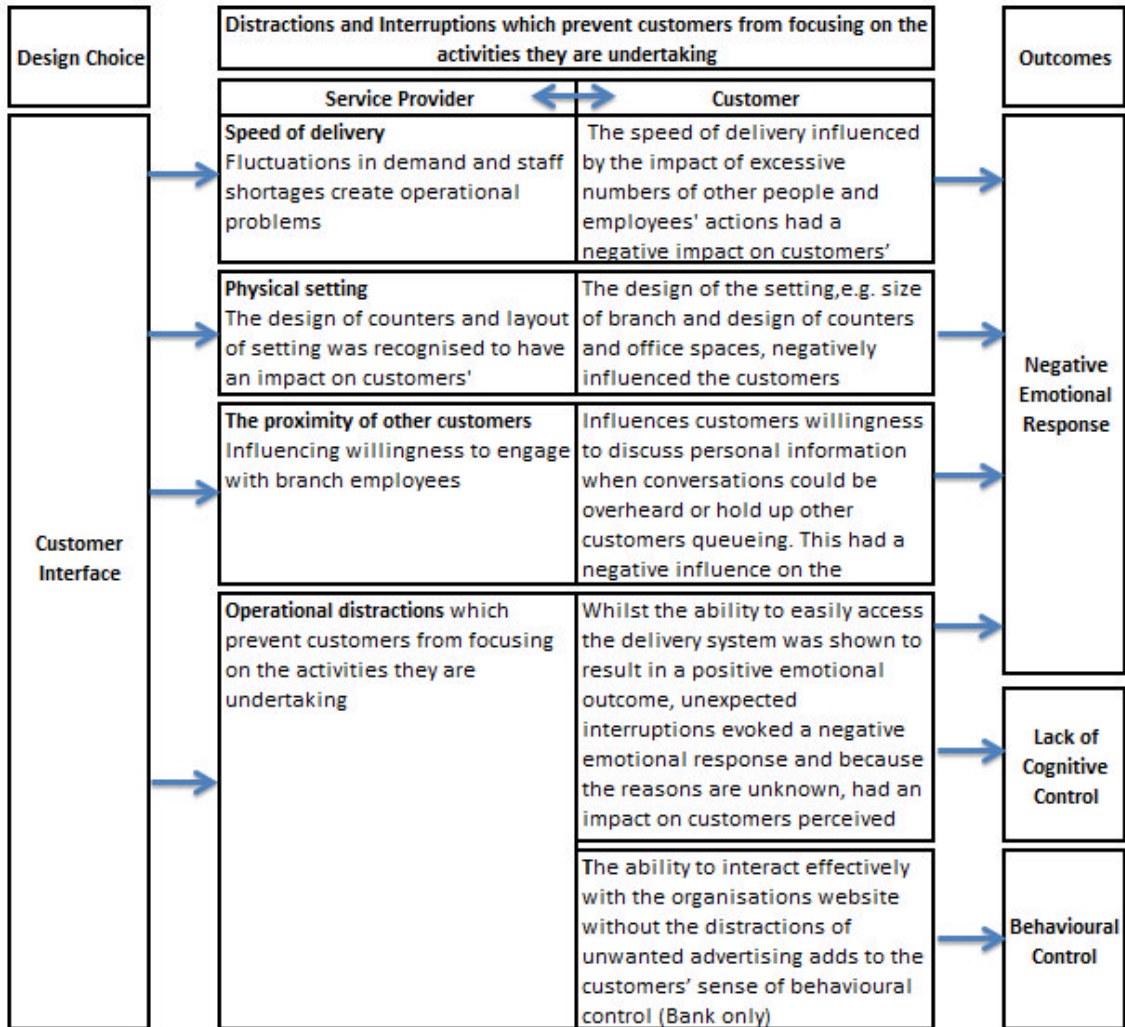
In the pharmacy, the size of branches also influenced how patients perceived their experience. The anxiety created when conducting sensitive conversations in the presence of others hindered or prevented customers from achieving their

goals. This had a negative influence on how their experience was perceived and the emotions customers felt.

Operational distractions: In both case studies, managers recognised interruptions caused by a lack of co-ordination within the branch (*Customer Interface*) influenced how customers engaged with the delivery system. Managers in the bank acknowledged that phone calls taken whilst employees were conducting meetings were a distraction which needed to be regularly managed. Excessive background noise in call centres also influenced customers' ability to concentrate on their conversations with employees. Headset technology designed to remove this level of distraction were an innovation which the bank had recently introduced. From a customer's perspective, unexpected interruptions, such as counters being closed without notice, also provoked a negative emotional response and because the reasons were unknown, an impact on the level of control they felt they had. The menu of options on call centre phone directories and the ability to navigate through the online security process were negative clues which some informants found frustrating. The online advertising used by other banks, which interfered with customers' ability to access their accounts quickly, was also a factor that influenced how the informants perceived the experience of using this particular delivery channel in other financial organisations. Informant C29 highlights the advantage of the banks website:

“There’s no extra bits of selling or anything like that, which is important to me ... I don’t want things kind of pushed at me ... It just annoys me because I just don’t want it.”

Table 7.18 Focused Attention: Distractions and Interruptions



7.5.2 Sensory Stimulation

This construct relates to the ability of the delivery system to provide humanic and mechanic clues which have an impact on customer's sensory perceptions. Similarities were identified in the data from employees and customers of the service clues which had an impact on customers' sensory perceptions (Table 7.19) which can be described as:

1. Employee behaviours demonstrated through their performance (humanic clues)
2. Service clues embedded in the physical setting (mechanic clues)

Table 7.19 Comparison between Employee and Customer data: Sensory Stimulation			
Bank	Informants	References	% of Total
Employees	16	95	20.1%
1. Humanic clues - behaviours which employees consider important in having an impact on customers' sensory perception	14	71	
2. Mechanic clues - factors which influence how customers perceive the setting in which the service is delivered	9	24	
Customers	29	239	23.5%
1. Humanic Clues - the appearance and behaviour of employees	28	142	
2. Mechanic Clues - factors which influence how the setting is perceived	27	97	
Pharmacy	Informants	References	% of Total
Employees	19	76	16.1%
1. Humanic clues - behaviours which employees consider important in having an impact on customers' sensory perception	17	62	
2. Mechanic clues - factors which influence how customers perceive the setting in which the service is delivered	6	14	
Customers	30	330	26.4%
1. Humanic Clues - the appearance and behaviour of employees	30	172	
2. Mechanic Clues - factors which influence how the setting is perceived	29	158	

1. Employee behaviours demonstrated through their performance

The data obtained from both organisations showed how the Humanic clues demonstrated through the behaviour of their employees (*Customer Interface*) was a significant factor in how the service was delivered to the customer (71 references-bank; 62 references-pharmacy). The performance of employees in both branch settings, and through the banks call-centre was also a major theme identified in the data provided by customers (142 references-bank; 172 references-pharmacy), strongly influencing how they felt about their experience of engaging with the organisation. This appeared to be of greater importance than the appearance of the physical environment in which the service offering was delivered. A number of similarities were also identified in the service-oriented behaviours demonstrated by branch teams which both employees and customers considered important. Using the three broad service behaviour dimensions suggested by Winsted, (2000) - Civility, Congeniality and Concern - and Empowerment, a way of enhancing employees' capacity to react to the customer's specific needs, proposed by Chebat and Kollias, (2000), the service behaviours which employees and customers of both organisations recognised as important have been listed in Table 7.20.

**Table 7.20: Comparison of Service Behaviours Common to both
Employees and Customers**

Service Provider	Customer
Civility	Civility
Personal acknowledgement	Personal acknowledgement
Congeniality	Congeniality
Friendly / welcoming / building rapport / approachable	Friendly / welcoming / ability to build rapport
Concern	Concern
Empathy / care / treating customers individually	Feeling cared for / interested / personal / ability to build a relationship / respect
Empowerment	Empowerment
Solutions focused / taking ownership to find a solution	Providing a solution / helpful / ownership advice / explanation

To embed these behaviours, recruitment policies (*Organisational Infrastructure*) had been designed to ensure candidates demonstrated the expected behaviours prior to employment. Management practices had also been established to ensure frontline employees' performance was consistently maintained through training and socialisation processes, observations and regular performance reviews. (Table 7.21) The attitude and behaviour of people, both employees and other customers, were shown to influence how customers perceived their experience and had the potential to create either a positive or negative response.

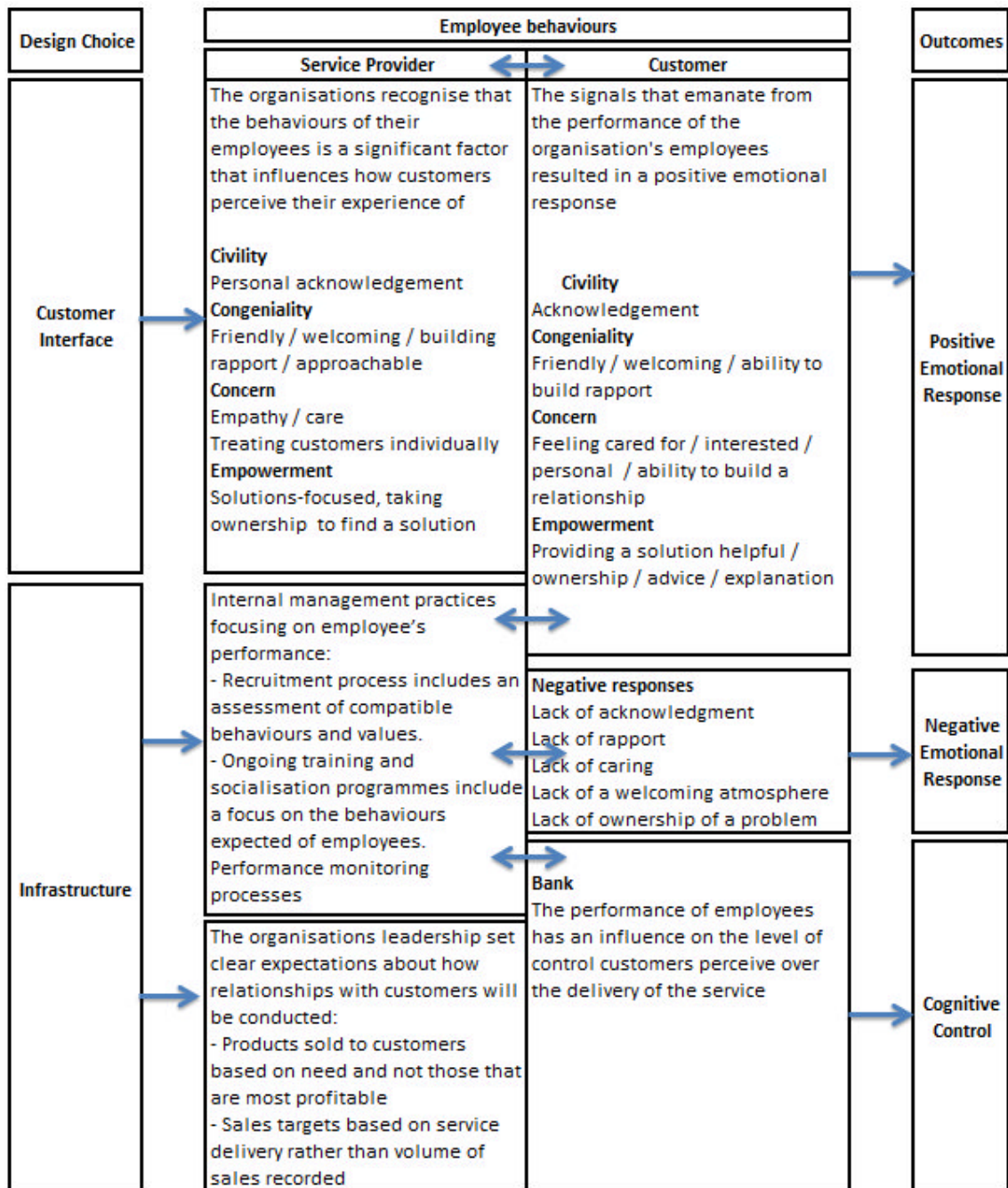
In the bank, one of the key values promoted by the organisation's leaders ensuring that employees focused on selling the right product to customers rather than the most profitable also provided customers with an increased sense of cognitive control. The data provided by customers also demonstrated that the lack of aggressive sales techniques used by employees reduced their uncertainty about what to expect when visiting a branch or making contact via the call centre.

"I think it is good in many ways because I don't feel pressurised. I probably would be more likely to switch banks if I felt that they were constantly trying to sell me things and I've never felt the need to switch banks ... I like the way I am treated by them." (Informant C28)

"for me it's a pleasure to go in, whereas I dread it with [competitor bank], I think there would be a long queue and then I'll get somebody

who would sit me down and try to sell me something. Whereas this is I walk in, I feel it's my bank. I know I can see two people who are dealing with customers at the desks, there's one free and I'll sit in a chair and wait for him to come over." (Informant C26)

Table 7.21: Sensory Stimulation: Employee behaviours



2. Mechanic clues embedded in the physical setting

In addition to the influence of employees' performance, the data also showed how the mechanic clues present in the *Customer Interface* influenced the

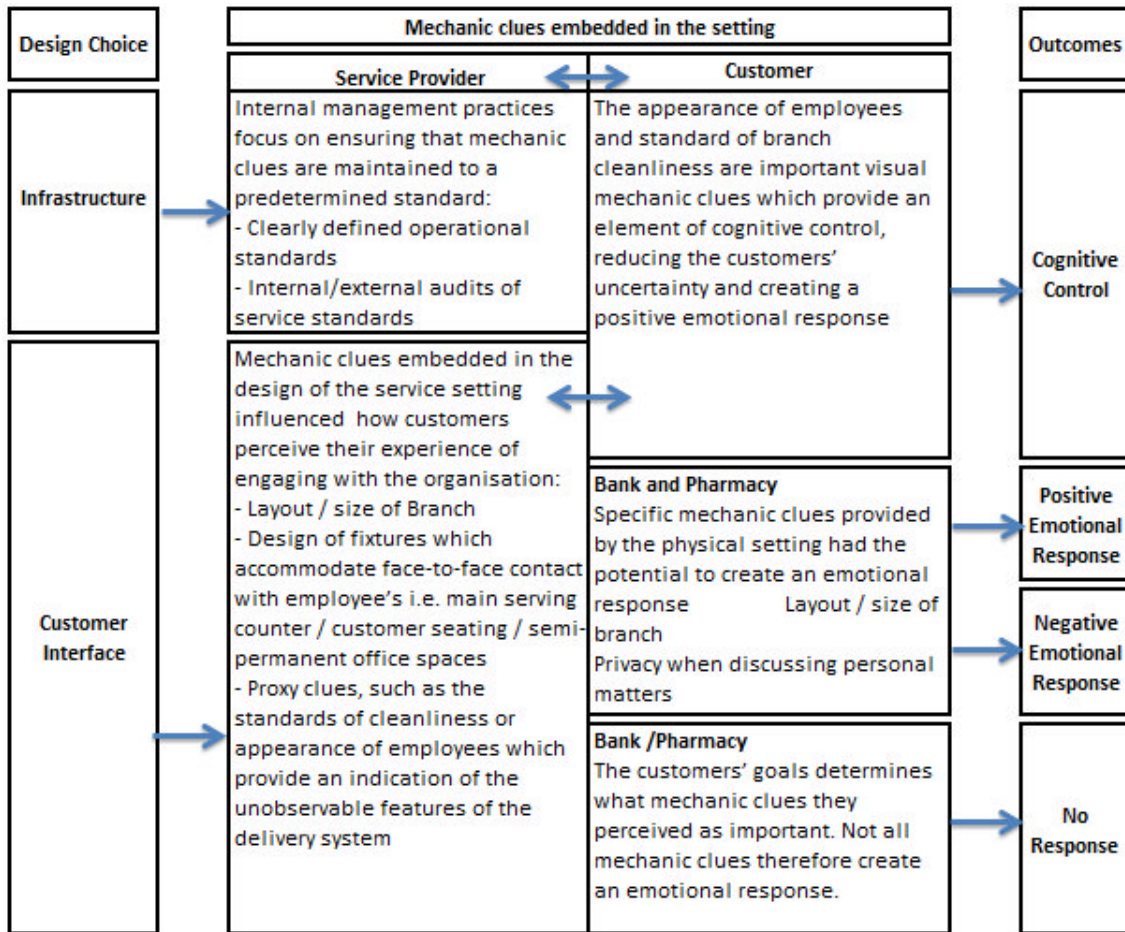
customers' emotional response. For a substantial number of customers of both organisations however, the ambience of the branch had a minimal influence on their perception of the service provided (*30 references-bank; 15 references-pharmacy Appendix 7b/d*). Similarly, relatively few references were provided by employees regarding the impact of the internal signage and the aesthetics of the physical setting. Branch design focused predominantly on stimulating customers' visual and auditory senses (Appendix 5a-b). Clues specifically designed to stimulate other senses (touch, smell and taste) did not feature in the descriptions provided by any of the informants. Given the difference in the settings, the relevance of mechanic clues might be expected to be contingent on the context of the service being provided. The analysis demonstrated the mechanic clues which had had the greatest influence on how customers engaged with the delivery system related to the goals they were focused on achieving (Table 7.22). Not all mechanic clues had a significant impact or created an emotional response. The need for privacy for example, identified as important goals for both customer cohorts, was reflected in their concern regarding the positioning of seating and the design of office cubicles for private meetings away from other customers (*Mechanic clues*). Managers in both organisations also recognised that establishing private areas where conversations between employees and their customers could not be overheard were also important design considerations. The appearance of employees (pharmacy) and the standard of branch cleanliness (bank/ pharmacy) were also important visual mechanic clues (*Customer Interface*) which acted as proxy indicators, important when operating standards could not easily be seen. This provided customers with an element of cognitive control, reducing their uncertainty and creating a positive emotional response as Informant C16 pointed out:

"Well as long as they all have nice clean uniforms and they look smart in themselves, I know that sounds silly but someone who doesn't look very tidy, as it's in a medical thing."

"So you'd expect that standard?"

"Yes, cleanliness ... the ladies there are always very smart. It just gives you a feeling of ... that they care."

Table 7.22: Sensory Stimulation: Mechanic clues embedded in the setting



Both organisations recognised the importance of these clues and had established operational standards (*Service Quality Processes- Organisational Infrastructure*) regarding the presentation of their branch offices. Branch employees in both organisations were also provided with a standard uniform and a clear dress code policy had been established which was expected to be adhered to (*Organisational Infrastructure*). Regular standards audits and mystery shopper visits were conducted to maintain employee's focus on both the mechanic and humanic clues presented to customers during their interaction with the delivery system (Appendix 9).

7.5.3 Interaction

This construct represents the means through which the service provider is able to communicate and collaborate effectively with the customer to initiate or contribute towards the delivery of the service. The data (Table 7.23) showed

that customers' ability to interact effectively with the service provider contributed towards a positive perception of their experience in the following similarities:

1. The ability to communicate through multiple channels
2. The focus placed on developing a dialogue and building a rapport
3. The relationships formed are strengthened by the personalised service provided

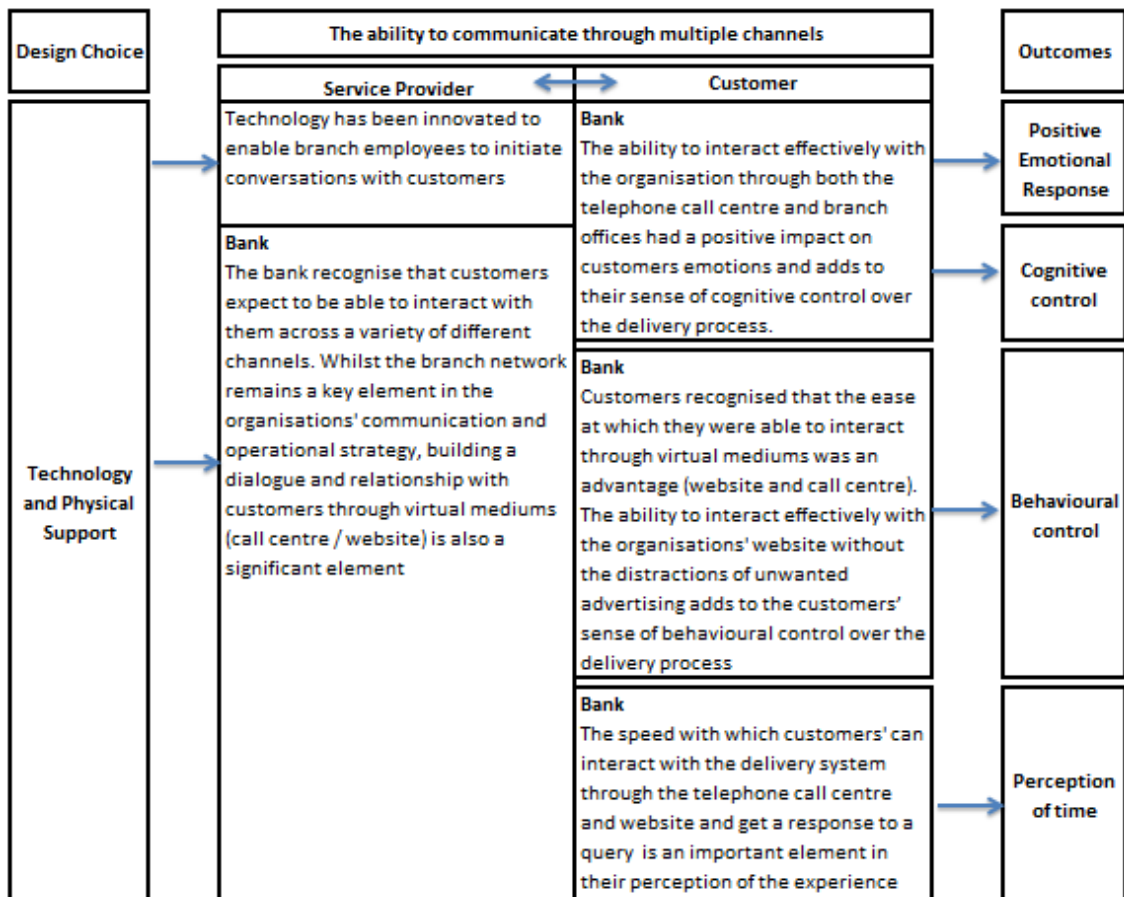
Table 7.23 Comparison Between Employee and Customer data: Interaction			
Bank	Informants	References	% of Total
Employees	19	182	38.5%
1. Creating a dialogue with the customer	16	82	
2. Building a relationship through social interaction	17	68	
3. Maintaining contact with customer over duration of relationship	9	14	
4. Learning from interactions with customers	4	11	
5. Interaction through virtual mediums	2	7	
Customers	29	242	23.8%
1. The ease with which customers can interact with employees	29	79	
2. The ease with which customers can interact through a virtual medium	20	51	
3. The general responsiveness of the organisation	25	49	
4. Minimal indirect contact with the organisation	26	63	
Pharmacy	Informants	References	% of Total
Employees	20	127	26.8%
1. Creating a dialogue with patients	17	55	
2. Building a relationship through social interaction with the pharmacist	12	24	
3. Maintaining contact with customer over duration of relationship	8	19	
4. Learning from interactions with customers	4	11	
5. The ability to build relationships with other professionals	5	18	
Customers	30	204	16.3%
1. The ease at which customers can interact with employees	30	179	
2. The general responsiveness of the organisation	4	6	
3. Minimal indirect contact with the organisation	16	19	

1. Communication through multiple channels

Patient interaction with the pharmacy is predominantly conducted through their network of branch offices. This element of the Interaction construct was therefore restricted to the data obtained from the bank, which managed communication with their customers through multiple channels. A pattern of evidence however, could be identified in the data from the bank's employees and their customers. The organisation recognises customers expect to be able to interact with the organisation across a variety of different channels (*Technology and Physical support*) (Table 7.24). The speed with which customers could interact with the delivery system through the telephone call centre and website or get a response to a query (*Perception of Time*) was identified as an important element in their perception of the experience.

“I just feel that they’d have more time for you here. I just feel that if you are ringing other banks you’re expecting you are going to have to wait a long time on the line and get sent through to different people. Whereas you feel you are going to get straight through and get your questions answered here I think.” (Informant C4)

Table 7.24 Interaction: The ability to communicate through multiple channels



The ease with which customers were able to communicate through online technology (27 references Appendix 7b) and with the call centre (24 references Appendix 7b) also had a positive impact on customers’ emotions and sense of cognitive control. Similarly, their ability to access and manage their accounts through the organisation’s website without the distractions of unwanted advertising added to their sense of behavioural control. When making transactions on the internet, lack of real-time communication however was identified as an inconvenience which negatively influenced customer’s perception of control.

2. Focus on developing a dialogue and rebuilding rapport (Table 7.25)

The ability to create a dialogue (*82 references-bank; 55 references-pharmacy*) and build a relationship with customers (*68 references-bank; 24 references-pharmacy*) were also identified as key elements in the employee data. Similarly interpersonal interaction with employees was identified as an important theme in the customer data (Table 7.23) (*79 references-bank; 179 references-pharmacy*). The effectiveness of customer's interactions with employees and the subsequent relationships which developed had a positive impact on the emotions they perceived.

"They are brilliant and I can't fault them. No matter what you ask them they are there and they give you one hundred percent concentration on what you're doing and they are brilliant, you can't fault them ... I've learnt to trust them." (Informant C2-bank)

"I do trust them ... I think [the pharmacist] would tell you if there was anything different in your prescription. He just wouldn't let you walk out the door. He would tell you before you went out the door." (Informant P11- pharmacy)

In both cases, the data demonstrated counter assistants were often the main conduit through which the organisation created a dialogue with their customers. When conducted well, the rapport that developed with these members of staff was an important element influencing the customers overall perception of their experience (*Customer Interface*). To assist in this, branch IT systems had been developed to enable employees to initiate conversations for example, by making customers aware of a maturing financial investment or booking an annual medical review (*Technology and Physical Support*). The bank had also demonstrated how innovations in their call centre IT systems enabled operators to review their own conversations with customers and identify opportunities to improve the quality of these discussions (*Organisational Integration-external integration*). This allowed managers to monitor the standard of service provided and to make improvements in the quality of call centre employees' conversations with their customers. This was rapidly moving towards "real-time" feedback. In both the bank and pharmacy, the induction process (*Organisational Infrastructure-Training and socialisation*) for new employees included modules on building a dialogue and rapport with customers, fact finding and asking the right questions to correctly establish a customer's needs.

Table 7.25 Interaction: The focus placed on developing a dialogue and building a rapport

Design Choice	Focus on building a dialogue and develop a rapport with customers		Outcomes
	Service Provider	Customer	
Integration	Innovating IT systems to enable customers to provide real-time feedback has improved the quality of the conversations call-centre employees have with their customers	The ability to contact individual branches easily and ease with which customers can interact with employees had a positive impact on customers' emotions When delivered badly however, the interactions between the customer and employee had a negative impact on customers' emotions	Positive / Negative Emotional Response
Interface	Technology has been innovated to enable branch employees to initiate conversations with customers thereby helping them to build a dialogue Scheduled follow up interventions are a key element in the organisations' operational strategy to build a relationship with their customers	Customers recognise that enough time is allocated during face to face meetings to enable them to fully understand the implications of the course of action being proposed and discuss their concerns	Perception of Time
Infrastructure	Internal procedures and Management practices designed to support employees to build a dialogue and develop a rapport with their customers - Induction and ongoing training - Performance monitoring processes	The ability of the organisations' employees to interact in a manner the customer can understand influences the degree of control the customer perceives	Cognitive Control

From a customer's perspective their interactions with employees and the ability to contact individual branches easily was an important element in their perception of the experience which had a positive impact on their emotions (*Customer Interface*). The speed with which patients in the pharmacy were able to obtain a diagnosis and follow-up when a new prescription had been issued (*Perception of time*) was also an important element in their perception of the experience. Informant C10b describes the positive impression she formed based on the prompt follow up phone call she received when prescribed different medication:

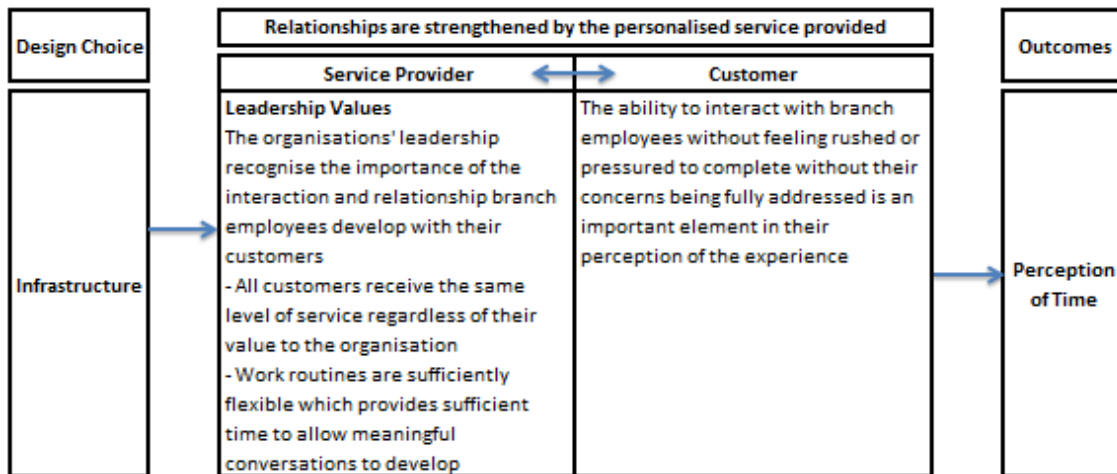
"I was put on a new medication for blood pressure and it wasn't XXX [Pharmacist], it was the other dispenser that was here and he said "After seven days I will be contacting you" ... it was though there was somebody there that was keeping an eye on you, it was very good".

In both case studies, however the data also demonstrated that when the interaction with employees was not functioning at a high level this had a negative impact on customers' emotions.

3. Relationships are strengthened by the personalised service provided

Senior managers in both organisations recognised the importance of their employees' individual face-to-face meetings with their customers and placed a high degree of focus on these interactions (*Leadership Values- Organisational Infrastructure*) (Table 7.26) All customers, regardless of their financial circumstances or potential profitability, received the same level of service. In both case studies, structured review sessions - Financial Review meetings in the bank and New Medicine Service and Medicine Use Reviews in the pharmacy - were key elements in the organisations operational strategy to build a relationship with their customer's (*Customer Interface*).

Table 7.26 Interaction: The relationships formed are strengthened by the personalised service provided



These meetings were designed to address specific issues customers had concerning the goals they were focused on achieving; to manage their finances securely or to improve a medical condition. In the pharmacy for example, whilst patients demonstrated that they engaged with a variety of different sources to gain information and advice, their relationship with the pharmacist was a significant factor in how they perceived their experience. The organisational data also emphasised the personalised nature of these meetings, with employees being able to allocate enough time to focus specifically on the customer being attended to. Similarly from a customer's point of view, the ability to interact with branch employees without feeling rushed or pressured to complete without their concerns being fully addressed (*Perception of Time*) was

an aspect highlighted in the data, as Informant C13 emphasised:

“You can ask any question you want to without feeling that you’re taking up somebody’s time or that you’re being silly.”

7.5.4 Adaptability

This construct represents the extent to which the delivery system is capable of personalising the service offering to meet a customer’s needs. The delivery system in both studies had been designed to provide a limited degree of customisation (Table 7.27). Similarities between the data obtained from customers and employees focused on:

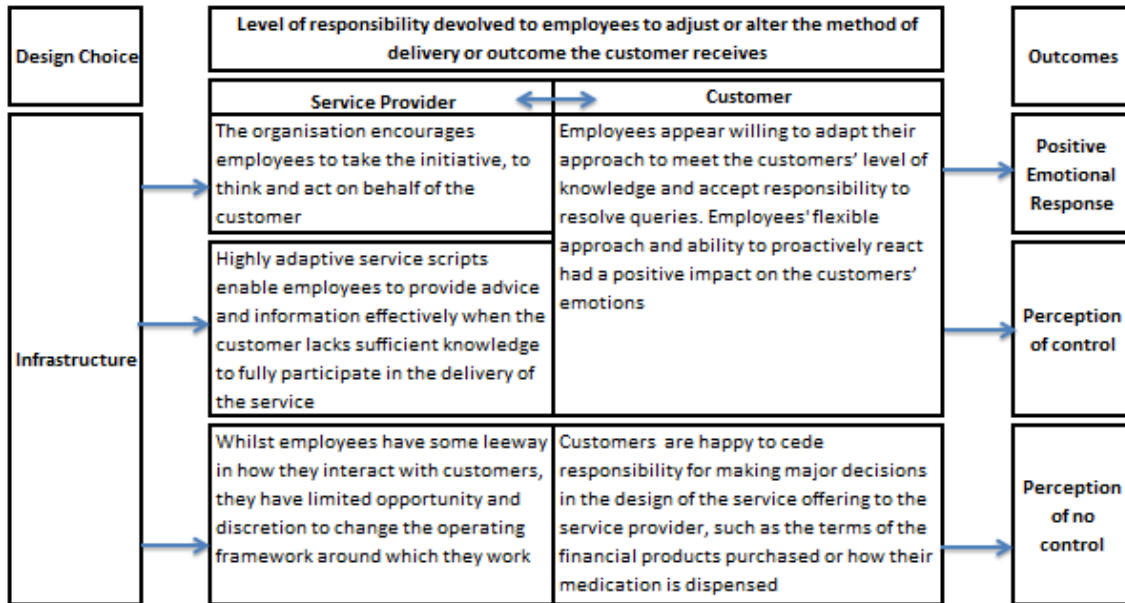
1. The level of responsibility devolved to employees to adjust or alter the method of delivery or outcome the customer receives
2. The ability of the delivery system to enable the customer to participate or adapt the delivery of the service

Table 7.27 Comparison between Employee and Customer data: Adaptability			
Bank	Informants	References	% of Total
Employees	18	98	20.7%
1. Operating processes that enable customers to adapt	11	23	
2. The customers’ ability to synchronise their banking activities between channels	3	8	
3. Willingness of organisation to respond to customer input	16	67	
Customers	29	202	19.8%
1. Enabling the customer to participate in the delivery of the service (their actions)	28	173	
3. Willingness of organisation to respond to customer input	17	29	
Pharmacy	Informants	References	% of Total
Employees	21	110	23.3%
1. Operating processes that enable customers to adapt	11	29	
2. Willingness of organisation to respond to customers input	19	61	
3. Consultations with patients require a flexible approach and highly adaptive scripts	11	20	
Customers	30	279	22.3%
1. Enabling the customer to participate in the delivery of the service (their actions)	30	202	
2. The willingness of the organisation to respond	21	77	

1. Level of responsibility devolved to employees

Whilst both organisations had a clear set of operating procedures which they expected employees to follow, employees’ willingness to use a limited degree of discretion and flexibility in how they delivered the service to their customers was an emerging theme Employee (36 references-bank; 47 references-pharmacy Appendix 7a/c); Customers (5 references-bank; 19 references-pharmacy Appendix 7b/d) (Table 7.28).

Table 7.28 Adaptability: Level of responsibility devolved to employees



The data demonstrated employees were encouraged to take responsibility to resolve a customer’s problems and adapt their approach to satisfy their individual needs (*Organisational Infrastructure*). The allocation of duties and general working schedules in each branch also appeared to provide sufficient time for employees to adapt their approach and proactively react to a customer’s particular circumstances without seeking authority from their line manager. Local branch management teams, for example in the bank, had been empowered with a degree of discretion to resolve issues and compensate for problems with customers’ accounts rather than simply forwarding them on to their head-office. This flexible approach was not limited only to the senior manager in each branch. The data from both employees and customers also provided examples of individual “acts of kindness” in which general assistants went beyond what would normally be expected of them to satisfy the needs of their customers. The employee’s flexible approach, ability to proactively react and willingness to accept responsibility to resolve queries, was also shown to have a positive impact on the customers’ emotions. Informant C26 demonstrates how this flexible approach had a positive impact on how he felt about his experience:

“They’ve sent me a letter twice, they’ve sent me a letter saying did you realise you’ve gone overdrawn over your overdraft limit. If you can replace the money into your account by this date, we will refund

the charges and that's happened twice ... That is a brilliant service, yes the fact that they are bothered ... they said that because I am a customer that generally has had no problems with that kind of thing, they give you a leeway."

2. Customer Participation

Whilst there were few opportunities for customers to adapt the product they purchased to meet their specific needs, the data demonstrated when customers had sufficient knowledge, the opportunity to actively participate and shape the delivery of the service had a positive impact on the experience they perceived. (Table 7.29). Employees (23 references-bank; 29 references-pharmacy Appendix 7a/c); Customers (173 references-bank; 202 references-pharmacy Appendix 7b/d). In the bank, the delivery system had been designed to provide customers with a degree of flexibility both in how they selected a financial product and how they participated in managing that account once a purchase had been made (*Customer Interface*). Customers were able to choose the delivery channel through which they accessed their accounts or requested information (Appendix 4e 6.1b-c) and were able to synchronise their activities between these channels (*Technology and Physical Support*). The ability to easily access information about the status of their accounts through the channels made available (10 references Appendix 7b) provided a degree of cognitive control and through the opportunity to check the correct transactions have been allocated to their accounts i.e. to take direct action, an element of behavioural control. The delivery system had also been designed to enable customers to make some minor changes to how the service was delivered, with a limited range of options through which they could influence how their account was managed, (for example to pay bills or amend transfers) (86 references Appendix 7b). Whilst there was little recognition by managers of the importance of these features, the ability to personally manage these options easily had a positive impact on their customers' emotions and provided them with an element of decisional control

"It is important, very important because it can be at all sorts of day or night and you think "Oh I need to do it", so being able to go on the internet and do it ... it makes me more confident in the bank, happier and more at ease." (Informant C29)

Table 7.29 Adaptability: Customer Participation

Design Choice	Level of responsibility devolved to customers		Outcomes
	Service Provider	Customer	
Customer Interface	Customers have the ability to make some minor changes to how the service is delivered, however there was little recognition by managers of the importance to the customer of being able to manage their accounts in this way	The flexibility provided by the delivery system and ability to easily manage their accounts had a positive impact on customers' emotions and provided an element of decisional control	Positive Emotional Response
	During Financial Review meetings customers are provided with enough information to enable them to make an informed decision (Bank)	Customers' are provided with an opportunity to make a choice in the financial product purchased which provides a degree of decisional control in the acquisition phase of opening a new account	Decisional Control
	The operating process allows branch team to adapt some elements of the delivery process to meet the particular needs of the patient e.g. modified dosage systems can be provided if required (Pharmacy)	Patients are aware of the limited options available to adapt some elements of the delivery system to suit their particular needs. This provides patients with a degree of decisional control	Decisional Control
	Scheduled review sessions provide an opportunity for the pharmacist to engage with their patients and if required to recommend changes to the original medication if the side-effects are debilitating. Pharmacists are also able to coach patients to administer their medication more effectively. (Pharmacy)	Scheduled review sessions provide patients with additional information that enable them to better understand how their medication works and its possible side-effects - The ability of the pharmacist to fully explain the medication prescribed and minimise the possible side-effects of their medication had a positive impact on patient's emotions - Patients' ability to understand their medical condition and the remedy prescribed provides patients with an element of cognitive control over the treatment of their medical condition - The information received allows patients to change how their medication is administered to maximise its effectiveness i.e. the advice provided an element of behavioural control.	Positive Emotional Response Cognitive Control Behavioural Control

In contrast, patients of the pharmacy were provided with very little opportunity to influence how the dispensing process operated. In general, their level of knowledge of the dispensing process was not sufficient to enable them to participate in this element of the delivery process. Patients were however, provided with a variety of communication channels - phone, electronic prescription service through the internet or direct through their surgery (*Technology and Physical support*) - through which they could place repeat prescriptions. The delivery process was also designed to enable some patients to adapt how they received their medication, such as in the provision of modified dosage systems (Dosett Boxes). These options, and the ability to

choose where, when and how repeat prescriptions were requested, influenced the degree of decisional control patients perceived.

Scheduled interventions (MUR, NMS) (*Customer Interface*) also enabled the pharmacist to coach patients to administer their medication more effectively and recommend changes if side-effects were debilitating. The ability of the pharmacist to fully explain the medication prescribed and minimise its possible side effects had a positive impact on patient's emotions. Likewise, the advice provided patients with behavioural control over their medication regime (that is, the ability to make changes in how the medication was administered), thereby maximising the effectiveness of the drugs prescribed.

7.6 Cross-Case results summary

This chapter presented the findings from the cross-case analysis, comparing the data between the two case studies. Whilst many similarities were identified between the two cases, as would be expected, the analysis also demonstrated clear differences in the design of the service delivery systems in the two organisations. Although differences were identified between the strategic priorities adopted for example, in the development of their distribution channels, the data also showed similarities between the two cases of the key themes uncovered through the analysis of the Experience Mechanism constructs and in the outcomes customers perceived as part of their experience. Whilst the data demonstrated relationships existed between the constructs, the analysis also sought to understand how the Design Choice and Experience Outcome constructs related to each other and what impact or mediating influence the Experience Mechanisms had on both. The final part of the analysis drew from the cross-informant analysis conducted on the data for each Experience Mechanism, highlighting the themes identified as important by both employees and customers that were similar in both cases. Based on this, the specific relationships with each Design Choice construct were identified, demonstrating the role of each Experience Mechanisms in the delivery of the service and, through their relationship with each Experience Outcome construct, their impact on how customers perceive their experience. The discussion chapter will develop this line of examination further, focusing on the relationships through each of the Experience Mechanism constructs which the analysis has shown to

be significant in both the design of the delivery system and in the outcomes customers perceive as part of their experience. The findings therefore suggest strong evidence of the presence and relevance of the constructs and relationships between them in both case studies. Whilst the evidence therefore suggests the theory underpinning the conceptual framework might also be generalisable to other non-hedonic service contexts, propositions have also been developed which the discussion chapter will highlight. These will enable further quantitative studies to be undertaken to test the relative strength and importance of these observed relationships.

Chapter 8: Discussion Chapter

8.1 Introduction

The objective of this thesis was to explore how organisations design for customer experience in non-hedonic service contexts. Following a deductive approach and drawing from existing service design literature from service operations and marketing perspectives, a conceptual framework was developed to investigate the following research questions:

How do organisations operating in non-hedonic service contexts design for customer experience?

The analysis of the data provided some evidence to answer this question. The findings presented in the results chapter demonstrate that in the two cases studied, the Experience Outcome constructs were characteristics which described how customers perceived their experience and that the Design Choice constructs were also present and relevant factors in the design of the service delivery system. Integrated into the design of the delivery system, a number of Experience Mechanisms were also identified which helped to facilitate customers' involvement in the delivery of the service. Further examination of the data for each construct revealed a number of important themes which taken together, influenced how the organisations studied designed their delivery system and how their customers perceived the outcome. Similarly, the analysis also demonstrated that the relationships between the constructs were relevant to the two cases studied. The analysis of the frequency of which references were cited, provides some indication of the strength of these associations.

From the cross-case informant analysis carried out for each Experience Mechanism construct common themes between the employees and customer's data in both case studies were also highlighted. Building on this, the associations linking these themes with the Design Choice and Experience Outcome constructs were identified. The Discussion chapter will focus on these patterns of evidence traversing through each Experience Mechanism construct. Each Experience Mechanism will therefore be presented individually in order to demonstrate their impact on service design and the customers' experience.

Each subchapter draws together the salient elements of the research with relevant examples taken from the extant literature inferring a connection between the constructs. Whilst the significance of the prominence of each individual relationship should be treated cautiously, they provide interesting insights, supported by illustrations from literature which under-pin the findings, into the mediating influence of the Experience Mechanisms on the design of the delivery system and on the Experience Outcomes customers perceive.

Whilst evidence was found to support most of the relationships between the constructs identified on the conceptual framework, the evidence to support the relationships between the Experience Mechanisms and the Memory Recall and Perception of Time constructs was somewhat limited. These findings provide a distinction between the predominately hedonic contexts of the literature sources on which the conceptual framework was developed and the non-hedonic settings of the two organisations studied. These relationships have therefore been examined separately. Based on the analysis of the relationships between the constructs, a revised conceptual framework is presented together with a set of propositions that demonstrate how the design of the delivery system influences a customer's perception of their experience in non-hedonic contexts.

8.2 Experience Mechanism - Focused Attention

Together with related studies drawn from the literature, this section describes the relationships between the Focused Attention construct and the Design Choice and Experience Outcome constructs, as represented in Figure 8.0 below.

8.2.1 The Concept of Flow in Non-Hedonic Settings

The construct of Focused Attention was developed from one of the key preconditions necessary for the formation of flow experiences. A state of flow is likely to develop when the activity being undertaken presents a high level of challenge and the participant needs to focus their attention on applying an equivalent level of skill to achieve a clear goal or purpose (Csikszentmihalyi 1975). The analysis showed however that in both case studies, customers were expected to participate in activities, which provided a moderate degree of

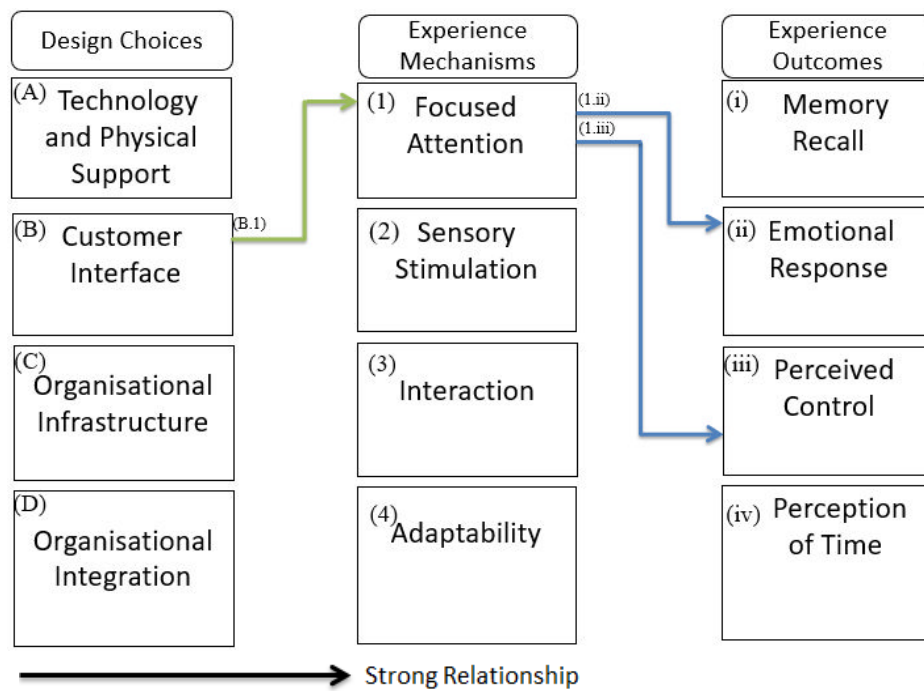


Figure 8.0 The Mediating Influence of the Focused Attention Construct on the Design Choice and Experience Outcome Constructs

challenge, for example, to initiate the service. The level of skill required to carry out these tasks was within the customers' capability although support was provided when required. Similarly, customers' ability to concentrate on activities which enabled them to achieve their consumption goals was a factor influencing their perception of the experience. Importantly however, the research did not find evidence of the deep levels of concentration required during flow experiences. The findings suggest customer experience in the contexts studied were more likely to resemble the "Control Channel" experiences Massmini and Carli (1988) refer to in their experience typology than flow experiences. Whilst the data did not support the existence of flow experiences, through this experience typology the relationship between the level of challenge presented by the delivery system and customers capacity to focus their attention on the skills required to complete it, fundamental elements in developing flow experiences, become relevant to the contexts being studied as reiterated in figure 3.2 below. An example of the control channel experiences can be demonstrated in the banking activities that Informant C23 engaged in to manage her account. These were not particularly complex, and were within her level of ability, but nonetheless required a level of concentration to achieve an

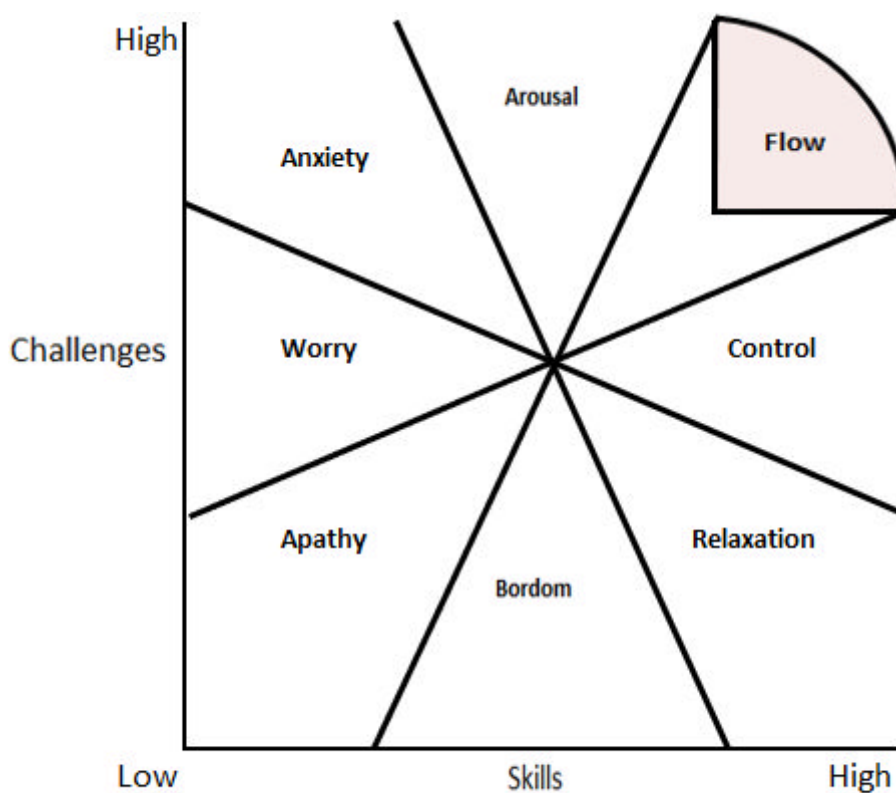
outcome. Her ability to participate in this way resulted in a positive emotional outcome, as she explained:

"O.K. and how anxious do you feel when you are online and doing your banking transactions?"

"I don't."

"Right O.K. is that because you are confident in the process or the people?"

"Well I think I am confident because I understand what I am doing because to me it is really straight forward and it's not complex. I feel quite confident on what I am doing with my banking."



Source: Csikszentmihalyi (1997 p.31)

Figure 3.2 The quality of an Experience defined by the Relationship Between the Level of Challenge of an Activity and the Skills required to Complete it

8.2.2 Relationships with Experience Outcome Constructs

1ii Focused Attention / Emotional Response relationship

The analysis found strong support for the proposed Focused Attention/Emotional Response relationship (57 references-Bank; 60 references-

Pharmacy - Table 7.10). suggesting customers had a clear goal and an understanding of what was important to them in their relationship with both organisations. Whilst a positive emotional response can result from customers engaging with the delivery service (Gentile et al. 2007; Voss et al. 2008), research by Chitturi et al. (2008) also demonstrated the nature of the customers' consumption goals and their motivation for engaging with the service provider (that is, prevention and promotion) influenced the emotions they felt. Whilst research has recognised that many experiences include both hedonic and utilitarian outcomes (Babin et al. 1994), the findings suggest the customers interviewed were motivated predominately by prevention goals (Chitturi et al. 2008); that is, to improve a health condition or to maintain control of their financial affairs. Activities were undertaken therefore, to achieve a functional outcome rather than for their intrinsic enjoyment. In the bank for example, the customers' ability to easily access and manage their accounts, a key goal for using the service, was an important influence on how they felt. Informant C9 explained how the ability to easily access her account, enabling her to focus on achieving her goals, resulted in a positive emotional outcome:

"I find it so easy with them. I have to rely on online to pay my bills and I find that it is wonderful and if you ring them up the actual customer service bit in the bank when you ring them up is wonderful ... they're very obliging, it's absolutely wonderful."

Applying the logic provided by Chitturi et al. (2008) in circumstances where a customer is focused on undertaking an activity in pursuit of a clear prevention goal (such as accessing and managing their account online) the likely emotions aroused would be prevention emotions such as confidence and security linked with a high degree of satisfaction. The findings demonstrate that whilst evidence of positive advocacy emotions were identified as in the above example, the emotions felt as a result of customers' involvement in the delivery of the service were predominantly prevention emotions. In both organisations, trust and confidence in the performance of the delivery system, important prevention emotions, were significant factors in determining a positive experience. Informant C23 explained that as well as the delivery system enabling her to easily make money transfers, the enhanced security process also provided an increased feeling of safety:

“Yes dead easy, really easy ... when you set up a new account for transfers, you have to use the readers, so I feel safe with that because that ensures that it's you that's doing it. Because it's like a double safety thing really.”

In the pharmacy, whilst patients had little involvement in the dispensing of their prescriptions, the ease of access and reliability of the dispensing process enabled them to obtain their medication easily which resulted in a positive emotional outcome. As Informant P5 points out:

“I can't fault them on anything, the time is great, you're never really kept waiting. Confidentiality is a hundred percent. Trust again is a hundred percent, they're just really good.”

Patients' active involvement for example, during a consultation with the pharmacist, also had a positive impact on their emotions. The challenge of the activity (being able to access medical advice) was in line with the patients' ability to achieve them (the consultation being possible without prior booking). Informant P30 however, recalled a situation which he encountered in another pharmacy organisation when he was not able to understand what he was being told because of the pharmacist's accent. In this situation, his need to understand a medical condition (the challenge of the activity) was outweighed by his ability to comprehend what he was being told (his level of skill and concentration), which resulted in a negative effect on his emotions:

“there's been another chemist, where ... lovely bloke, but I couldn't understand a single word he was saying to me ... I just remember, as nice as he was, it didn't make much difference because I didn't know what the heck he was talking about because I couldn't understand him.”

“So how did that make you feel?”

“Frustrated because you haven't achieved anything. You end up having to go to another supermarket or another chemist.”

1iii Focused Attention / Perceived Control Relationship

Grewal et al. (2007) suggest that delivery systems can be designed to enable customers to perceive a sense of control over the service they are engaging with. In their research, they demonstrate that as the level of control a customer perceives increases, their perception of the quality of the service being provided

also rises. When, for example a customer focuses on the information provided to monitor the progress of their online orders via for example, logistics and courier services TNT (Frow and Payne 2007) or FedEx (Grewal et al. 2007; Meyer and Schwager 2007) they experience an element of cognitive control (Dasu and Chase 2010). In these circumstances, whilst the customer has no control over the outcome of these delivery systems, the information provides them with an element of cognitive control by enabling them to interpret how well the delivery process is performing (Dasu and Chase 2010); that is, to check when their delivery will arrive and to make arrangements if this falls outside the scheduled delivery time. Similarly, when a state of flow is achieved, participants also experience a strong sense of control over their actions and of the situation they are engaged in (Csikszentmihalyi 2003).

The analysis demonstrated when customers were provided with the means to achieve their goals they perceived a strong sense of control (Relationship 1iii) (34 references-Bank; 35 references-Pharmacy - Table 7.10). In the bank, customers' ability to easily access their accounts enabled them to take direct action to achieve their goals - maintain control of their finances. Informant C23 for example, provided an account of the cognitive control she felt as a result of her ability to easily check the status of her current account:

“Very important yes. I think I’ve got control because I know what is happening, when things are going in and out. I’ve got a record of it. It’s there for me to check whenever I want, any time of night or day. If I’m not sure of something, I can just look at it and it’s there ... No I feel I am in control quite sufficiently. There is nothing there that I don’t know about.”

Customers' ability to focus on their goals without the distractions of unwanted advertising, for example through the design of the organisations website, added to the sense of control they felt they had over the delivery process, as Informant C28 explained:

“Yes, it’s always been quite straight forward. I think they are a bit less ... certainly the website is a bit less flashy than lots of the other banks’, which I quite like. I think it is a bit more straight forward, a bit more up front and I don’t feel like I am being pushed stuff all of the time, so yes I really enjoy the simplicity of their website.”

Conversely, the responsiveness and lack of real-time communication when attempting bank transfers was identified as a distraction which had a negative influence on customers' perception of control, as Informant C8 described:

“The one thing that does sometimes rankle a little bit is when you do a transfer to another account, you've pressed it and you want to think that that money's gone, but sometimes on the screen you can go back in a day later and it is still on there.”

In both examples, the customers' ability to easily achieve the outcome they desired was potentially influenced by distractions outside their control (persistent advertising in other banks and slow response time for account transfers) thereby reducing the perception of control they perceived they had over the delivery system.

8.2.3 Relationships with Design Choice Constructs

B1. Customer Interface / Focused Attention Relationship:

The data provided strong support for the proposed Customer Interface/Focused Attention Relationship (58 references-Bank; 36 references-Pharmacy - Table 7.10).

8.2.3.1 Learning environments: The analysis demonstrated the customers' level of knowledge was a factor considered in the design of the Customer Interface, which influenced their ability to participate and engage effectively with the delivery system. Bendapudi and Leone (2003) make the observation that the customers' ability to adapt the outcome to suit their particular needs will only be beneficial when they have sufficient knowledge and expertise to fully participate. They note that if the customer lacks the appropriate knowledge but nonetheless forced to co-create the service offering, they might express negative feelings about their involvement. Walker et al. (2002) also point out that customers are more likely to adopt technology-based delivery systems if they believe that there is access to customer service employees to provide technical support if problems develop that they cannot rectify themselves.

In the contexts in which both organisations operate, customers have appreciably less knowledge of how to satisfy their needs (dispensing medication or deciding which financial product is most appropriate), than the service provider they were engaging with. Prahalad and Ramawamy (2004, p.9)

recognise that in the past, organisations exploited this “*information asymmetry*” by focusing predominantly on providing information regarding the benefits of their service offering and largely ignoring the risks and obligations customers are required to accept. Organisations are often reluctant to provide this information as it enables customers to make comparisons between competitors more easily (Eisingerich and Bell 2008). Prahalad and Ramaswamy (2003, 2004) suggest that customers should be provided with sufficient information to enable a meaningful dialogue to develop and an atmosphere of trust to build. In support of this assertion, research by Eisingerich and Bell (2008, p.257) demonstrated that customer education programmes used to help reduce this knowledge imbalance, resulted in a “*deeper and more trusting relationship*” developing between customers and the financial service firm used in their study. In both cases, the data shows that direct face-to-face meetings with employees had been specifically designed to ensure customers were provided with sufficient information to make informed decisions and fully participate where the delivery system allowed.

“So when you’re opening an account with us, you don’t know anything about us, so you need a bit of background, need to know how to do things.”

(Manager A3 – Bank)

Branch employees had a critical role in delivering these events. In the bank for example, financial review sessions, major contact events with customers, were designed to provide guidance on a range of financial products. The aim of these meetings was to identify the most appropriate financial product to meet the customers’ personal needs and circumstances and to give sufficient information to enable them to fully understand the costs and obligations involved in the product they were acquiring. They were recognised by managers as a key element in maintaining the customers’ relationship with the bank.

The information and support provided by the Pharmacist during scheduled interventions also enabled patients to make correct decisions in how they administered their medication. The New Medicine Service and Medicine Use Review process were both designed to ensure patients had a clear understanding of how to get the best outcomes from their medication.

“... those are great ways of engaging in a different way with patients about the service offer. Every patient that’s been using regular medication ... qualifies for a Medicine Usage Review. That’s an opportunity for the pharmacist to engage with the patients around their understanding of the medicine, the impact of it, how they are getting on and any side-effects.”

(Manager B3 – Pharmacy)

“It’s just as good to find out that someone is taking their medication properly and is not an issue and they go away happy thinking “Oh yes I’m doing it right” just as much as pointing it out to somebody “actually you are not doing that right”.”

(Manager B2 – Pharmacy)

Both organisations managed a follow-up process once the initial meeting had been completed. In the pharmacy for example, further sessions were arranged at 14 and 28 days if a patient was prescribed a new medication that might result in serious debilitating side-effects. This enabled the pharmacists to understand how their patients were adapting to their new medication and possibly to suggest better ways of administering it. A range of instore information leaflets, designed to support these face to face discussions, was also provided (Appendix 5a/b; Appendix 4e 4.1b; Appendix 4f 4.1a-h/5.1a-h). Customers also acknowledged that the ability of employees to provide advice in a sympathetic and supportive manner was a significant benefit and one which had a positive influence on how they felt about the service provided by the organisation:

“Well I feel happy, you know that the pharmacist has taken his time to discuss my ongoing problems with me, my ongoing medication. So I go away happy you know, that somebody is taking an interest in the medication that I am receiving, which I find is good.” (Patient P15)

8.2.3.2 Distractions and Interruptions: In situations of flow, the participants’ level of intense concentration means other irrelevant stimuli are filtered out (Csikszentmihalyi 2003). In less intense experiences typified by control channel experiences (Massmini and Carli 1988), levels of attention applied during the activity are more susceptible to distractions. Research by Cmiel et al. (2004, p.41) for example, demonstrated the extent that disturbances influenced patients sleep patterns, *“an essential component of energy restoration and*

physical healing when recovering from illness.” To maintain levels of concentration therefore whilst actively participating in delivery systems which provide essentially control channel experiences, interfering stimuli external to the task being tackled must also be minimised (Csikszentmihalyi 1975). Whilst limited research has been undertaken to determine the effect of distractions and interruptions on customer experience, they have been shown to increase stress and reduce the level of satisfaction customers feel when using internet shopping sites (Xia and Sudharshan 2002). Pine and Gilmore (1998, p.103) point out customer experience is influenced as much by the removal of negative clues which “*diminish[es], contradict[s], or distract*” customers from achieving their goals as by the presence of positive service clues. Stuart and Tax (2004, p.610) also observe for example, “*awkward or inappropriate light and sound, and disruptive scene changes*” are factors which influence how engaged audiences become during a theatrical production. Similarly, Bitgood (2002) highlight how negative sensory clues add distractions which limit a customers’ ability to focus on the activity they are engaged in performing. The literature suggests therefore that distractions occur at the point of contact (the Customer Interface) influence the customers’ ability to participate, which can have a negative impact on their emotional response to the service provided.

Operational distractions – Data from both groups of employees (20 *references-Bank; 14 references-Pharmacy-Appendix 7a/c*) demonstrate distractions which either prevent the customer from accessing the delivery system, delayed the delivery or influence their ability to comprehend how the delivery system worked resulted in negative emotions being felt. Managers recognised operational distractions influenced the level to which customers were willing to engage with the delivery process as manager (A4) in the banks’ call-centre explained:

“ You don’t want people jumping around like idiots, joking you know, like the stuff on the call centre ... it definitely does impact on peoples experience and what makes it particularly galling for the customer is if they can sense the adviser is engaging with the activity in the call centre and not fully engaging with them.”

The evidence suggested the situations which had the greatest potential to distract customers occurred when they were discussing sensitive issues with

branch employees. Factors which influenced the customers' level of engagement whilst engaged in these meetings can be categorised as:

1. The presence of other customers in the service setting;
- and
2. The space made available to conduct discussions in private.

1. The presence of other customers: In situations where the service is performed simultaneously with other customers, the social interaction and engagement that occurs with both employees and with other people present (Grove and Fisk 1997; Pullman and Gross 2003; Voss and Zomerdijsk 2007; Verhoef et al. 2009; Lemon and Verehoef 2016; Gursoy et al. 2017) can have a significant influence on how the experience is perceived. Whilst sharing the service setting with those with similar interests can be perceived as "*exciting or reassuring*" (van Rompay et al. 2008, p.320) and adds to the overall experience (Martin and Pranter 1989; Voss and Zomerdijsk 2007), the data suggests in the service contexts studied, the presence of other customers had no positive benefit and had the potential to negatively impact on the experience. Whilst little direct interaction was noted between customers, their presence did have an influence on how the informants from both customer cohorts engaged with the delivery process and their ability to concentrate on the activity they were participating in. Despite the obvious frustrations caused by long customer queues, the impact and influence of others in the service setting was experienced in two ways, through their physical presence and their proximity to each other.

Physical presence – Disruptive behaviour by other customers, such as irritability, rudeness and impatience were cited as distractions affecting an individual's ability to focus on their conversations with an employee. This type of behaviour appeared to be more prevalent among patients in the pharmacy. Whilst the informants interviewed accepted patients visiting the pharmacy were likely to be feeling unwell, which at times excused their behaviour, their attitude towards patients with a high drug dependency was less tolerant. A number of Informants interviewed from a branch with a high number of patients requiring a regular methadone prescription, felt very uncomfortable and anxious in the

presence of this group of patients. This was a factor raised on several occasions. Informant P7, explained how this situation made her feel:

“Well they used to come in and get their methadone and I hated that, absolutely hated that. They used to stand there on the corner and come in and drink it and there’d be children in here and allsorts and oh it was horrible. I absolutely hated it.”

This would have had a significant negative influence on the informants’ evaluation of their experience had other arrangements not been made to serve this group away from the main flow of patients using this branch. The situation, however was easily recalled by the informants using the branch, which demonstrates the impact other customers can have on their perception of their experience in this context.

Proximity – The proximity of other customers or “human density” in a service setting (van Rompay et al. 2008) is influenced by the degree and frequency of social interactions and the level of interference between the people present (Dion 2004). High levels of human density, that is, large numbers of customers in close proximity, produces positive outcomes (both in the level of control customers perceive they have and in the emotions aroused) in some settings and negative effects in others (Hui and Bateson 1991; van Rompay et al. 2008; Lemon and Verhoeve 2016). Research by Hui and Bateson (1991) for example, demonstrate that in crowded leisure settings, high levels of human density were positively associated with perceived levels of control. They also demonstrated however, a negative association in similar conditions in a bank. In these contexts, high levels of human density acts to constrain and frustrate customers from achieving their personal goals (van Rompay et al. 2008).

Some evidence was uncovered to suggest the impact of other customers in close proximity was negatively associated with levels of perceived control and more likely to result in a negative perception of the experience. The proximity of other people was a major factor influencing customers’ willingness to initiate or prolong conversations with employees in both branch settings. The informants reported for example, feeling under pressure to rush conversations or not take up excessive amounts of employees’ time when large numbers of customers were waiting to be served. Informant P29 explained about the pressure she felt to rush conversations when the pharmacy she visited was busy:

“... then the interaction with the [Pharmacist] you feel, well I certainly feel if you’ve got a roomful of people, there’s no time to have the conversation you may need to have. So that means you leave frustrated as well.”

2. The space made available to conduct discussions in private: In both case studies the customers’ ability to gain advice from employees was an important factor in the relationship that developed with the service provider. To be comfortable disclosing sensitive personal information such as their financial and health concerns however customers required a degree of privacy. Managers recognised that the design of the physical setting made it difficult for employees to develop a dialogue with customers as manager B3 in the pharmacy explained:

“One of the challenges we face I think in pharmacy is a lot of the conversations customers want to have are very private and confidential. To stand at the counter with twelve people behind you and tell them you want to talk about a urinary infection or whatever it might be, it’s one of the biggest points of feedback we get.”

The estate of branch offices across both organisations generally had limited space for areas where these conversations could be held and not be overheard. Privacy and the ability to discuss sensitive information confidentially were however recognised as key requirements in the design and location of the semi-permanent cubicles in the bank and the consultation rooms in pharmacy branches. Both managed a design footprint to correctly allocate and maximise the effective use of the space available. Operational managers however acknowledged the limitations in the design of their branches. The lack of space meant customers perceived a sense of crowding through the effect of spatial density (Dion 2004). Spatial density relates to the customers’ ability to move through the service setting and the effect created by physical obstacles that hinder this (Dion 2004). Research by van Rompay et al. (2008) demonstrated that an increase in spatial density was shown to have a negative effect on the level of control customers perceive. When a service setting is spatially dense, customers also experience greater feelings of human crowding (Machleit et al. 2000). Research by Machleit et al. (2000) in two separate retail contexts,

demonstrated perceptions of high levels of both human and spatial crowding evoked negative emotions and a decrease in shoppers' level of satisfaction.

The high level of spatial density experienced by some customers in both organisations influenced their willingness to fully engage in conversations with branch employees because of concerns over the lack of privacy and the fear of being overheard by other customers when discussing information they wished to remain confidential. This resulted in some informants becoming anxious, nervous and therefore reluctant to talk about sensitive medical issues or their financial circumstances. Lack of privacy was a concern for Informant C10 for example, when she described her feelings when making large withdrawals of money from her local branch:

"I'm not keen on the set up, in the way the actual branch is set up. It all seems a bit public in what you are doing ... If there's a queue of people who know you are getting a couple of thousand out and marching off with it, well you know, I just felt a bit anxious."

The layout and design of the internal office spaces therefore had the potential to become a distraction limiting customers' ability to fulfil their prevention goals, as Informant P25 explained:

"It's not a very nice experience. You tend to want to go round the corner and whisper in their ear because there's about twenty people queueing, all listening to what you are saying."

Similarly for other customers, having to listen to other conversations, either between customers or between customers and employees also created a sense of embarrassment.

The results demonstrate the propositions underpinning the experience typology described by Massmini and Carli (1988) are relevant in non-hedonic service contexts. The type of experience an individual perceives emerges as a result of the relationship between the challenge of the activity being undertaken and the participant's level of skill to complete it. In non-hedonic contexts, customer experience is more likely to resemble control channel experiences in which the service provision presents a moderate degree of challenge which is matched by customer's commensurate level of skill. The analysis also shows the underlying motivation for engaging with the service provider, that is to achieve either

prevention or promotion goals, influenced the nature of the customers experience. In the two case studies presented, the customers' ability to concentrate on activities (Focused Attention) that enable them to achieve their prevention goals produced a positive emotional response which focused heavily on prevention-related, 'Recommendation Emotions' such as trust, confidence and feeling cared for (Shaw 2007, p.86). When provided with the means to access and participate, they also experienced a positive sense of control.

A key theme identified in the data related to the impact of distractions which influenced the customers' ability to participate in activities that helped them to achieve their goals. These had a negative impact on customers' emotional responses and their perception of the amount of control they had. Service designers need to consider both the nature of the customers' goals and the possible detrimental effect of distractions caused by both the design of the physical setting and the presence of other customers when making interface design decisions.

8.3 Experience Mechanism - Sensory Stimulation

This section describes the relationships between the Sensory Stimulation construct and the Design Choices and Experience Outcomes constructs (Figure 8.1) together with related studies from literature, where the analysis found strong support.

8.3.1 Relationships with Experience Outcome Constructs

The signals provided by the environmental and mechanic clues in the setting in which the service is performed and social interaction with employees and other customers, stimulate customers' sensory perceptions thereby influencing how they think, feel and physically respond to the service provided (Bitner 1992; Berry et al. 2006a). Together these clues collate into a set of impressions in the customer's mind (Pine and Gilmore 1998).

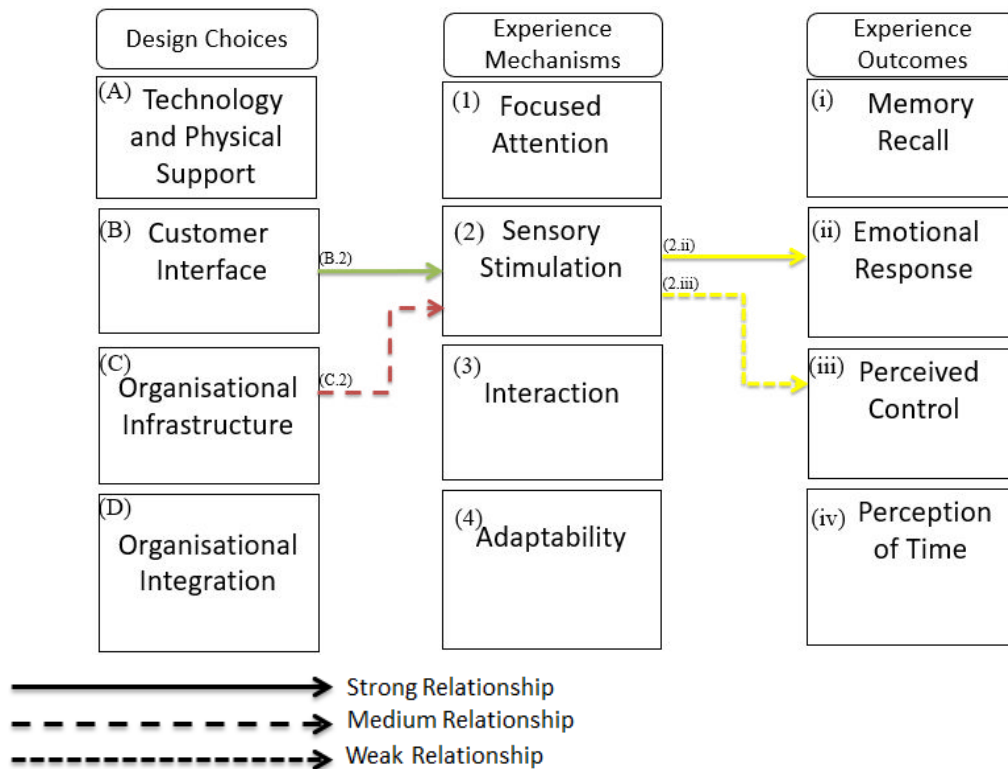


Figure 8.1 The Mediating Influence of the Sensory Stimulation Construct on the Design Choice and Experience Outcome Constructs

2ii. Sensory Stimulation / Emotional Response

Evidence of strong support for the proposed Sensory Stimulation/Emotional Response relationship was identified (*54 references-Bank; 61 references-Pharmacy - Table 7.10*), the analysis suggesting the signals emitted through sensory clues embedded in the service setting had an influence on the emotions customers felt. Examples were identified of positive and negative emotions being felt as a result of the customers' engagement with both the humanic and mechanic clues present in the service setting. The humanic clues generated through the behaviour of branch employees in the bank for example, influenced how Informant C26 engaged with the delivery system and the resulting emotions she felt:

“Yes I feel valued, they genuinely respect you as a customer and want to help you, the staff I’ve met ... I don’t feel, I’ve never felt they are thinking “Oh, she’s in again and she wants a statement” you know or I never felt disrespected as a person ... or this is an older person that just doesn’t get it and why doesn’t she use telephone banking or anything like that ... I’ve not felt like that at all.”

In the pharmacy, Informant P15 gave this account of how the mechanic clues provided by the open dispensary enable him to gain a degree of confidence in the way in which the dispensary team performed:

“To me it comes across quite good ... I'm used to systems and I'm used to working professionally with professional people and that's the impression you get here. They know what they are doing, they get on with it and there's no undercurrent of any problems at all anywhere. They just seem to work very well as a team.”

Whilst extant literature indicates that a customer's “*emotional perception*” (Berry et al. 2006a, p.1) of the service offering is influenced by the mechanic clues present in the physical setting, the results from this research suggest that this is contingent on the context of the service being provided. This finding supports the research by Bitner (1992), who observes that the importance of individual service clues and environmental variables vary depending on the level of customer's involvement and the complexity of the service setting. For example, the analysis provided little evidence to suggest the internal decoration; furnishing and ambient conditions (the temperature, lighting, and background noise) in the branch setting made a substantive difference to how experiences were perceived in the contexts studied. An explanation for the lack of importance placed on these sensory clues could be that on most occasions customers spent a relatively short amount of time in the service setting and that these clues were not important elements in helping them to achieve their goals. Based on the observations from both customer cohorts, designing a more vivid setting would not have positively influenced their overall perception of the experience. When asked about the impact of the physical space, Informant C10 summarised the general opinion of both groups of interviewees:

“I'd much rather have a functional space and know they were spending the money on the bank, on the customers ... as long as it's clean and its fairly bright you know I don't care.”

The findings suggest whilst subconsciously the vividness of these clues might have had an impact on the informants' perceptions, at a conscious level these clues were not particularly salient. In the two contexts studied therefore, the internal decoration, furnishing and ambient conditions act as “*dissatisfying factors*” (Johnston and Heineke 1998, p.104) in that whilst necessary, if their

design was considered anything more than adequate this would have had little additional influence on how the experience was perceived.

2iii. Sensory Stimulation / Perceived Control relationship

The analysis also demonstrated the clues customers identified as important in the design of the Customer Interface, related to factors which influenced their ability to achieve their personal goals. The mechanic clues provided by the standard of branch cleaning was one such measure perceived as important by customers as it provided them with an indication of service quality and an element of cognitive control over the outcome of the delivery process. Whilst the interview data provided limited support for the Sensory Stimulation/Perceived Control relationship (*5 references-Bank; 7 references-Pharmacy - Table 7.12*). this was an interesting finding supported by the branch observations carried out. In the pharmacy for example, the patient's ability to trust the accuracy of the dispensing process was a key requirement expected of the delivery system. However as employees' performance in the dispensary was often unclear or unobservable, the standard of branch cleaning was an important proxy clue (Clinton 2004) (Appendix 5b) which suggested to patients the attention to detail, level of accuracy and proficiency of the dispensing technicians preparing their prescriptions. Research by d'Astous (2000) and Vilnay-Yavets and Gilboa (2010) demonstrate that standards of cleanliness are important determinates in a customer's evaluation of service quality.

Cook et al. (2002, p.164) also highlight the importance of cleanliness pointing out that *"unclean equals unsafe in customers' minds"*. By providing *"a favourable story"* (Grewal et al. 2007, p.252) and reducing patients' uncertainty through a tangible assurance the process was being managed effectively (Dasu and Chase 2010), these mechanic clues were important elements in how the "interface" was designed: dirty shelves and clutter on the shop floor acting as indicators of potentially bigger problems in the dispensary. Patient P27 described how this would negatively influence how she would feel if presented with that scenario:

"Well I would expect it would be clean. If it was dirty I think I wouldn't be happy to use it because if you looked and all of the surfaces were filthy, you would believe that actually their standard of hygiene is also

poor, then sort of think about people handling pills and allsorts. So yes it needs to look clean for me.”

8.3.2 Relationships with Design Choice Constructs

B2 Customer Interface / Sensory Stimulation

The transcript data from employees also provided strong support for the Customer Interface / Sensory Stimulation relationship (53 references-Bank; 40 references-Pharmacy - Table 7.10), providing a significant number of references to describe how both mechanic and humanic sensory clues embedded in the service context had a direct influence on how customers achieved their consumption goals. Haeckel et al. (2003) and Berry et al. (2006a) both describe how these clues stimulate customers sensory perceptions which ultimately influences their emotional perception of the service provided.

Mechanic Clues – In the bank for example, the layout of branch offices and design of the cubicles for face-to-face meetings with employees (Appendix 4e 6.3d-f) were factors identified in the data which influenced customers’ enthusiasm to participate and to remain engaged during the delivery of the service. Confidence in their ability to conduct some transactions without being overheard (auditory clues) and trust in the confidentiality of these discussions were specific requirements that influenced how customers felt about conducting conversations with employees. Similarly, cramped areas and lack of space were identified as important factors influencing customers’ emotional perception of the service provided. In this example however, Informant C6 explains how the layout of the banking hall had a positive impact and was an important factor influencing how she felt about engaging with the service provider:

“I think it is because I still feel that I’m being dealt with confidentially and like I said, that I don’t feel cluttered, I think that whole layout ... it’s nice, there are things I can look at if I want to. They always have little seated areas, so you could sit if you want to. It just feels more welcoming.”

The provision of soundproof consultation rooms and seated waiting areas located away from the main counter points in the pharmacy also satisfied individual’s requirement for their own personal space and privacy from other customers when interacting with employees.

The ability to hear and comprehend correctly what employees were saying (auditory clues) was also cited as an important factor in customers' descriptions of their conversations. The design of the main serving counter in both the bank and pharmacy settings were therefore important mechanic clues influencing how the informants engaged with the delivery system. Counters in the bank not enclosed by security glass for example, presented a greater opportunity for employees to build a dialogue with their customers and elicit a more positive emotional response. The ability to talk directly to an employee rather than through a glass security screen was recognised as a preferable design option as manager B3 explained:

"It is a very tactile experience. In most branches, the levels were set where the general advisor could actually lean over or react or interact with the person on the other side. So it is a lot different to walking in and being faced with a sheet of perspex and trying to communicate with the person by shouting at them on the other side."

The research therefore adds to the findings from the extant literature concerning the impact of environmental conditions and physical service clues on customers' perception of their experience. The findings support research by Bitner (1992, p.67) which suggests the physical setting (the servicescape) acts as a "*visual metaphor*", signalling to customers the experience they will receive, the standard of cleanliness for example influencing patients' perceptions of the pharmacy's ability to manage the dispensing process to the standards they expect.

Whilst the analysis demonstrated strong support for the Customer Interface/Sensory Stimulation (2ii) relationship, the findings indicate, as research by Fernandes and Cruz (2016) suggest, that the sensory clues which had the biggest impact in terms of emotional response and levels of perceived control were those that directly contributed towards the customer achieving their particular consumption goals. The sensory clues that Pullman and Gross (2004, p.257) cite as important elements influencing customers' emotions in hedonic settings, such as "*music, lighting, and colour*", or the ambience factors Slatten et al. (2011, p.81) highlight, including "*light, sound, and smells*", were shown to have less impact on the experience perceived by customers in the non-hedonic

contexts studied. Whilst these clues were adequately presented, they did not directly relate to the goals customers were focused on achieving.

In addition, whilst customers expected an acceptable standard in the design of the physical setting in terms of ambience and décor, there was no evidence found in the data to suggest the customers' experience would be enhanced through additional layers of *"multi-sensory"* mechanic clues as suggested by Haeckel et al. (2003) and Pine and Gilmore (1998), these being important criteria in the design of hedonic experiences. Informant C3 summarised this view suggesting the humanic clues provided by the performance of employees had a more significant influence on the experience he perceived:

"So I don't give a jot about the colour, I don't give a jot about the floor finish, it's nice to have a coffee if you need it, but to me it's the staff. If I found the staff difficult, I would change my business and go somewhere else."

Humanic clues – The importance of the performance of branch employees and the degree of service-orientation displayed during the delivery of the service were factors highlighted through the analysis. This was an important element in the design of the Customer Interface component of the delivery system influencing customers' emotions and their perception of control. Service-orientation (Bitner et al. 1990; Chebat and Kollias 2000; Mathies and Burford 2011) can be defined as the attitudes and behaviours of employees and their willingness *"to deliver excellent customer service and adjust their service delivery to meet the customer's needs and preferences"* (Mathies and Burford 2011, p.638). Berry et al. (2006a/b), Voss and Zomerdijk (2007) and Klaus (2014) recognise the performance of employees has an important impact on how customers perceive their experiences and the emotional connections they form with the service provider. Chebat and Kollias (2000, p.72) also emphasise that employees' attitudes and behaviour have an influence on customers perceptions of service satisfaction, quality and customer loyalty and *"provide a source of strategic differentiation and competitive advantage."* As Berry et al. (2006a, p.5) points out, *"the more important, personal, and enduring the customer-provider interaction, the more pronounced and emotional [these] humanic effects are likely to be."*

Both organisations recognised the importance of the interpersonal relationships and emotional connections customers developed with their employees. The data from customers also identified that employees' ability to build rapport and communicate in a way that could easily be understood was more vividly recalled and strongly associated with positive emotions. The comments by manager B3 typified how the bank focused on developing a deeper relationship with their customers:

"We try and work on a sort of know-your-customer basis, not just in terms of understanding their sort of requirements, but being as personal as we can with them at a level they want us to be personal."

Similarly a counter assistant (BA3) in the pharmacy, also emphasises the effort made to build an emotional connection with her patients:

"I think we are all quite friendly. We realise we have a duty but we can also go that little bit extra just to make sure people are happy with us ... we are a community pharmacy and I think that's important."

The customers' perception of the employees' performance was also influenced by the signals provided through employee's standard of dress. This created an impression in a customer's mind as Patient P12 explained when asked what factors gave her confidence in the service being provided by the pharmacy:

"Well not so much what they do, but looking at all the staff, they're always well dressed, clean looking. They're hair is always done appropriately and so on and those sort of things are important. I wouldn't like to walk in to a dirty pharmacy."

As well as the impact that employees appearance had on customers' emotions it also had an influence on the amount of cognitive control they experienced, adding to the "favourable story" that Grewal et al. (2007, p.252) refer to. The standard of dress providing additional assurances about the competence of the delivery system supported the assertion in literature that employees' attire has an impact on customers' perception of service quality and satisfaction (Turley and Milliman 2000; Berry and Bendapudi 2003; Dasu and Chase 2010).

C2. Infrastructure/ Sensory Stimulation relationship (C2)

Aligning the experience an organisation expects their customers to receive with the behaviours of their employees is an important Infrastructure design choice.

Chatman (1989) and Morris and Feldman (1996) assert that a combination of effective recruitment and ongoing socialisation and training routines to embed the expected behaviours, minimises a mismatch between the individual employee's personal values and the aims of the organisation and requirements of their role. Research by Ingelsson et al. (2012) at the Walt Disney Company in Orlando, Florida demonstrated that one criterion for employing new recruits was that they demonstrated personal beliefs that were consistent with the values and culture of the organisation. Similarly, Schlesinger and Heskett (1991, p.78) also recognise selection procedures based on values and attitudes "*correlate with successful service work*". In identifying new recruits, the selection process should be designed therefore to assess more than simply the skills and qualifications necessary to perform the job role (Chatman 1989; Ingelsson et al. 2012) and should include an opportunity for recruiters to "*probe for specific details that reflect true experiences and perspectives*" (Berry and Bendapudi 2003, p.102).

Whilst limited support was identified from the informant data for this relationship, evidence drawn predominately from secondary data demonstrated how the performance of employees was a significant factor considered in the design of the Organisational Infrastructure, both in the systems responsible for recruitment and in ongoing training and monitoring processes. Manager B3 from the pharmacy explained the types of behaviours expected of new recruits to the organisation:

"...if we were bringing people into the business, clearly we would be looking for a skill set that is about people who like people ... their style needs to be very empathetic. For the dispensers, they need to really like people, they need to really understand that what they are doing is a vocation, it's not just a job, you've got to have a real passion and a feel for it."

Behavioural frameworks had been developed to ensure employees conduct business in an appropriate manner (Appendix 4e-3.1a-b/ Appendix 4f-1.3a-f; 3f-3.1a/ Appendix 8). Whilst these were designed to support employee well-being and engagement (Lewis et al. 2012) they also established the core behaviours and norms that demonstrate how situations or activities should be approached so that employees understood what was expected of them (Chatman 1989).

These frameworks were then used as part of the recruitment and ongoing training processes operating in both organisations to ensure the correct fit between an individual's behaviours and the organisation's values. Both organisations made clear the values according to which they would conduct their business activities, another key element of the Infrastructure construct. Recruitment processes included a series of questions which candidates were expected to reflect on and give examples of how they acted in or perceived particular situations (Berry and Bendapudi 2003). In doing this, the interview process attempts to identify recruits with behaviours that are compatible with the organisation and thereby sift out *"those whose values are incompatible"* (Ingelsson et al. 2012, p.5). The manager responsible for colleague recruitment (A3) in the pharmacy explained how this was an evolving process, moving from identifying behaviours based on evidence from past accomplishments to focusing on an individual's underlying strengths and preferences.

"We had looked at maybe changing our approach so it was more behavioural based ... what your natural style of behaviour is, which is what we are trying to get to, to be able to ascertain whether people have that natural instinct to want to help and serve customers."

Employees' behaviour was recognised by customers and the employees of both organisations as having an important influence on the performance of the delivery system and on how customers perceived their overall experience. The findings therefore support Ahmad and Schroeder's (2002) assertion that employee's behaviour was of equal importance to their technical skills in the maintenance of quality management practices. The findings from this research also demonstrated the employee's relationships with their customers went beyond simply the display of positive behaviours through smiling and eye contact (visual sensory clues) and the reciprocal emotional contagion (Pugh 2001) that this has on how customers feel during the delivery of the service. Whilst the data provided illustrations of employee behaviours that demonstrated to customers their presence was valued such as, for example, acknowledgement, respect, politeness and courtesy, examples were also identified that showed how employees supported and helped customers to achieve their overall objectives. In both cases, the priority of service design appeared to be focused on developing an emotional engagement through the help and support employees were able to provide rather than as Voss et al.

(2008) describe, to evoke a “Wow response”, characteristic of delivery systems in hedonic contexts. The employees desire to provide a solution when the customer had insufficient knowledge or was unable to rectify the problem themselves was a significant factor influencing how the experience was perceived. A General Advisor (BA8) in the bank described how she rectified a customer’s complaint herself without reference to her line manager, which was indicative of this solutions-focused mind-set identified in the data provided by employees of both the bank and the pharmacy:

“... like a customer came into me and was very upset about his ISA process that didn’t go correct and dealt with it there and then that day. He then came back in a couple of weeks later and bought me a box of chocolates for sorting it without getting anyone else involved. I kind of knew what the problem was, logged it as a complaint from the customer, went to head-office who sorted his ISA out and backdated his interest, no fuss.”

“Right so in this branch, if you are confident and know how to sort the problem out you are allowed to get on and deal with it?”

“Absolutely yes”

The findings therefore demonstrate that in the design of the Interface and in the recruitment and training processes established within the Organisational Infrastructure, the behaviours of employees had an important effect on how customers achieved their goals and the emotions they subsequently felt when these were achieved.

8.4 Experience Mechanism - Interaction

This section describes the relationships between the Interaction construct and the Design Choice and Experience Outcome constructs (Figure 8.2), supported by relevant literature. As well as the relationship between the participant undertaking the activity and the task itself, a number of other factors also need to be present to enable a state of flow to be maintained. “*Unambiguous feedback*” (Csikszentmihalyi 1975, p.46) for example, is one such characteristic.

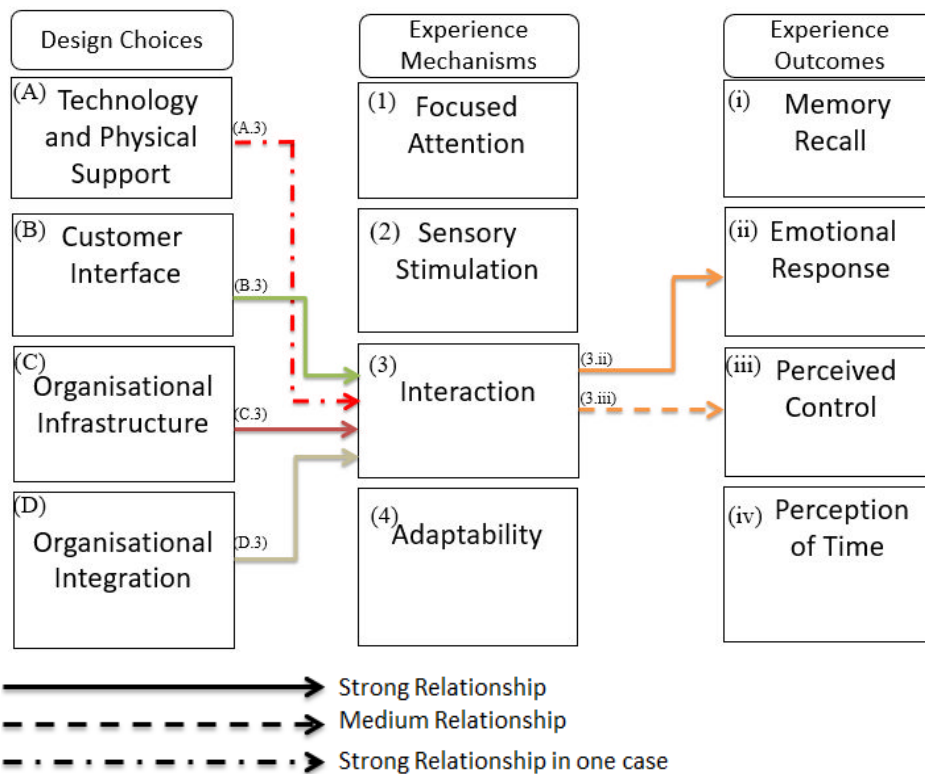


Figure 8.2 The Mediating Influence of the Interaction Construct on the Design Choice and Experience Outcome Constructs

This enables a participant to react or modify their performance whilst remaining focused on the task in hand. Csikszentmihalyi (2003) argues that whilst this is preferably delivered through the activity itself, he accepts that feedback may also come from other individuals associated with the activity. Similarly, the interaction between the people involved in the delivery of the service (Jensen 1998; Zomerdiijk and Voss 2010) and the machines that help facilitate it (Jensen 1998) are also significant factors influencing how customer experience is perceived.

8.4.1 Relationships with Experience Outcome Constructs

3ii. Interaction / Emotional Response relationship

The data provided strong support for the Interaction/Emotional Response relationship (39 references-Bank; 36 references-Pharmacy - Table 7.10). Interactions with the organisation's employees and through the technology provided where shown to have the potential to positively influence the emotions customers felt. Informant P16, for example explained how the interaction and dialogue that took place with the organisation's employees when he visited his local branch, influenced how he felt about the encounter:

“I know it sounds silly about being pleasant going in a chemist, but it makes a difference ... “Oh morning George or morning June”, I mean it makes a difference doesn’t it ... It just makes you feel better. It makes you feel they know you and they are quite happy to serve you and help if you wanted it.”

The responsiveness of the organisation to problems and queries was also a factor noted in the data. When performed badly however the data also demonstrated that interactions with employees could have a negative impact on customers’ emotions. Whilst the ease with which customers were able to interact with the bank was shown to have a positive impact on their emotions, the informants also recognised being unable to communicate effectively with call-centre employees could have a negative effect. As well as being categorised as a distraction, difficulty in being unable to understand an employee’s accent or the language they used also influenced the quality of the interactions customer had with these employees. Informant C23 for example, described the impact on her emotions of not being able to understand the conversations she had with call-centre employees in general:

“I like to be able to understand and if you have to keep asking more than once, and you still don’t get it, I think that is very, very difficult and that makes you very unsure and I don’t like that.”

3iii. Interaction / Perceived Control relationship

The customers’ ability to interact effectively with the service context, that is the physical setting and people engaged in delivering the service also provides a sense of control over the delivery system (Hui and Bateson 1991; Grewal et al. 2007). Ding et al. (2010) for example, highlight how the solutions provided from well-mannered and knowledgeable employees can reduce customers’ anxiety and increase their sense of control. The provision of interactive technology can also provide an element of cognitive control (Dasu and Chase 2010). Grewal et al. (2007) for example cites how FedEx customers derive a sense of control from the facilities provided on their website. As well as the sense of cognitive control received through the ability to track shipments and billing information, the website also provides a variety of interactive tools and shipping guides. These facilities provide information that enable customers to take action (behavioural control), for example on how to prepare the relevant customs documentation and thereby avoid any unnecessary delays.

The data provided moderate support for the Interaction/Perceived Control relationship (16 references-Bank; 13 references-Pharmacy-Table24). In the bank, the data demonstrated the customers' ability to interact effectively with employees in both the telephone call centre and branch offices added to their sense of control over the delivery system. Similarly in the pharmacy, the ability of the organisation's employees to communicate in a manner that could be understood enabled them to make a positive interpretation of how well the service was being managed, that is, it provided them with a degree of cognitive control. In this example, the information provided by the pharmacist also enabled the patient (P23) to take direct control to modify their behaviour (behavioural control):

“Oh it's critical, if you don't understand how you are supposed to use it, well it's critical that you know the dosage and usage. The instructions written on the packet are not always as clear as they might be, so it's quite helpful if the pharmacist, at least the first time you get it has a chat about how important it is. For example, some medicines if you are taking it daily when you take it's not an issue but some it's actually quite important you take it first thing in the morning before you eat anything else ... It's rather important that you know the difference.”

Similarly behavioural control over a lifestyle medical condition, for example, to stop smoking or effectively manage weight loss was supported through the direct interaction with the pharmacist and the range of products and service the pharmacy made directly available to patients (Appendix 4f 6.2f-h).

8.4.2 Relationships with Design Choice Constructs

A3. Technology and Physical Support / Interaction relationship

This relationship relates to the customers' ability to communicate with the organisation across a number of different delivery channels. This has an important influence on their overall perception of the delivery system (Racherla et al. 2011). Customers now use a variety of channels for “*different purposes and at different times*” (Wallace et al. 2004, p.251). Whilst most customers have a preferred method of interacting with the delivery system (Stone et al. 2002; Lemon and Verhoef 2016), the capacity to talk directly to an employee when

significant decisions need to be taken has been identified as an advantage (Kumar and Venkatesan 2005).

The findings support these observations. The data demonstrating the strength of the Technology and Physical Support/Interaction relationship also highlight differences in the design of the delivery system and the emphasis placed on this construct (*27 references-Bank; 6 references-Pharmacy - Table 7.10*). Whilst both organisations had innovated IT systems to enable their employees to build and maintain rapport with their customers over a period of time, the number of delivery channels each organisation provided to their customers was a clear point of difference. With the exception of the development of their IT systems to make branch employees aware of opportunities to develop a longer-term relationship with their customers, there was little additional evidence from pharmacy employees to suggest technology was being employed to a great extent to interact with their patients. Whilst the service could be initiated through a variety of different channels - by telephone, via the electronic prescription service through the internet, or direct through their surgery - the service offering was predominately delivered through their branch office network.

The data from the bank showed that the organisation recognised that customers expected to be able to interact across a variety of different channels at a time most convenient to them. Whilst the branch network remained an important facility where employees could develop a dialogue through face-to-face interaction, building relationships with customers through virtual delivery channels such as telephone or the internet was also important and the use of technology was a larger element in the design of the delivery system. The ease with which customers were able to communicate through online technology and with the call-centre was an important aspect in development and maintenance of a relationship with the organisation.

B3. Customer Interface / Interaction

The Customer Interface/Interaction relationship involves “*creating and managing specific customer touch points*” (Voss et al. 2008, p.251) through which customers are able to interact and participate during the delivery of the service (Voss et al. 2008; Johnston and Kong 2011) both “*directly and virtually,*

using people and technology” (Voss et al. 2008, p.251). The evidence identified in the data demonstrated strong support for this relationship (35 references-Bank; 25 references-Pharmacy - Table 7.10). Berry et al. (2006a), Voss and Zomerdijk (2007) and Grove and Fisk (1997) all recognise that employees relationships with their customers and the “*emotional connectivity*” (Berry et al. 2006a, p.5) that an effective interaction can generate has a significant influence on customers’ level of satisfaction (Grove and Fisk 1997) with the experience becoming “*more personal, more positive and more memorable*” (Voss and Zomerdijk 2007, p.106). Voss and Zomerdijk (2007) for example, identified that organisations in their study recognised employees had an important role in influencing how customer experience is perceived.

The data also demonstrated that personal one-to-one interaction between employees and their customers was a significant element which helped define a customer’s relationship with the service provider. Informal interaction (minor servicing events) with front line employees was an important factor in the design of the interface. The data highlighted how employees in both organisations were aware of the need to develop a dialogue with their customers and build rapport by asking the correct questions to determine their customers’ needs and by looking for triggers to start a conversation.

In addition, the customer Interface in both organisations had been designed with a more formal interaction process. These structured review sessions provided an opportunity to forge a stronger relationship. In the bank, financial review sessions enabled employees to highlight areas of opportunity in which the customer might need support or advice, or where their current financial arrangements might not be adequately satisfying their needs. In the pharmacy a similar arrangement (MUR/NMS) also focused on ensuring patients’ health and well-being needs were being met. In this case, the pharmacist conducts a review with patients who have been prescribed medication for some long-term medical conditions, to monitor how well the medication is working, make recommendations if the side-effects were debilitating and provide advice to ensure it was being administered correctly thereby maximising its effectiveness.

The ability to interact easily with the bank through a range of virtual interfaces was also an important element in customers overall perception of their experience. The customer interface has been designed to accommodate a range of different technological aids such as internet webchats and texts via mobile phone, which they were made aware of during the account opening process and through information provided on their website as manager (A1) highlighted:

“When we open a current account, we would ask questions about what they want from a current account, how they want to use their current account, and we should be telling them about the various means of accessing it ... so if they’ve got an I-phone or android phone then we should be telling them, there’s this app, dead easy to down load; and if we’re really good at customer service and engagement then we should be showing them how it’s done.

C3. Infrastructure / Interaction relationship

A high level of support for the Infrastructure/Interaction relationship both in terms of the organisations operating strategy and their management routines (21 references-Bank; 23 references-Pharmacy - Table 7.10) was identified in the data. Developing a strategic focus on customer experience requires a commitment from senior managers (Berry et al. 2006a; Wylie 2017) and leadership to start and then maintain programmes that support frontline employees’ interaction and engagement with customers (Shah et al. 2006; McKinsey Quarterly 2016). The values senior managers promote have an influence on employees’ behaviours and operational culture (Roth and Menor 2003) which ultimately impacts on the level of engagement and interaction employees develop with their customers and the emphasis that is placed on developing relationships with them (Shah et al. 2006). How customers perceive this relationship will influence their perception of the experience.

Leadership Values – Whilst the achievement of financial targets and sales volumes is obviously important to managers, the operational cultures adopted by both organisations also placed a significant emphasis on how the service offering was delivered. Ensuring the correct products were sold to meet customers’ particular needs (bank) and that branch operations were sufficiently

supported to ensure operational standards expected were delivered (pharmacy) is indicative of the focus placed on ensuring that customers' needs are central. Manager A4 provided an outline of how the pharmacy focused on supporting branches in delivering the service to their patients:

“One of our critical objectives is to make life easier for branches ... anything we do puts pressure and has an impact on branch colleagues and so there`s always lots and lots of debate as to whether or not we should do it [Introduce an additional service]. You know how much priority it is going to get.”

Building a dialogue and a relationship with customers was also identified as a key element of both business strategies. Unscripted one-to-one conversations between the customer and employees were identified as an important element in developing this relationship. Whilst Morris and Feldman (1996) suggest that employees react differently depending on the importance of the customer, that is, their level of profitability, the findings from both case studies suggested that similar service standards were consistently applied regardless of the customer being attended to. A senior branch advisor (BA1) in the bank typified the attitude demonstrated by branch employees in both organisations:

“I want people to enjoy coming in here, I want them to feel they can talk quite openly about what they`ve got, what they need, and what they want ... I don`t want anyone to ever feel any pressure to do anything ... everything needs to benefit them in some way.”

A colleague (BA3) also emphasised that the same level of service was provided to customers regardless of their income level or profitability. In this situation the advisor showed how the service she provided focused on the customers' need rather than their potential profitability, a cash minder account only being available to customers who do not qualify for any other type of current account

“There was a customer who had a cash minder [account] and she was really concerned around managing her direct debits because she had been really poor with money in the past, and she just said “Look I`m worried I am going to get into the same situation again, you`re going to start charging me if I go over drawn and so on”. So what I did for her is arrange a quarterly phone call just to say “How`s your account running. Do you feel that you need more support?” and then

if she did, I would arrange for her to come in and see a customer relationship adviser and just go through it with her.”

Similarly, future review meetings with customers with limited financial means appeared to be focused on their specific needs rather than on selling products that were more financially rewarding for the bank as deputy branch manager (BA4) explained:

“So going forward the reviews would be things probably more specifically around protection for them, because they are the type of people who if they were to lose their job, they couldn’t have that ability to borrow money so they would be in a worse situation, so we would look more around protecting them, things like home insurance, because perhaps they wouldn’t be able to afford to replace things ... things like that really.”

Training and Support – The internal policies and management practices were also designed to ensure they supported frontline employees’ interaction and engagement with their customers. Whilst Katzenbach and Santamaria (1999, p.110) observed most new recruits receive *“little more than a brief introduction to company values before they are expected to demonstrate them on the job”*, the data demonstrated that in both organisations employees were provided with an extended induction period which included an emphasis on the organisations values and history. The data showed that during these sessions and in subsequent follow up training, employees received advice on effective communication and rapport building with their customers. Specific product information modules which enabled employees to talk with confidence to customers were also provided. The benefits of these socialisation processes are supported by research from Ingelsson et al. (2012) who recommend that training and other orientation methods should be used to reinforce organisational values.

The formal observation process (Appendix 4c-1.3a-i) conducted by the bank also helped to ensure a consistent standard was maintained in how employees engaged with their customers. The observations were conducted by line managers, recorded and formed part of the formal performance review process. Triad sessions in which an observer (area manager) watched the line manager

conducting the observation session also supported this development process by focusing on the role and contribution of the line manager in coaching the performance of their direct reports.

Whilst local management had a key role in ensuring coaching was maintained, the process was also regularly reviewed by senior managers. A similar observation process was conducted at the banks' telephone call centres. Morris and Feldman (1996) noted this close monitoring process sends a strong signal to employees that the way they perform and the behaviours they display are important elements in their work. Employee (BA7) affirms this assertion as she explained how this helped to maintain her focus on each interaction she has with her customers.

“Yes, I’m fine with observations ... I think they help me because sometimes you don’t always feel enthusiastic to approach customers, especially customers you have seen every day in the branch. I think sometimes, yes you just lose enthusiasm, but when you have somebody observing you, you do it. I know I’m supposed to do it anyway, I should do it all of the time and I know I can do it because I always get good observations, it’s just sometimes my mind-set.”

In addition to relationships built with customers, the pharmacy also encouraged branch teams to engage with other healthcare professionals. Working collaboratively with others was identified as an important element in the pharmacy's operating strategy, as a manager (B3) explained:

“We as a business would guide and give managers tools and direction to enable them to build those relationships. With most managers, we would expect them to have a relationship, to know the GPs and where possible to attend practice meetings. We then give them support and guidance, so if you go to that meeting, here is a way of trying to influence, trying to get stuff on the agenda.”

The data supplied by employees provided a clear indication that the “Infrastructure” of both organisations delivery systems had been designed to support employees' interactions with their customers. This was apparent in both the values the organisations leaders promoted and in the internal processes responsible for developing operational competencies (for example see

Appendix 4e 3.1c) that maximised the effectiveness of the encounters customers had with employees.

D3. Organisational Integration / Interaction relationship

In addition to the direct impact of the Interaction construct on customers' direct experiences, Voss and Zomerdijk (2007) also recognise the importance of connecting back-office employees to the front stage performance, thereby focusing the whole service supply chain on the customer's experience. Systems that integrate the functional departments and facilitate interaction between front and back-office employees enable the organisation's supply chain to appreciate how customers experience the delivery of their service offering (Voss and Zomerdijk 2007; Grewal et al. 2009) and ensure that front-office colleagues are kept fully informed about their customers' needs (Voss et al. 2008).

Internal integration – The analysis also demonstrates a relationship between the degree of integration identified in both organisations and the level of interaction occurring between front and back-office operations (*24 references-Bank; 11 references-Pharmacy - Table 7.10*). A central communications department had been established within both head-offices to manage the downward flow of information to branch offices and encourage employees to feedback operational problems so these could be rectified. The role of this department was also to ensure branch teams were not overwhelmed and remained focused on the standards they provided to their customers. This interesting feature of the internal communications process enabled both organisations to accommodate a large number of branch offices whilst helping to maintain a high degree of consistency in the delivery of the service. In addition, whilst the bank recognised the opportunity, the pharmacy had been more effective in developing a closer integration between their head-office teams and branch office network. Head-office managers for example, were expected to spend time working in branches to understand the impact of central decisions on the service provided to patients, as a manager (A1) explained:

“There has been a big shift over the years to put the patient at the centre ... not everyone has understood the patients' interaction and also what their impact is in the branches and that is something that has changed over the years. So colleagues at the centre go and

spend a day in a branch ... for example, somebody in marketing, they can actually go and see how the marketing material arrives and how it is displayed ... so that is something that has been instilled and everyone within the centre tries to get to as many branches as possible to go and have that interaction.”

Organisational learning – The ability of an organisation to recognise new information and assimilate this knowledge throughout the hierarchy of the business quickly, their “absorptive capacity” (Oliveira et al. 2002, p.735), is a necessary prerequisite in developing competitive capabilities (Oliveira et al. 2002; Roth and Menor 2003) and a strategic priority for organisations wishing to maintain a competitive advantage (Shah et al. 2006). A culture of learning from both external and internal sources was evident from both case studies. The data demonstrated that formal systems which enabled branch employees to easily communicate with senior management had been developed in both organisations. Ideas and feedback aimed at raising concerns or identify opportunities to improve how the delivery system operated was encouraged from employees. This supports observations from Davidson (2003) and Zomerdijk and Voss (2011), that the involvement of frontline employees is an important element in the ongoing process of developing and improving the delivery system. In addition, data from the pharmacy’s employees also demonstrated that as well as the ad hoc information provided by branch teams, the organisation focused heavily on gaining operational feedback through a planned analysis of branch procedures.

The data obtained from employees also demonstrated that a high level of importance was placed by all levels within the organisational hierarchy on learning from the feedback obtained from customers. In the bank for example, recent research with a range of customers identified how individuals dealt with unexpected events. Based on customer reactions to these events, customers were referred to as “planners” and “reactors”. Whilst they do not differentiate their approach to these two customer groups, they recognised how these behaviours influence a customer’s response to a major negative disruption to their finances as manager A8 describes:

“for some people [planners] it’s something they’ve known about and planned for, so nothing is coming out of the blue. Whereas for reactors, it’s very much “Hang on, I haven’t planned that”. The mind-set is one of panic. They don’t have a clear sense because they will be in that state of ... not shock, it might not be that serious, but they won’t be thinking beyond that event. Planners will have thought, “Actually these steps a, b, c will get me back sorted”, whereas for those reactors you need to give them that support “Here’s what the next steps are” - and help them get to that point”

Both behaviour types require a tailored solution to their predicament; reactors however, require a greater degree of empathy and understanding from the employees they deal with [Placement Location, 2013a]. The organisation used this knowledge to influence how these situations were managed so they were better able to maintain their relationship with the customer after the problem had been resolved.

In addition, unplanned feedback from customer complaints was also taken seriously. In the pharmacy for example, complaints were managed through the Superintendent’s office. As well as resolving individual complaints, this department also undertook to identify similarities between the complaints so that the core issues could be identified and corrected as manager (A1) explained:

“We don’t just look at how we resolve this complaint, we also look at how we can learn from it. So is there something we can learn, is there something we need to change? So the customers who do complain are only a small element and for each one that complains, there’s probably another ten or twelve who have had a poor service that haven’t complained. So what we try and do is pull out common themes and say “Right this is an area, we need to do something with this” and it might be cascading it to the relevant team, it might be looking at our processes, there might be something local to that branch that is broken and fixing that to improve the patient experience.”

Whilst research by Caemmerer and Wilson (2009) identified that middle managers are not always fully committed to using feedback provided by customers through national customer satisfaction surveys to improve the performance of the branches they were responsible for, the employees' data from this research demonstrated a more positive approach. The analysis showed that area and branch managers took a proactive approach to customer feedback and were fully involved in making improvements following external quality assessments such as through mystery shopper visits and customer satisfaction surveys (Appendix 4e 1.21-1.27/Appendix 9). The results of these quality assessments were included in regular communication sessions held with team members and reviewed with line managers as part of the performance management process.

Voss et al. (2008) refer to "Linkware" design choices, the communication mechanisms that disseminate information throughout the organisation's hierarchy, in their description of the strategic choices experience-centric organisations include in the design of their delivery systems. Whilst examples were identified when empirically testing their experience model, insufficient numbers were found for them to develop their assumptions about this construct (Voss et al. 2008). The findings from this research add to their descriptions, the analysis demonstrating that in both case studies, systems had been developed to capture new information from both internal (employees) and external (customers) sources.

8.5 Experience Mechanism - Adaptability

Together with related studies drawn from extant literature, this section describes the relationships between the Adaptability construct and the Design Choices and Experience Outcomes (Figure 8.3). During periods of flow the activity being undertaken presents a series of challenges. For flow to be maintained, the feedback system embedded in the activity allows the participant to respond to each of these challenges (Csikszentmihalyi 1975). As a result of this challenge/feedback loop, skills increase as the participant learns how to master the activity being performed (Golman 1996).

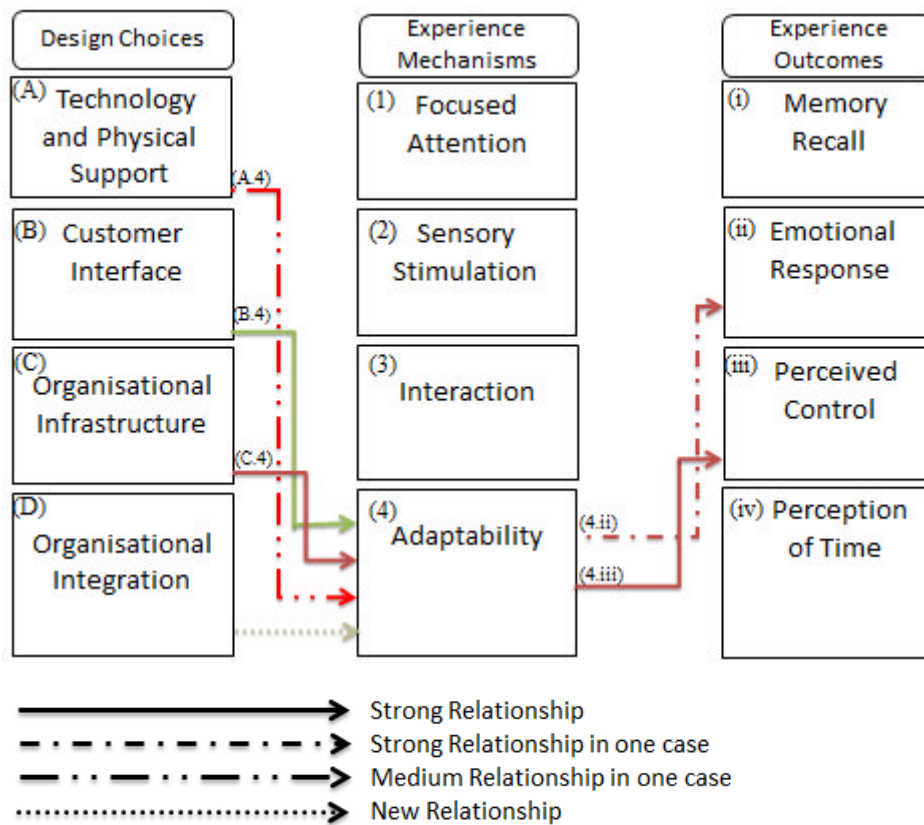


Figure 8.3 The Mediating Influence of the Adaptability Construct on the Design Choice and Experience Outcome Constructs

From this, two important features of flow experiences emerge. Firstly, the participant needs to be able to adapt their performance so that a state of flow can be maintained. Secondly, the challenge of the activity also needs to be flexible enough, that is increase in incremental stages, to accommodate the participant’s increasing level of knowledge and skill so that a flow state can be maintained.

8.5.1 Relationships with Experience Outcome Constructs

4ii. Adaptability / Emotional Response relationship

In the less extreme “control conditions” (Massmini and Carli 1988, p.270) which customer experience in non-hedonic contexts are more likely to be located, the ability to adapt the service offering is also a relevant factor in how the experience is perceived. Cook et al. (2002) for example, assert that allocating an element of control to customers increases the satisfaction they feel with the delivery process. Research by Mills and Krantz (1979) also demonstrated that providing customers with some choice in how they participate in the delivery of

the service also helps to reduce stress. In situations however where the delivery system involves a high level of management control (Collier and Meyer 1998) such as the professional and government services identified in research by Lee (2010), the power imbalance and customer's lack of control can result in them having a negative perception of the encounter. The analysis of the data demonstrates a moderate level of support for these assumptions, that is, for the Adaptability/Emotional response relationship (22 references-Bank; 17 references-Pharmacy - Table 7.10). In the bank for example, the choice provided to customers in the delivery channel through which they could manage their account had a positive impact on their emotions. Employees' ability to adapt their performance to suit the customers' needs also had a positive influence on how encounters were perceived. In the pharmacy, patients' ability to easily initiate the service by requesting repeat prescriptions when required for example and through a communication channel of their choice, was also shown to have a positive impact on their emotions. Similarly, the flexibility of the delivery system enabled employees to adapt how they performed so each patient felt they had received a personalised level of support as informant P15 describes:

"Well I feel happy; you know the pharmacist has taken his time to discuss my ongoing problems with me, my ongoing medication. So I go away happy you know, somebody is taking an interest in the medication that I am receiving, which I find is good."

4iii. Adaptability / Perceived level of Control relationship

In research by Grewal et al. (2007, p.257) they comment that allowing customers to influence how the service is delivered will *"strengthen their positive perceptions of control over the service encounter."* If the customer has a sufficient level of knowledge, enabling them to make decisions and choices during the delivery of the service will increase their sense of control over the outcome (Dasu and Chase 2010). Prahalad and Ramaswamy (2004) also recognise that for customers to fully participate in the delivery process, the service provider should attempt to reduce any knowledge imbalance by providing access to relevant information so that they can make informed decisions. Whilst Dasu and Chase (2010, p.38) support this, they recommend that in situations that result in strong positive or negative emotions being felt,

customers should be allowed to choose the amount of information they receive “based on what they can handle emotionally”. In these circumstances, the ability to take direct action provides the customer with an element of behavioural control (Dasu and Chase 2010; Berry et al. 2015).

The findings also demonstrated evidence of a strong relationship between the Adaptability and Perceived Control constructs (52 references-Bank; 45 references-Pharmacy - Table 7.10). In the bank, customers were provided with an opportunity to make a choice regarding the financial product being purchased during the acquisition phase of a new account. They were also provided with the ability to personally manage some aspects of how their accounts operated, for example, by making payments and transfers. Both elements of the delivery system provide customers with a degree of decisional control. As well as the cognitive control gained by being able to view their accounts easily through a variety of mediums (paper copy, mobile app, online statements), this facility also enabled customers to take direct action, that is, to check the movement of cash and spending on their accounts. In having a facility whereby they are able to have a direct influence on the delivery system, for example, by taking appropriate action on their account balance when required, the delivery system also provided customers with an element of behavioural control. Informant C22 summarised how the ability to access statements from different sources influenced the level of control she perceived herself to have:

“... obviously they`re important because you want to control things. I do get a monthly bank statement, that`s the sort of thing, I could get on the internet, but in fact I rather like having a bank statement that I do file ... I can work out how much I am spending and how much I`m getting in”.

“Is there one aspect of the way that you manage your account that epitomises that level of control?”

“I`ve kept my bank statements and have a look at it each month, make sure it`s correct and I query... I mean there was something once and I wasn`t at all sure about. So you do look at them and make sure everything is in order”

In the pharmacy, patients had a limited capacity to adapt how the service was delivered. Patients' were able to choose when to initiate the service for example, when to place repeat prescriptions and which Pharmacist to use. The delivery system also enabled them to send their prescription through a variety of different communication mediums, which provided patients with a degree of decisional control. In addition, the information and advice patients received from their pharmacist together with their ability to access this support without an appointment provided patients with an element of cognitive control over their medical condition. Informant P17 explained how the interaction with her local pharmacist provides her with this sense of control:

“It’s really important, really important and I am one of these, I ask questions until I truly understand because it’s about my body. There are times when the medication the doctor decides is useful, I’m thinking is “But what’s the side effects?” and this is where the pharmacist comes into play because the pharmacist will know how things interact with each other. He will be much more aware of the side effects because at the end of the day, for me when you go to take some medication, while the medication is working on the issue, I don’t want it to work on and then it generates something else.”

The data captured from both organisations therefore support the assertions made in the extant literature, that the capacity of the delivery system to enable both employees and customers to adapt how the service offering was delivered had a positive influence on how the experience was perceived both in terms of the customers' perception of control and in the emotions they felt. In situations where customers have sufficient skills, providing a number of options through which they were able to influence how the service was delivered would therefore be beneficial.

8.5.2 Relationships with Design Choice Constructs

A4. Technology and Physical Support / Adaptability relationship

The analysis found limited examples to demonstrate the Technology and Physical Support/Adaptability relationship (16 references-Bank; 2 references-Pharmacy - Table 7.12). One reason for this could be that the Technology and Physical Support construct focused on strategic issues which related to how

customers accessed the delivery system. The number of examples cited suggests this was not a factor that branch employees were familiar with. In the bank, eight of the nine references were contributions provided by branch and senior managers. The lack of integration between channels might have also influenced the informants focus on this relationship. Similarly in the pharmacy, whilst senior managers raised the issue of developing other means of accessing their service offering, (that is, through their website), discussions with branch teams focused predominantly on how the service was delivered through their network of branch offices.

In their limited form however, the findings obtained from the bank's employees demonstrated customers required greater flexibility in how they managed their accounts. The delivery system had been designed to provide a number of channels through which customers could open an account and subsequently manage their finances. The use of technology (internet, telephone and the mobile app) was a central component that provided this flexibility. Similarly in the pharmacy, patients were also provided with some choice in channel through which repeat prescriptions were placed; via the phone, across the internet or through a personal visit to the surgery which some patients preferred. As an alternative, the informants could also decide to delegate the responsibility for organising this process directly to the pharmacy. These "co-routed" processes (Collier and Meyer 1998, 2000; Hill 2002) therefore provided patients with a degree of decisional control. Wallace et al. (2004, p.251) notes that the ability to synchronise activities between different channels is an important element in how customers now engage with a service provider, for example by "*searching online to buy offline, searching offline to buy online and everything in between*". In research by Stone et al. (2002) they observe that when provided with the opportunity, customers will interact with a variety of different channels throughout each phase of the buying cycle, Racherla et al. (2011, p.147) also asserting that "*the ease of interaction afforded by the firm to seamlessly move ... from one channel to another has a significant impact on relationship building and loyalty behaviour.*"

Similarly, managers of the bank also recognised that customers' ability to coordinate their activities between the delivery channels was a significant benefit of the delivery system as, manager A3 explained:

“The web is tremendously important as a ... usually a starting point for the kind of journeys that we end up delivering, so typically looking for a loan, I would go out research the market. I might find a bank on a best-buy table, I’d go to the website, I’d have a look at what was available, I could either go into a branch or ring up, I could then go through an application and then I’d get the application in the post ... another channel ... I might get a text update as to where my application is, I might get confirmation that it has come through. I might go on line to see that it was in my bank balance, you know. So it’s all woven in.”

Whilst limited support was identified from the data obtained by the organisations employees, when taken together with their customers’ testimonies of how access and participation were enhanced by the provision of a variety of distribution channels, they show the Technology and Physical support / Adaptability relationship was relevant although its significance was contingent on the context of the service being provided.

B4. Customer Interface / Adaptability relationship

The customers’ ability to take direct action during the delivery of the service was an important theme identified in the data. The findings demonstrate strong evidence that the Customer Interface element of both delivery systems had been designed to enable customers to take control over some aspects of the delivery process (31 references-Bank; 30 references-Pharmacy - Table 7.10). The analysis showed this was important to customers in enabling them to achieve their goals, and was positively linked with their sense of perceived control. The findings support Collier and Meyer (1998) who suggest that the level of management control designed into the delivery system has an influence on the degree to which the customer is able to make decisions that affect how the service is delivered. Low degrees of management control provide customers with a larger number of options at each stage of the delivery system through which they can have an influence and therefore the freedom to adapt the delivery system to develop their own individual experiences (Collier and Meyer 1998). Delivery systems with fewer “*unique pathways*” mean that customers

have less freedom to participate and make choices in how the service offering is delivered (Collier and Meyer 1998).

The findings demonstrate that both delivery systems had been designed to provide customers with a limited degree of participation and the ability to adapt some aspects of the delivery process to suit their particular requirements. In the bank, customers were provided with an appropriate amount of information and had sufficient knowledge to engage with the delivery system through some “co-routed” processes (Collier and Meyer 1998, 2000; Hill 2002) which provided them with a degree of control over how they managed their financial affairs. In one particular touchpoint on the bank’s website for example, a limited menu of options (for example making transfers and paying bills, setting up direct debits or requesting stationary) enabled customers to more fully participate and make changes in how their accounts operated. This provision was available to customers at all times, 24 hours a day, 365 days per year. Similarly, the design of the structured financial review enabled customers to decide the level to which they were provided with advice, ranging from a full review of their finances through to an execution-only service in which no additional advice was provided, prior to the acquisition of a new financial product. Oliveira et al. (2002) and Stone et al. (2002) recognise that a significant advantage of including the internet in an organisations overall business strategy is the additional choice that it is able to provide and the flexibility afforded to customers to access the delivery system when convenient. The ability to adapt some elements of the delivery system where they had sufficient knowledge, provided customers of the bank with a high degree of perceived control and moderately influenced their emotional responses.

In the pharmacy, the interface with the customer had been designed to allow branch teams to adapt some elements to meet the particular needs of each patient, for example, modified dosage systems could be provided if required and a home delivery service was available for those patients with mobility needs. Research by Dasu and Chase (2010) however also showed customers accepted the need to cede responsibility to the service provider for elements of the delivery process that were significant or where they lacked sufficient knowledge. In this case study, patients’ lack of dispensing knowledge meant

they were unable to participate in this element of the delivery process and were happy to pass responsibility to trained dispensing technicians. The delivery system in this situation was designed around provider-routed processes (Collier and Meyer 1998, 2000; Hill 2002) which restricted the options available to patients. Whilst patients showed no interest in participating in the dispensing of their prescriptions, they were however, directly involved in how they administered their medication. The data showed that ensuring patients had sufficient information so that they were fully equipped to manage this process effectively was a significant feature of the delivery system.

The “highly adaptive scripts” (McCarthy et al. 2010) that pharmacy teams followed, enabled the pharmacist to react to the variability of their patients’ individual needs and provide specific advice regarding their particular medical requirements. For the patients involved, the ability of the pharmacist to fully explain in a way that could be easily understood how the medication prescribed worked and its possible side effects, was also identified with a degree of cognitive control and a positive emotional impact. During these meetings the Pharmacists also had an opportunity to coach patients to administer their medication more effectively. The data demonstrated how the information the pharmacist was able to provide, enabled patients to adapt their behaviour in how they administered their medication so they were able to maximise its effectiveness. In doing this, patients are provided with an element of behavioural control over their involvement in the delivery of the service as a manager B2 explains:

“Certainly with the new medicine service and the medicines use review, we are there to advise them on how to take their medications properly, so the classic example is poor inhaler technique, so people aren’t benefiting very much from their inhalers. So they come in to see us and we check their technique and say “actually your technique is really bad”, which is why you are using this inhaler more than you should be, so we go through the proper inhaler technique, we’ve got lots of dummies and stuff like that to demonstrate with them and hopefully they go away better.”

The patients' ability to engage with the pharmacist during unscheduled interventions without having to book an appointment was also a significant point of contact. Access to a pharmacist and the advice they were able to provide during these points of contact was recognised as a key element in building a relationship with their patients and an important aspect of their operational strategy. Branch teams were also trained to initiate conversations with patients to reduce their potential embarrassment of discussing sensitive issues and were equipped with an industry standard protocol and clear process for creating good conversations and making an effective diagnosis of minor medical ailments. The data suggests this was consistently applied by branch employees as one of the counter assistants (BA3) exemplified:

“The phrase in pharmacy is WWHAM, so who is it for, what are the symptoms, how long have you had them, are you taking any other medication and what action have you taken recently. So those questions are the first thing out of your mouth if somebody asked for an over-the-counter medicine. It's drummed into you from day one. It's not something you can forget once you've learnt it.”

The findings show in situations where customers had clearly defined goals and had a sufficient degree of knowledge, designing the Customer Interface with a degree of flexibility to enable them to influence service delivery had a positive impact on their overall perception of the experience. Situations where there was a significant knowledge imbalance however could have been managed differently. Designing the Interface to allow employees to react to their customers' individual circumstances and providing access to relevant information easily, would enable customers to feel a sense of control despite their involvement in this element of the delivery process being restricted to predominantly passive participation.

C4. Infrastructure / Adaptability relationship

The analysis provided evidence strongly supporting the proposed Infrastructure/Adaptability relationship (41 references-Bank; 52 references-Pharmacy - Table 7.10) demonstrating an association between the organisations operating culture and human resources policies which develops from it and the Adaptability construct. The operational culture adopted by an organisation influences the capacity and willingness of individual employees to

adapt the delivery process to satisfy the needs of individual customers (Peccei and Rosenthal 1997). Bitner et al. (1994, p.103) showed that employees “*skills, abilities and willingness to accommodate customers’ needs*” were a major factor in determining the satisfactory incidents reported in their research. Chebat and Kollias (2000) also suggests that perceptions of service quality are enhanced when frontline employees are provided with the capacity to take appropriate action both to satisfy customers’ needs and to adapt their behaviour to changing conditions. Their research demonstrates that through the concept of “empowerment” organisations were more able to influence these behaviours, enabling employees to perform their roles better and be more willing to adapt to meet a customer’s individual circumstances. In adopting this approach, employees need to be provided with the right skills and enough responsibility and discretion to occasionally change their approach or redesign how the service is provided (Peccei and Rosenthal 1997; Davidson 2003; Klaus 2014) to enable them to “*solve problems or handle unexpected events*” (Glushko and Tabas 2009, p.409).

Empowerment – The data from both organisations studied demonstrated that whilst they operated within strong regulatory and legal frameworks in which they had limited opportunity to make changes, frontline employees were provided with some degree of discretion in how the service was delivered to their customers. Strong internal quality measures, monitoring systems and procedures had been designed to ensure the quality of the delivered service to customers was maintained. The implementation of these standards was closely monitored. Within these clearly defined boundaries however, employees have some leeway and were encouraged to take the initiative to satisfy customers’ specific needs or adapt to individual circumstances without reference to their line, as manager A4 in the bank noted:

“We talk a lot about empowerment as well, that you shouldn’t wait for permission to do something that is the right thing for the customer.”

The data from the branch employees interviewed suggest that this approach was applied to all customers regardless of their financial circumstances or potential profitability. In addition therefore to employees demonstrating “solutions-focused” behaviours that enabled customers to achieve their goals, previously identified through the analysis of the Infrastructure/Sensory

Stimulation relationship, their willingness to take ownership of critical situations to adapt the delivery system to meet customers' individual needs was also an important factor. In both organisations, evidence was provided of proactive service-oriented behaviours demonstrating how branch employees took the initiative or adapted their approach to support individual customers. A counter assistant (BA2) in the pharmacy for example, explained how she took ownership of a problem when her branch was out of stock of a particular medical product:

“Yes this morning, a lady came in and she had three items on her prescription and we had two of the items fully in stock and one of them, it's actually on a manufacturers delay, so it's out of our hands. We had one to offer her, but she had two on her prescription. So rang around to other pharmacies in the area because she needed them desperately today. Another pharmacy [competitor] in the area had two of those in stock, so I checked the other two items on the prescription as well. They put all of those aside and she's popped down there this morning and got that sorted.”

Role-prescribed/ extra-role behaviours – Chebat and Kollias (2000) make the distinction between “role-prescribed” behaviours, the performance of employees defined by their job descriptions and service scripts and “extra-role” performance, which correspond with the “Truly out-of-the-ordinary” behaviours described by Bitner et al. (1990). Role-prescribed behaviours represent the basic prerequisites for a satisfactory interaction with customers such as *“common courtesy, demonstrating accurate knowledge of policies and products, addressing customers by name, and cross-selling the firm's services”* (Chebat and Kollias 2000, p.73). In contrast, extra-role performances represent unplanned situations in which employees adapt the delivery of the service to satisfy a customer's specific needs. When employees were empowered to adapt service delivery, research by Chebat and Kollias (2000) demonstrated they were more effective in the performance of their role-prescribed tasks and more willing to provide extra-role support to customers. In research by Bitner et al. (1990, p.79) it was noted that these small but “out-of-the-ordinary” levels of performance, such as *“expressions of courtesy or thoughtfulness”* result in high levels of satisfaction for the customer.

The data from customers also demonstrated that employees' flexible approach and "acts of kindness" in providing solutions enabling customers to achieve their goals, were significant factors in their overall perception of their experience and had a positive impact on their emotions. General Advisor (BA9) demonstrated this level of empowerment when she went beyond what was normally expected from her job role to provide benefit claimants with bank statements, thereby speeding up their claims process. When asked how she adapted the service to satisfy these customer's needs, the Advisor replied:

"Oh a lot of the time for example people want to have statements sent to them, perhaps they are claiming benefits or something like that and rather than refer them or order a statement that they have to wait ten days for, I might do a quick letter for them. As long as there's no queue, I'll do that for them rather than them having to wait ... I can do a quick letter, say what accounts they've got, what they've got in it, sign it and then they have got the letter there and then"

Service scripts – In such circumstances, the service scripts which define the expected standards of performance and the work routines allocated to frontline employees' (Chebat and Kollias 2000; Tansk and Smith 2000) had a positive influence on their ability to fully embrace the operational culture being encouraged. The analysis found that for the key contact events, for example the financial review meetings with customers in the bank, these scripts were "partly fixed" (McCarthy et al. 2010). In these circumstances, the content of the service process was strictly controlled but the way in which it was expected to be delivered was flexible enough to enable employees to modify their approach to suit the particular needs of each customer (McCarthy et al. 2010). The content element of the service process included the technical aspects of the transaction. These were regulated by the statutory bodies governing the financial and healthcare sectors which the organisations operate in. These high intensity scripts (Tansk and Smith 2000) provide no opportunity for employees to adapt the content or the way the information is communicated. This standardised approach ensures every customer receives the same information and fully understands the level of service being provided and the type of advice they were receiving.

Around these conversations however, employees were free to adapt how they communicated with each customer both in terms of their oral (tone of voice and vocabulary) and other nonverbal communication signals (facial expressions, gestures and body language) (McKechnie et al. 2007; Soderlund and Rosengren 2008). McCarthy et al. (2010) suggest that these fluid and less scripted conversations provide employees with a greater opportunity to improvise how the service is delivered. A deputy branch manager (BA4) working in the bank commented thus:

“... you can’t treat every customer that walks into the branch the same. You have to adapt the approach you use to the customer in front of you really. They’ve all got needs but they all might have very different needs according to their age, the types of products they have and their experience within the financial industry.”

Both organisations provided training to customer-contact employees on how to develop these conversations as well as guidance on the impression that their tone of voice, and body language make on the customer (McCarthy et al. 2010, p.10). The bank recognised the importance of these more informal interactions and included an assessment of these conversations during their formal observation process of employees’ performance (Appendix 4e-1.3a-i).

In the pharmacy, the diagnostic nature of patient consultations meant that work routines moved beyond these “partly fixed” service scripts, (McCarthy et al. 2010) and demonstrated a higher degree of flexibility which enabled employees to react to their patients unique input. In these circumstances, “highly adaptive” (McCarthy et al. 2010) scripts empowered predominantly pharmacists but also trained counter assistants, to make significant decisions to adapt the delivery process and give advice on a range of medical conditions to suit the specific and varied needs of each patient; each consultation requiring both a high degree of knowledge and a personalised approach. The level of technical knowledge required to carry out these conversations competently was reflected in the training provided to branch office employees at all levels. During a Medicine Use Review for example, the pharmacist would identify any changes required to a patient’s medication to maximise its effectiveness. If problems have been identified they will decide the course of action to be taken, that is, in the patients’ best interest as manager A1 describes:

“So the pharmacist would need to decide what appropriate action is required, that might mean there needs to be a discussion with the GP, an alteration to the prescription or to the medication. In some cases it might just be reinforcement or encouraging the patient to carry on with it. The pharmacist makes a note on the system as well so the next time they are in, there is an opportunity to have another conversation so, “Right we are a month on now, how have you got on?” and if necessary you can have another intervention where you can then decide actually, “Well we have tried something different, has that worked, what else is needed?”

The findings from both case studies show the Organisational Infrastructure component of the delivery system was designed to accommodate an element of adaptability in the delivery of the service. The data identified this was supported by an operating culture that encouraged employees to respond to customers' needs and a strong operating framework that provided clear guidelines and boundaries around which they operate. Employees' willingness to take action and their capacity, that is, their knowledge and competence, (Peccei and Rosenthal 1997) had a greater significance in these circumstances as their performance was driven less by service scripts.

D4. Organisational Integration / Adaptability relationship

Employee feedback through suggestion schemes help to promote employee's involvement in the decision-making process (Crail 2006) and encourage dialogue with senior managers (Barrett 2006). In addition, Klotz (1988) suggests that these schemes are an important instrument in improving the quality of an organisation's products or services by helping to develop *“individual creativity”* and to *“resolve work-related problems.”* Whilst the findings did not identify evidence of a relationship between the internal integration of the organisation and employees' ability to make changes within the bank, in the context of the pharmacy, limited evidence of a relationship could be identified. Whilst feedback mechanisms were identified in both organisations, the employees within the pharmacy appeared to be more proactive and engaged in identifying opportunities to improve performance and communicate this back to their head-office. Manager (A5) explained the methods through which branch employees

were able to communicate with their head-office colleagues and effect changes in how the delivery process operated:

“Yes, that comes to the OST (Operational Support Team), they have currently two ways of doing it, but it will shortly be three. They have the traditional phone up ... We are trying to push more queries through the Web form, because they are easier to manage ... plus it’s more structured. The third form which we are actually working up at the moment is more of a resource that clarifies the query and communicates it out across the branch network. I hate to use the word triage, but it is ... it’s I’ll take your query and I’ll then go and stand by the buyer and get your answer, and I’ll then come back to you with the answer.”

Barrett (2006) suggests that feedback mechanisms work best when they form part of an overall communication strategy that fosters a climate of trust so employees are comfortable with submitting ideas to their managers. The author also suggests that to be successful, employees’ contributions to these feedback schemes need to be regularly communicated back to their frontline colleagues and individual contributions recognised. The contributions provided by employees in both case studies were included in a regular newsletter circulated to each of the organisation’s branches (Appendix 4f 1.4a). In addition, employees’ contributions to improving overall operational performance in the pharmacy were recognised during their annual performance award ceremony (Appendix 4f 1.4b). These were designed to recognise exemplary performance of both individuals and teams across their branch estate over a range of different categories. The branch manager in one of the stores observed for example, had recently been recognised for a suggestion that he made to improve how the stock replenishment system operated. This was not a significant relationship identified in the original literature search conducted to develop the conceptual framework. Voss and Zomerdiijk’s research (2007, p.118) however highlights a number of organisations which involve frontline employees in their innovation projects because of their understanding of the opportunities to improve the quality of the service being provided. They note managers recognised that frontline employees were *“a great source of information and ... creativity.”* For organisations wishing to innovate for

customer experience therefore, their employees' involvement in the development process was recognised as an important element.

8.6 The Impact of the Experience Mechanisms on Memory Recall and Perception of Time Constructs

The data drawn from both case studies, demonstrated that relationships could be identified between the Experience Mechanisms and constructs representing the design of the delivery system and the Emotional Response and Perceived Control constructs which customers perceive as an element of their experience. There was however less support for the relationship between the Experience Mechanisms and the Experience Outcome constructs, Memory Recall and Perception of Time. Given that this was generally against the trend of the findings, the analysis will treat these two outcomes separately to provide an explanation for these differences.

8.6.1 Experience Outcome Construct - Memory Recall

This section will describe the relationships between the Memory Recall construct and Experience Mechanisms (Figure 8.4). The Memory Recall construct represents the capacity of the delivery system to create an enduring memory or standout impression through the strength of the association between different elements of the service context (Gupta and Vajic 2000). Pine and Gilmore (1998, p.98) state that experiences occur when customers engage with a service provider *"in a way that creates a memorable event."*

Battarbee and Koskinen (2005, p.12) also note that the extant literature describing experiences are inclined to highlight those *"that are emotionally strong and that stand out as memorable."* Research presented by Dodson (1996), exploring the phenomenon of peak experiences amongst cyclists in the mountains of the western United States, for example, demonstrated that the intensity of the experience, resulted in the activity being clearly remembered as a 26-year-old male participant explains: *"Riding Spider's Rim in Moab ... getting to the cliff edge after 20 or so miles and looking out over the valley floor a mile below. Big sense of accomplishment and experience; humbling that nature is so huge and grand."* (Dodson 1996, p.320). In their retrospective reports of the experience of white water river-rafting, Arnould and Price (1993, p.37) describe

how participants vividly recall the events and subsequent emotions, which included remarks such as that it *"made a lasting impression"* or *"was an overwhelming experience."*

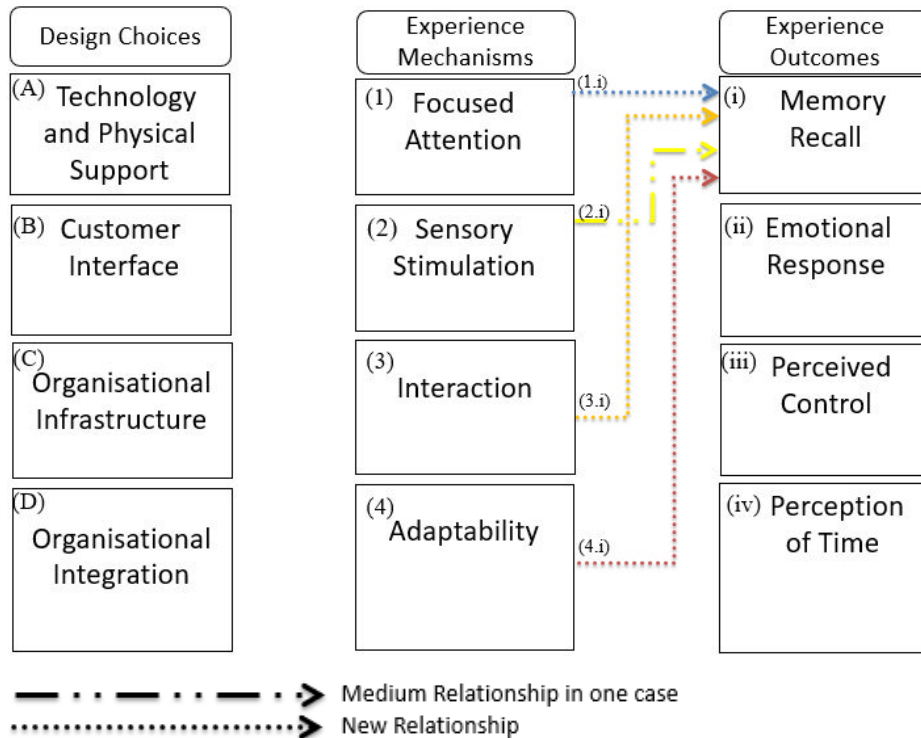


Figure 8.4 Exploring the Mediating Influence of the Experience Mechanism Constructs on Customers' Memory of their Experience

Battarbee and Koskinen (2005, p.12) also note that the extant literature describing experiences are inclined to highlight those *"that are emotionally strong and that stand out as memorable."* Research presented by Dodson (1996), exploring the phenomenon of peak experiences amongst cyclists in the mountains of the western United States, for example, demonstrated that the intensity of the experience, resulted in the activity being clearly remembered as a 26-year-old male participant explains: *"Riding Spider's Rim in Moab ... getting to the cliff edge after 20 or so miles and looking out over the valley floor a mile below. Big sense of accomplishment and experience; humbling that nature is so huge and grand."* (Dodson 1996, p.320). In their retrospective reports of the experience of white water river-rafting, Arnould and Price (1993, p.37) describe how participants vividly recall the events and subsequent emotions, which included remarks such as that it *"made a lasting impression"* or *"was an overwhelming experience."*

An alternative viewpoint to the concept that experiences only emerge from significant and standout events is presented by Forlizzi and Ford (2000, p.422). They recognise an experience can also build from sub-conscious routines to small scale “*cognitive experiences*” when the customers encounter with the service setting or people involved during the delivery of the service, results in something new being learnt. These smaller experiences build each time the customer interacts with the delivery system contributing “*to an evolving set of larger experiences*” (Forlizzi and Battarbee 2004, p.265) each interaction either adding to or detracting from the customer’s overall perception of their experience (LaTour and Carbone 2014). Forlizzi and Battarbee (2004, p.265) however, also recognise that over time the smallest experiences are forgotten “*and only larger experiences, extremely emotional ones and experiences that connect to others are remembered.*” Customer experiences can therefore involve a single and unique event that evolves through a sequence of intense interactions, or be perceived as the accumulative effect of a series of smaller more moderate encounters which build over the lifetime of a customer’s association with the service provider (Forlizzi and Battarbee 2004; Battarbee and Koskinen 2005; Maklan and Klaus 2011).

The analysis supports this assertion, finding only a limited number of examples where customers had significant memories of an interaction with the delivery system, the day to day encounters being forgotten over time. The evidence therefore suggests only a weak relationship between the Memory Outcome construct and any of the four Experience Mechanism constructs. Evidence of the Memory Recall construct had the least number of references (*40 references-Bank; 43 references-Pharmacy – Table 7.0*). Similarly, the associations connecting the Memory Recall construct with the Experience Mechanisms were also the least well supported relationships. However, when these references are combined, they provide some evidence of the validity of the construct in non-hedonic contexts. In this combined form a total of *18 references were made by 16 Informants* in the bank to events which they could remember which were influenced by the Experience Mechanisms. Similarly, in the pharmacy, *26 references were made by 18 Informants*. The experience for customers in both contexts was characterised as a series of minor encounters

interspersed by an occasional episode of intense interactions and emotions which had the potential to be vividly remembered. Informant P14 for example, recalls how the behaviour and actions of the pharmacist in his local branch enabled him to maintain his medication regime despite difficulties caused when his wife went into labour. Both were factors which were significant, the birth of his baby and his medication regime, and the situation was highly emotive, resulting in a strong memory trace:

“I needed to ... collect a fortnights worth of prescription [methadone] and because I wasn't prepared to leave Kat at the hospital and miss everything maybe [the birth of their baby], the doctor said they wouldn't do it and [the pharmacist] went through to the doctors and said “Look are you having a laugh? the poor guy's in hospital waiting to see his son bought into the world and he's on the phone now panicking.” I just phoned [the pharmacist] and I was in a right fluster, panicking, you know and he went in and sorted it out.”

The analysis of these combined relationships suggests the behaviour and performance of employees and the disruptive presence of other customers in the service setting were vivid enough to create a lasting impression. Whilst the relationship between the Experience Mechanism constructs and the Memory Recall construct was not well represented, the data did show that a number of informants were able to demonstrate how they had formed a positive impression of their regular but less intense encounters (25 references-Bank; 11 references-Pharmacy-Appendix 7b/d). Forlizzi and Battarbee (2004) note that whilst the memory of each individual encounters is quickly forgotten, the emotions they generate build to form an “*emotional expression or mood*”. Moods are less intense but last longer when compared to emotions (Battarbee and Koskinen 2005) and are reinforced by each subsequent encounter with the service provider (Forlizzi and Battarbee 2004). Informant C28 provided an example of how her interaction with the delivery system made a positive impression although no single event had occurred that was sufficient to create a significant memory:

“I don't think there has been a particular instance that stood out but just the consistency of being able to contact them [Call Centre], get through easily, if you just want to check your balance over the phone

which I used to do before it was quite so easy to get on the internet and stuff. Yes and the consistency of how easy and how pleasant the experience is when you phone up. Unfortunately phoning up a big company is normally unpleasant isn't it, so yes I think that consistency is probably a good thing"

In non-hedonic contexts therefore, whilst the delivery of the service was capable of creating a memorable outcome, the accumulative effect of a number of less intense encounters with the service provider was also sufficient to create an impression which was stored in the memory as a "*particular aspect of [the overall] experience*" (Forlizzi and Battarbee 2004) which lasted over a longer period of time. The ability to create a lasting impression therefore also appears to be a relevant a descriptor of customer experience in non-hedonic service contexts.

8.6.2 Experience Outcome Constructs - Perception of Time

This section describes the relationships between the Perception of Time construct and Experience Mechanisms (Figure 8.5).

1iv. Focused Attention / Perception of Time relationship

The results demonstrate that the level of skill required to master the challenges presented by the delivery system in the non-hedonic contexts studied correspond with the characteristics of the control channel as defined by Massimini and Carli (1988, p.270); that is, a moderate level of challenge with an appropriate level of skill required to complete the task. When provided with the facilities that enabled them to participate for example, easy access to a range of delivery channels and a menu of options from which they can influence how the service was delivered, customers felt a range of positive emotions and a perception of control over those aspects of the delivery system.

In the contexts studied however, the complexity of the tasks being undertaken, and the skills and level of concentration required to accomplish them were not sufficient for flow experiences to form. When a state of flow is achieved the individuals' complete involvement in the activity can result in a distortion in their perception of time (Csikszentmihalyi 1975). This characteristic feature of flow experiences was not a factor detected within the transcripts provided by

customers of both organisations. Whilst customers demonstrated an awareness of time in their accounts of participating in the delivery of the service, in the non-hedonic contexts studied the relationship between the Focused Attention and Perception of Time constructs was not supported through the analysis of the data (4 references-Bank; 15 references-Pharmacy - Table 7.12). The references allocated to this relationship demonstrated how delays in delivering the service acted as distractions preventing the customer from achieving their goals.

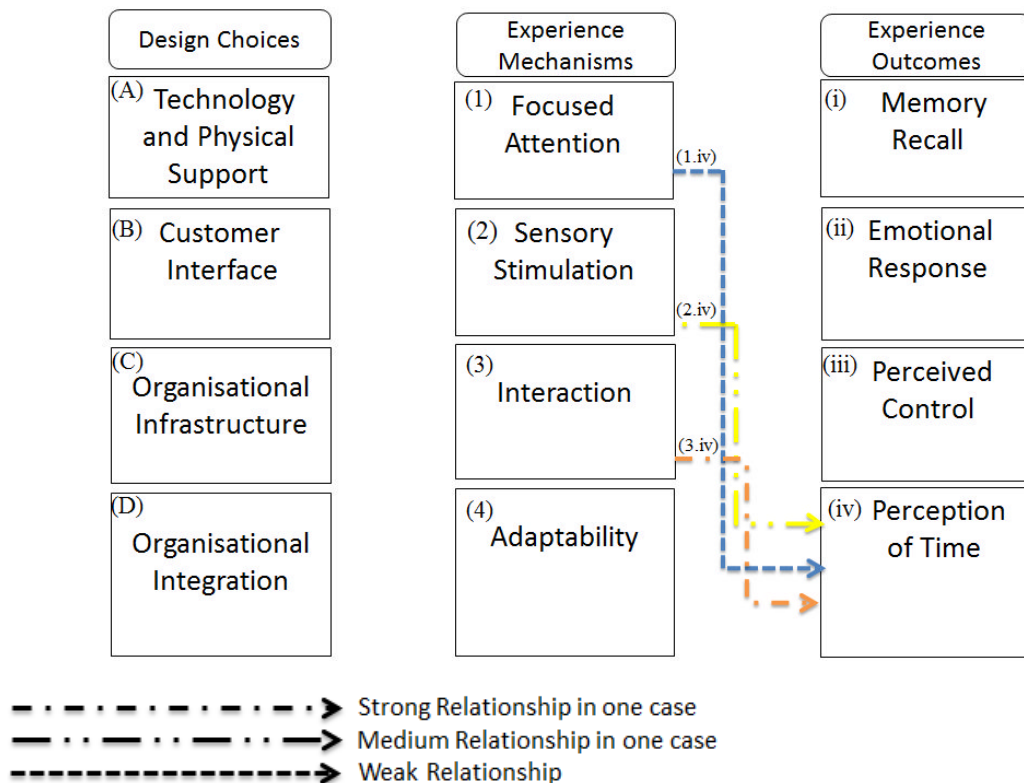


Figure 8.5 Exploring the Mediating Influence of the Experience Mechanism Constructs on Customers' Perception of Time

2iv. Sensory Stimulation / Perception of Time relationship

Baker and Cameron (1996) suggest that the sensory clues present in the service setting influence customers' emotional states, which in turn has the potential to affect their perception of time. The conceptual framework that Hornik (1984) used in his research recognised that a customer's estimate of time is based on their perception of both temporal and non-temporal variables. Attention is shared between the vividness and appearance of the stimuli being observed for example, the length of a queue, and a timer which corresponds to

their approximation of the duration of time required to achieve their goal. Estimates of time are “*based on the output of both processors*” (Hornik 1984, p.615). The more vivid the stimuli, the less reliable the output from the timer becomes due to fewer resources being available to capture the individual’s attention (Thomas and Weaver 1975; Kelley 1989). Empty time therefore with no distractions, will appear to take longer than when time is occupied “*with something interesting*” (Baker and Cameron 1996, p.344). Chase and Dasu (2001) also note that when an individual’s attention is shifted away from concentrating on how long an activity is taking, they generally do not notice its duration.

The data provided minimal support for the relationship between the Sensory Stimulation and Perception of Time constructs. In the contexts studied, the sensory mechanic clues provided by the service setting had little influence on customer’s perception of time, the ambience and décor providing few vivid visual or auditory clues to distract customers’ attention. (*5 references-Bank; 16 references-Pharmacy - Table 7.12*). Some evidence was gathered to show the humanic clues generated by the presence of other customers and the performance of employees were factors which customers related to when estimating the duration of time engaged in the delivery of the service, as Informant P16 emphasised:

“Well, about ten minutes if it’s busy, it just feels a long time”

The ability to see the dispensing staff working also provided some distraction to patients waiting for their prescriptions to be dispensed, as informant P26 explained:

“The more open, the better ... because if the patient can see they are all busy and at it [the dispensing staff], you know, it gives them confidence they are going to be served in a reasonable amount of time.”

However, as patients only have limited information regarding the processing of their prescription, the ability to observe the dispensing process will only shorten their perception of the duration of time waiting, if the activities taking place are interesting enough to divert the patient’s attention.

A number of references also suggested how employees performance might have an influence on their customer's perception of time. Informant C5 described her general feeling of the duration of time afforded to her when interacting with call-centre employees:

"You never feel for example they are trying to get rid of you, where as they must have a huge pressure of calls to deal with, but you never feel like that..."

Conversely, as Informant P1 testifies, the humanic clues generated through employee's performance can also negatively influence customers' perception of time.

"I have to say they are very slow at the counter. They can't help it, but there's two older ladies that are very, very slow and treat you like "what the hell are you doing here!"

3iv. Interaction / Perception of Time relationship

The results from this study demonstrate that in the two contexts studied, the customers' perception of time was not distorted by the degree to which they were able to concentrate on a particular activity or by the vividness of the sensory clues in the service setting. Whilst therefore customers' perception of time in hedonic contexts might have been susceptible to distortion due to the impact of the Focused Attention or Sensory Stimulation constructs in the non-hedonic contexts of this research, the most realistic representation of the impact of the delivery system on customer's perception of time appeared to be through the Interaction construct. The analysis demonstrated strong support for this relationship (30 references-Bank; 20 references-Pharmacy - Table 7.10). Collier and Sherrell (2010) observe that *"The amount of time it takes to complete a transaction has a crucial impact on the value of a specific channel option"*. Research by Soteriou and Chase (1998) demonstrates that customers have an ideal amount of time in which they wish to engage with the delivery process which influences their perceptions of service quality. Where the service is delivered through predominantly self-service technologies, for example, the perceived speed of the transaction is a significant element in the value customers derive from the delivery system (Collier and Sherrell 2010).

In the bank, the data demonstrated that time spent focusing on activities which required no direct interaction with the organisations employees such as internet banking, appeared to be fast and efficient. For those customers that regularly used this channel, the speed at which they could interact with the delivery system was a significant factor and value they derived from the service offering, influencing the overall perception of their experience as Informant C10 explained:

“it`s really quick, when you set up a transfer, you`ve got them all there and you just click and you don`t have to do all the numbers each time, it`s there set up, so I think which one do I want to use, right click bang it`s done.”

The ability to interact easily with the technology provided therefore was an important element in customers overall perception of the experience of using the bank. Conversely for a significant number of the pharmacy`s patients delays in obtaining their medication, such as through a failure to deliver within a perceived time frame or the organisation setting time expectations and then not delivering on them, was a major factor influencing how they perceived their experience. The speed of delivery and number of unfulfilled prescriptions were technical outputs that were measured on a regular weekly basis and included within the organisation`s balanced scorecard (Kaplan and Norton 1993). These measures were aimed at focusing management`s attention on minimising the level of dissatisfaction caused by delays in the delivery of the service.

In situations that involve high levels of social interaction between people however, *“longer durations can also make customers feel like they get more for their money”*, enabling an effective two-way dialogue to develop, *“reducing this duration can make customers feel rushed and less satisfied”* (Bitran et al. 2008, p.62). Yeung and Soman (2007) also highlight how the duration of customer contact with the delivery system can be perceived as an element in the value they derived from the service offering, even though the duration of time does not materially affect the output from the service. Employee`s ability to focus on satisfying the customers` needs and to provide sufficient time for these encounters to be conducted effectively, is in some way reflected in the values upon which both organisations operate (*Organisational infrastructure*). The data showed how the organisations leadership recognised the importance of the

interactions and relationships branch employees developed with their customers. All customers received the same level of service and whilst it was apparent that work rotas and routines were present, individually branch employees were allowed some flexibility in how their work duties were carried out. This created an atmosphere that enabled employees to hold meaningful conversations with sufficient time allocated to enable customers to fully discuss their concerns. In the pharmacy for example, the speed and convenience of being able to speak to a pharmacist without an appointment and the length of time provided for an individual consultation, was a factor in patients' overall perception of their experience. Informant P3 described how the manner in which her consultation with the pharmacist was conducted influenced her perception of the meeting:

“Perfect, I didn’t feel like I was taking up his time ... I felt I got everything I wanted out of it ... I mean GPs, you’ve got ten minutes and the GP needs to get rid of you within that ten minutes. With the pharmacists, I don’t know if he’s got any times, but he didn’t seem to, I didn’t feel that I had ten minutes of his time and I had to go you know, whereas the GP you know you have to get it all out quickly.”

Whilst the information customers gained through meetings with bank and pharmacy employees was a beneficial outcome from the delivery process, the time allocated to these discussions which enabled employees to fully address customers concerns, was also a contributory factor in the value customers derived from the service offering. This supports Yeung and Soman (2007) assertion that customers evaluate services as much on their duration, as the actual benefits they derive as outcomes from the delivery system.

The data therefore shows that customers' perception of time whilst interacting with the delivery system focused on two types of encounters: minor servicing events or regular transactions which were expected to be fast and efficient. The majority of the encounters customers had with the delivery system were measured against these criteria. In contrast, major servicing events were more complex interactions. These encounters were conducted specifically with employees and required sufficient time for the customer to understand the implications of the course of action being proposed. In the non-hedonic contexts studied, where customer's engagement with the delivery system appeared more

likely to resemble control experiences than flow experiences (Massmini and Carli 1988), the most significant association representing how customers perceived the amount of time participating was therefore through the Interaction/Perception of Time relationship.

8.7 Implications drawn from Research Findings

The analysis of the data demonstrated the presence and relevance of a number of interdependent design components adopted in the configuration of the delivery system in the non-hedonic service context studied. The analysis also highlighted how the Experience Mechanism constructs facilitated the customers' participation in the delivery of the service and mediated the impact of the Design Choices on their overall experience. Two Experience Outcome constructs were also identified representing how customers perceive the experience of engaging with the delivery system in these contexts. In doing this the study provides evidence to address the research question:

How do organisations operating in non-hedonic service context design for customer experience?

The following section will describe how the main empirical findings:

1. Builds on the existing research and in particular how they relate to the design principles for experience-centric services put forward by Zomerdijk and Voss (2010);
2. Demonstrates how experiences are perceived differently in hedonic and non-hedonic contexts
3. Extends experience design theory by integrating provider and customers' perspectives of how the delivery system influences customer experience

8.7.1 Building on Existing Experience Design Theory

The Literature Review chapter highlight six empirically-derived propositions from research by Zomerdijk and Voss (2010). In summarising their findings, Zomerdijk and Voss (2010, p.78) question whether the propositions they developed for the design of experience-centric services apply to "*more standard, everyday services.*" In a similar analysis of design characteristics in experience-centric services, carried out by Voss et al. (2008) they also question whether innovating for customer experience is an appropriate strategy for

service providers where their relationship with customers is purely transactional. In exploring the nature of customer experience in non-hedonic service contexts the study challenges these assumptions, extending existing experience design theory beyond contexts where the experience is an explicit component in the design of the delivery system. Using the research provided Zomerdijk and Voss (2010) as a foundation against which the results from this study can be analysed, the findings demonstrate the propositions they developed from studying experience-centric services are also relevant to the design of delivery systems in organisations operating in non-hedonic service contexts.

The findings build on Proposition 1 and 2 suggested by Zomerdijk and Voss (2010), that the design of touchpoints within the physical environment influence how a customer engages with the service provider and their emotional response to the service provided (Bitner 1992; Berry et al. 2006a; Zomerdijk and Voss 2010). The findings demonstrate that both organisations provided standard design footprints that considered how customers navigated their way through the service setting and the positioning of direct points of contact with employees. Whilst Voss et al. (2008) notes that evoking a particular emotional response through sensory clues in the design of the delivery system in experience-centric services is a key element and “order winner”, Pullman and Gross (2003, 2004) also highlight the difficulties in achieving this. To add clarity to this problem, the research also demonstrates how the nature of the customers’ goals have an important influence on which sensory clues customers perceived to be important. In the non-hedonic contexts studied the mechanic clues (Berry et al. 2006a) that created a significant emotional response were those that were directly aligned to helping customers achieve their prevention goals (Chitturi et al. 2008). At a conscious level, the mechanic clues embedded in the physical environment that did not directly relate to these goals had less impact on how the experience was perceived.

Zomerdijk and Voss (2010) also recognise the impact that the presence of other customers has on the emotions aroused (*Proposition 5*) although they found limited examples in their study. Literature suggest that the context in which the service is delivered influences (either positively, or negatively) the impact that the presence of other customers have (Grove and Fisk 1997; Pullman and

Gross 2003; Voss and Zomerdijk 2007; Verhoef et al. 2009). The findings from this research provide evidence to support this proposal. In both case studies, the findings demonstrated that the presence of other customers in close proximity had a significant negative impact on customers' emotions. To minimise the impact of this, managers focused, as Zomerdijk and Voss (2010, p.76) suggest, on *contextual elements* such as the location of semi-permanent office cubicles and the positioning of the seated patient waiting area and provision of a soundproof consultation room, which were crucial points of contact in which the proximity of other customers had the greatest impact. The study also provides empirical support for the assertions of Pine and Gilmore (1998) and Stuart and Tax (2004) that distractions and interruptions influence the customers' ability to participate in the delivery process, which in turn influences the experience they have. Service designers should consider, therefore, both the nature of the customers' goals and the possible detrimental effect of distractions, caused by both the environmental variables embedded in the physical setting and the presence of other customers when making Interface design decisions.

The research also supports *Proposition 3* that the performance of employees has a strong influence on the experience customers have. Whilst pleasant interactions and rapport were identified as factors influencing the emotional connection the customer forms with the service provider, the employees desire to provide a solution to a customer's problem when they had insufficient knowledge or were not able to rectify the problem themselves, was a significant factor in how customers perceived their experience in the two cases studied. The findings therefore suggest that when an organisation empowers their employees with a degree of discretion to adapt the delivery system to meet the customers' individual needs, it has a positive impact on how the experience is perceived. The findings add detail to Zomerdijk and Voss's (2010) propositions and build on research by Chebat and Kollias (2000) regarding the impact of empowerment on the role of customer-contact employees. The research identifies a number of management practices to support this.

- leadership values that encourages employees to respond to customers' needs;

- recruitment policies that ensure employees' have the correct service-oriented behaviours and the capacity to make decisions, alongside ongoing training and monitoring processes to embed this customer-centric ethos;
- a strong operating framework that provides clear guidelines and boundaries around which employees operate; and
- employees involvement in developing and improving internal systems and processes which help deliver the service to the customer.

Zomerdijk and Voss (2010, p.69) also highlight that experience-centric design includes a consideration of the “*Dramatic Structure of Events*” (*Proposition 4*). In the contexts studied, the customer’s relationship and journey with the service provider consisted of a regular series of minor encounters interspersed with occasional major events which included key planned interventions with employees. Whilst there was no evidence that the chain of activities occurring during these minor encounters had been designed for dramatic effect, service designers were aware of the impact that key points of contact had on how the customer engaged with the delivery system; for example, the benefits of open counters in the bank and the design of the dispensaries in the pharmacy. The ability to synchronise activities between delivery channels in the bank was also a factor recognised as beneficial by both managers and customers. There was also evidence to suggest the structure of key interventions with customers, their direct face-to-face meetings with employees had been specifically designed to maximise their effectiveness. The purpose of these encounters was to ensure customers were provided with sufficient information so they could make informed decisions and fully participate where the delivery system allowed, rather than for their intrinsic enjoyment.

Zomerdijk and Voss’s (2010) final Proposition (6) recognises the relationship and degree of integration between front and back office operations as an important element in delivering a consistent experience. The findings demonstrated that both organisations facilitated a close relationship between front and back-office operations. Internal communications in both organisations was managed through a central operational support department designed to manage the downward flow of information so branch teams were not

overwhelmed and remained focused on the standards they provided to their customers; they also encouraged branch employees to feedback operational problems so these could be rectified. The pharmacy however, appeared to be more effective in integrating their head-office departments with the front office operations. Head-office employees working in branches to understand the impact that central decisions had on the service provided to patients was a good example of the level of integration being achieved in this organisation.

8.7.2 Distinguishing Characteristics

Through the analysis of the patterns of evidence identified through each Experience Mechanism construct, the relationship between the Design Choice and Experience Outcome constructs can be better understood. A revised conceptual framework (Figure 8.6) showing the relationships which were found to be significant in the data and relevant to the design of the delivery system and in the outcomes customers perceive as part of their experience in non-hedonic service is presented.

The following relationships between the constructs have been removed from the framework presented on page 219 (Figure 6.0) due to only moderate or weak support being demonstrated:

A4 Technology and Physical support / Adaptability

1iv Focused Attention / Perception of Time

2i Sensory Stimulation / Memory Recall

2iv Sensory Stimulation / Perception of Time

Similarly, the additional relationships identified during the analysis of the data, which were highlighted on figure 6.0, were also not included due to their limited numbers.

D4 Organisational Integration / Adaptability

1i Focused Attention / Memory Recall

3i Interaction / Memory Recall

4i Adaptability / Memory Recall

This revised framework demonstrates how an experience in a non-hedonic service context differs to one had in a hedonic context. The conceptual

framework was developed from key elements taken from literature focusing predominantly on case studies conducted with experience-centric service organisations or in hedonic service contexts. The findings demonstrated that the Design Choice and Experience Mechanism constructs appeared to be relevant in both hedonic and non-hedonic service contexts. However, whilst it would be expected that positive experiences in hedonic contexts correlate with the four Experience Outcomes given the literature base of the conceptual framework, the findings in the non-hedonic contexts studied only found strong evidence for two of these outcomes; a strong Emotional Response and high levels of Perceived Control. In addition, the findings also highlighted that the emotional response to the service provided, focused heavily on prevention emotions as opposed to those categorised as promotion emotions (Chitturi et al. 2008). Limited support was identified for the relationship between the Experience Mechanism constructs and the Memory Recall and Perception of Time constructs. These findings provide a distinction between the two contexts, and scope for further research to build on the findings from the current study.

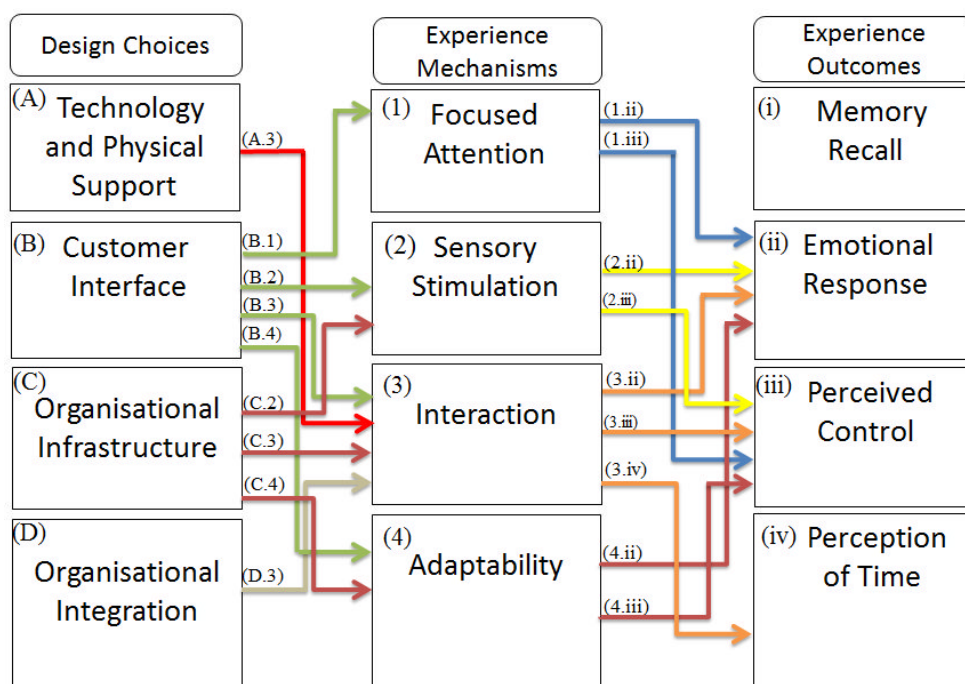


Figure 8.6 Revised Conceptual Framework to demonstrate significant relationships between constructs in Non-Hedonic Contexts

Prevention / promotion emotions – Literature suggests customers' underlying motivation for engaging with the service provider that is, their prevention or promotion goals (Chitturi et al. 2008) influences customer's emotions and therefore their subsequent perception of their experience. The findings demonstrated that in the contexts studied, customers' ability to concentrate on activities which fulfils their prevention goals, that is, preventing an adverse situation from occurring or mitigating its impact, through for example, being able managing their financial accounts or rectify a medical condition, resulted in a range of positive prevention emotional responses such as feeling valued, trusted, and safe. These are typical of the recommendation cluster of emotions proposed by Shaw (2007) and are necessary antecedents for customer satisfaction (Chitturi et al. 2008). The number of references made to advocacy emotions Shaw (2007, p.105) also suggests for some customers their experience was highly positive. This is in contrast to the design of delivery systems in hedonic contexts that concentrate on structuring events to achieve promotion goals by creating a "*WOW effect*" (Voss, et al. 2008, p.249) and arousing promotion emotions such as feelings of cheerfulness and excitement (Chitturi et al. 2008) which did not feature strongly in the data. The findings demonstrated that whilst different, the emotions generated in a utilitarian service offering focusing on satisfying customer's prevention goals, were nonetheless as important to a customer's perception of their experience as those produced through a hedonic service offering.

Perception of Time – Whilst customer's perception of time was an important element in the value they derived from the service offering as the results from the Interaction/Perception of Time relationship indicated, in the non-hedonic contexts studied their engagement and level of concentration during each minor encounter was generally insufficient to distract attention or distort time perception. Similarly, there was no evidence identified that either organisation had designed their setting with sensory clues aimed at distracting customers attention away from the activities they were engaged in. The context in which the service was delivered and experience perceived might also have had an influence, in that customers spent a relatively short length of time participating in either setting, and therefore the opportunities for their time perception to be distorted were minimised.

Memory Recall – The data also demonstrated that whilst their involvement in the delivery of the service occasionally resulted in a memorable encounter, customers' overall perception of their experience was more likely to form as a positive impression derived through the accumulative effect of their regular but minor encounters, rather than as the result of a single outstanding memorable event. The memories cited focused on the people involved rather than on the design of the physical environment, an indication that humanic clues were of greater importance in these contexts than mechanic clues embedded in the setting. The actions of employees in assisting customers to achieve their prevention goals (or other customers preventing them from doing so) featured heavily in these descriptions.

The study therefore demonstrates that customer experience design theory drawn from experience-centric settings and hedonic contexts is relevant to non-hedonic service contexts. The findings however also suggest the nature of the customers' involvement in the delivery of the service (either through a series of relatively short minor encounters or through being present during an outstanding or distinctive event), influences how the experience is perceived.

8.7.3 Extending Experience Design Theory

As well as the provider's perspective, the conceptual framework also included the conceptions of experience described by Pine and Gilmore (1998) and Csikszentmihalyi (1975) which considered the customers perspective in the design of the delivery system. Analysing the delivery system through both provider and customer perspectives adds to the originality of the study and provides unique insights into how the delivery system influences the customer's perception of their experience. Formulated from these conceptions, four experience mechanisms were developed. Whilst these mechanisms have been identified as preconditions necessary for flow experiences to develop and characteristics of the design of virtual service environments for example, social networking services (Zhou et al. 2010) and the design of online services (Koufaris 2002; Senecal et al. 2002; Ding et al. 2010) limited research has been carried out to demonstrate their influence on customer experience in physical services. The findings demonstrate these mechanisms act as the means

through which customers engage with the delivery system in real-world settings, influencing the experience they perceive as a result. The findings therefore highlight the theoretical importance of the experience mechanisms when designing for experience. Through the analysis of multiple perspectives, the thesis extends experience design theory through the development of 9 propositions that reflect how the design of the delivery system influences customers' perception of their experience in non-hedonic service contexts. Whilst the results from which the propositions were derived are limited to only two case studies, the findings demonstrated a high degree of similarity between the cases. The cross-case analysis conducted therefore expands the analytic generalisability of the theory underpinning the conceptual framework suggesting the propositions might be applicable across a wider range of service contexts.

Focused Attention – When customers lack sufficient knowledge, providing information and support through competent and knowledgeable employees, enable them to more fully participate in the delivery of the service. These situations have a positive impact on both the emotions customers feel and their sense of control over the delivery of the service. Likewise removing unwanted distractions and interruptions from the interface with the customer enables them to focus on the activities they are participating in. Distractions and interruptions such as the speed of delivery, design of the physical setting, and presence and proximity of other customers have a negative effect on customer's emotional response to the service being provided and on their perceived level of control. These findings lead to proposition 1

Proposition 1: Focused Attention has a mediating influence on the relationship between customer interface design and a customer's emotional response and perceived control

Sensory Stimulation – The sensory clues generated through the performance of employees has an impact, both either positive or negative on the customers' emotional response to the service provided. Whilst sensory mechanic clues incorporated in the design of the interface also influences the customer's emotional response to the service provided (Positive/Negative), the clues that have the greatest impact are those that enable the customer to achieve their personal goals. Mechanic clues that do not directly relate to these goals have a

minimal effect on the customers' emotional response. These findings lead to proposition 2

Proposition 2: Sensory Stimulation has a mediating influence on the relationship between customer interface design and a customer's emotional response

The performance of employees is guided by the customer-centric values promoted by the organisations leadership. How business is conducted influences customers' sense of control over the delivery of the service. The internal management practices (selection, training and performance management) that focus on embedding service-oriented behaviours also affect the performance of employees. Both factors have a positive influence on the emotions customers perceive. Management practices that focus on ensuring that mechanic clues are maintained to a predetermined standard through internal and external audits of service standards, also enable customers to make a positive interpretation of the unobservable back-office operations which has a positive influence their perception of control. These findings lead to proposition 3

Proposition 3: Sensory Stimulation has a mediating influence on the relationship between organisational infrastructure design and a customer's emotional response and perceived control

Interaction – The technology deployed enables a customer to communicate with the delivery system through a variety of delivery channels. The ease and speed of communication during minor servicing events or regular transactions has a positive influence on their emotional response and their perception of time. The technology deployed also provides front-office employees with relevant information which assists them in the development of a dialogue and building rapport with customers. These findings lead to proposition 4

Proposition 4: Interaction has a mediating influence on the relationship between technology and physical support design and a customer's emotional response and perception of time

Key face-to-face contact events designed to support customers with relevant information enabled them to maximise their involvement in the delivery of the

service and the benefits they accrued from the service offering. Enough time was allocated to these meetings to enable customers to fully discuss their concerns and understand the implications of the course of action being proposed. The way these sessions were conducted had a positive impact on customers' emotional response to the service provided and their perception of time. These findings lead to proposition 5

Proposition 5: Interaction has a mediating influence on the relationship between customer interface design and a customer's emotional response and perception of time

The organisations' leadership actively encouraged employees to interact and develop relationships with their customers. Internal management practices are designed to facilitate this through training and support which enable employees to effectively develop a dialogue and rapport with their customers. Flexible work routines also provide sufficient time to allow meaningful conversations to develop. The capacity of employees to create a dialogue and build rapport with customers has a positive impact on customer's emotions, perception of control and perception of time. These findings lead to proposition 6

Proposition 6: Interaction has a mediating influence on the relationship between organisational infrastructure design and a customer's emotional response, perceived control and perception of time

Interaction with internal (employees) and external (customers) sources enable an organisation to learn and make changes to improve the performance of the delivery system resulting in a positive impact on customers' emotional response to the service provided and their perception of control

This finding leads to proposition 7

Proposition 7: Interaction has a mediating influence on the relationship between integration design and a customer's emotional response and perceived control

Adaptability – When customers have sufficient knowledge, providing them with a variety of options through which they were able to influence the outcome has a positive impact on both their emotions and their perception of control. When

the customer lacks knowledge providing enough information to enable them to make informed decisions adds to their perception of control. These findings lead to proposition 8

Proposition 8: Adaptability has a mediating influence on the relationship between customer interface design and a customer's emotional response and perceived control

Employees are empowered with the discretion to take the initiative to resolve queries and to think and act on behalf of the customer. The ability and capacity of employees to adjust how the service is delivered has a positive influence on customers' emotional response and their perception of control. These findings lead to proposition 9.

Proposition 9: Adaptability has a mediating influence on the relationship between Infrastructure design and a customer's emotional response and perceived control

8.8. Implications for Practitioners

Customers' perception of their experience with a service provider has an important influence on their loyalty (Roth and Menor 2003; Voss and Zomerdiik 2007) level of satisfaction, and their repurchase intentions (Roth and Menor 2003). Organising the service delivery system for customer experience is therefore becoming a priority for a range of organisations and is increasingly being deployed as a strategic option by service providers operating within non-hedonic service contexts (Voss et al. 2008; Johnston and Kong 2011). Building an understanding of the concept of experience and its core elements can assist an organisation in developing "*a unique irreplaceable competitive advantage*" (Gupta and Vajic 2000, p.49). The findings from this study also indicate customer experience is a relevant consideration in the design of the delivery system within non-hedonic contexts. This research therefore should be of practical interest to service designers and business managers operating in these service contexts. Gupta and Vajic (2000, p.49) point out the experience the customer has depends on the fit between the elements involved in delivering the experience, that is, the setting, the people involved and the sequence and positioning of the activities which occur throughout the customer's journey, and on how well these elements adapt to the customers

involvement in the delivery of the service. To complement the design propositions proposed and to assist in organising for experience, the study provides managers with a set of design principles through which the benefits of customer experience can be realised whilst maintaining control of the cost of facilitating it. The findings suggest resources will be most effective when focused on the specific mechanisms which influence how experience is perceived. These design principles include:

1. The customers' goals – Customers' consumption goals and the expected emotions, either prevention or promotion, generated when these are achieved, should be a key consideration in the design of the physical setting in which the service is delivered and the elements of the delivery process in which the customer participates. Attention should be paid to the specific aspects of the delivery system that influence how customers achieve their goals. The length of time spent participating in the delivery of the service might also influence which environmental and aesthetic clues embedded in the design of the setting customers considers important. The longer the duration of their participation, the greater the importance placed on these clues might be

2. Distractions – Distractions which prevent customers from accessing the delivery system or achieving their goals easily should be removed. Consideration should also be given to how the design and layout of the setting influences the one-to-one contact customers have with employees and the impact that other customers have on an individual's capacity and willingness to participate in the delivery process.

3. People – The behaviour and attitude of the organisation's people are significant aspects influencing how the customer perceives their experience. To support line managers to maintain performance standards, recruitment processes should ensure new recruits demonstrate the behaviours required to create the correct impression and help build relationships with customers, prior to being engaged. In the context of the two organisations studied, behaviours that focused on satisfying customers' prevention goals, that is, personal responsibility and ownership for problems and issues together with a 'solutions focused' mind-set that prevents problems from occurring or resolves them quickly, were highlighted as important to both employees and customers.

Observations of employees, as evident in the method used in the bank, are an interesting initiative in employee development and maintaining consistency. Both internal and external mechanisms used to measure performance should also include an assessment of employee behaviours and how employees communicate with their customers.

4. Adaptability – Flexibility should be designed into the delivery system to enable customers to actively participate in achieving their goals when they have the necessary skills, or are provided with easy access to information that enables them to gain these skills. IT systems should also be developed to provide frontline employees with relevant information through which they can personalise the delivery of the service to a particular customer's needs. Similarly employees should be empowered to adapt their approach to suit customers' needs within clearly defined guidelines.

5. Make communication easier – The delivery system should be designed to facilitate communication and interaction with the customer across a variety of different but integrated delivery channels. Service designers should develop a communication framework through which employees can develop an effective conversation with their customers, this framework indicating how conversations should be conducted during significant points of contact. Communication frameworks should leave enough flexibility for employees to adapt their presentation to meet a customer's needs. To support frontline employees in both physical and virtual (call-centre) settings, training policies should also focus on developing listening skills (hearing, understanding, interpreting), initiating conversations and rapport-building (matching, pacing and leading conversations) and on recognising the importance of body language.

6. Information and support – Communication processes should also be developed to ensure customers fully understand how the delivery process works or to keep them aware when their lack of knowledge results in much of the responsibility for delivering the service being ceded to the organisation.

7. Internal communication – Support systems should be introduced to manage the flow of information down to branch offices thereby enabling front

line employees to deliver the expected service standards whilst managing head-office initiatives. Internal communication systems should also be developed to enable the organisation to learn from key stakeholders, customers and suppliers, and to disseminate this knowledge throughout the organisation. Similarly feedback systems that enable employees to have an influence on improving the part of the service system they have responsibility for delivering should also be introduced.

8.9 Discussion summary

The Discussion chapter has demonstrated how patterns of evidence identified through each Experience Mechanism construct influence the design of the delivery system and outcomes which customers perceive as part of their experience. The relevance of the study to existing service operations literature has also been demonstrated, both in terms of it extending existing theory (Voss et al. 2008; Zomerdijk and Voss 2010) and of it developing experience design theory using the concept of flow as a theoretical base and point of departure. Based on this, propositions have been developed which show the design principles that influence how service organisations deliver successful experiences in non-hedonic contexts. The chapter concludes with recommendations for managers wishing to exploit customer experience as a strategic option. The final chapter of the thesis will conclude by summarising the context in which the research was carried out and outline the study's originality and its contribution to knowledge. The limitations of the study will also be highlighted and opportunities for further research identified.

Chapter 9: Thesis conclusion

9.1 Research Context

To retain the loyalty of their customers, organisations are beginning to recognise that delivering a high level of customer satisfaction simply through a consistent and reliable service system is insufficient (Stuart and Tax 2004). Organisations need to find alternative points of difference to compete effectively. Customer experience is one strategic option for organisations wishing to differentiate their service offering and maintain a competitive advantage which has received increased attention in academic literature (Berry et al. 2002; Haeckel et al. 2003; Voss 2004). Whilst the strategic importance of customer experience has been traditionally recognised in the leisure and entertainment sectors that focus on providing hedonic value to their customers (Zomerdijsk and Voss 2011), increasingly the commercial benefits of differentiating the service concept on the emotional connections customers form with the service provider is being recognised across a range of business sectors (Voss 2004).

How the design of the delivery system influences the experience customers perceive is however still unclear (Roth and Menor 2003; Stuart and Tax 2004). Research has predominantly been conducted in hedonic service sectors (Candi et al. 2013) or on organisations that have focused on developing experience-centric delivery systems in both hedonic and non-hedonic service sectors (Voss and Zomerdijsk 2007; Voss et al. 2008; Johnston and Kong 2011; Ponsignon et al 2017). Limited research has been carried out into understanding whether the experiential design principles identified through these studies are applicable in undifferentiated non-hedonic service contexts. The absence of strategic guidance provided by operations management research provides an opportunity to research this further. To address this gap, the objective of this thesis was to explore how organisations design for customer experience at an organisational level in non-hedonic service contexts; specifically the objective was to address the following research question:

How do organisations operating in non-hedonic service contexts design for customer experience?

While the design of the service delivery system (see, for example, Voss and Zomerdijsk 2007; Voss et al. 2008; Verhof et al. 2009) and the customer's perception of their experience (see, for example, Celsi, et al. 1993; Arnould and Price 1993; Dodson 1996; Brakus et al. 2009) have been explored independently, the conceptual framework for this study draws from a wide range of literature sources, synthesising both provider and customer perspectives. Verhoef et al. (2009, p.31) note that many of the publications that focus on customer experience emphasise "*managerial actions and outcomes*" rather than identifying the theories underlying the "*antecedents and consequences of customer experience*". The conceptual framework used in this study attempts to address this shortfall using the concept of flow experiences (Csikszentmihalyi 1975) and the experience dimensions described by Pine and Gilmore (1998). The framework provides a useful method for identifying the key elements associated with designing for experience, proposing a number of mechanisms, incorporated within the components of the delivery system, which act as the means through which a customer engages with the service delivery system. These mechanisms mediate the customers' involvement in the delivery of the service and in the outcomes they experience. Whilst these mechanisms have been identified as contributory factors which influence how experiences in hedonic contexts evolve, they have received minimal attention in studies involving non-hedonic contexts.

The data obtained through the empirical research suggest some evidence to demonstrate the presence and relevance of the constructs of the conceptual framework and the implied relationships between them. The findings therefore provide an indication of the key design principles required for delivering successful experiences in non-hedonic contexts, addressing the call by Roth and Menor (2003, p.157) that more research is needed to understand "*the antecedents of delivering successful experiences*". The cross-case analysis also provides an indication of the generalisability of the findings in other non-hedonic service contexts.

Together, these findings demonstrate the conceptual framework is a valid representation of the elements involved in the design of the delivery system which influence how customers perceive their experience. The experience

emerging as a result of customers' engagement with the delivery system through the mediating influence of the Experience Mechanism constructs, which in turn are factors in the components of the delivery system in which organisations make strategic design choices.

9.2 Originality and Contribution to Knowledge

The research undertaken forms a distinct contribution to knowledge and is original in both the contexts studied and the scope of research being undertaken. The advantage of exploiting customer experience as a competitive strategy is increasingly being recognised. Research undertaken to determine the key design principles which influence an organisation's ability to effectively deliver personal and memorable performances (Pine and Gilmore 1998), have however, focused mainly on hedonic service contexts such as the leisure and entertainments sectors (Zomerdijk and Voss 2010) and on experience-centric organisations (Voss and Zomerdijk 2007; Zomerdijk and Voss 2010, 2011; Voss et al. 2008). Maximising the customer's emotional connection to the service provider through the experience they receive is a central objective for the design of the delivery system in these contexts. Literature also suggests that through their involvement, customer's experience the delivery of the service regardless of the context in which it is being delivered (Voss and Zomerdijk 2007). Minimal research however, has been conducted to explain how organisations design for customer experience in those contexts where the objectives of the service provision have not been experiential (Candi et al. 2012). The thesis therefore fills this research gap by exploring how organisations design for customer experience in these non-hedonic service contexts.

Whilst the importance of considering the customer's viewpoint when designing the delivery system has been recognised (Chase and Dasu 2001; Lemke et al. 2010; Teixeira et al. 2012; Johnston and Kong 2011), their perspective is often not a consideration in service design studies (Lemke et al. 2010). To explore the research question fully therefore, the study includes both the provider and customers' perspectives by synthesising existing service operations management design principles with conceptions of experience that consider how service design might be perceived from the customer's point of view.

Through an appraisal of the extent literature, a unique conceptual framework has been developed to illustrate how the design of the delivery system influences the dynamic relationship between the service provider and the customer, and the experience that customer's perceive as a result. The empirical phase of the study also includes both the provider and customer perspectives during the data collection process. Exploring multiple perspectives, that is, both provider and customer viewpoints therefore adds to the originality of the research project.

9.3 Contribution to Knowledge

The findings from this thesis provide an original and distinct contribution to experience design theory within the service operations management discipline in three main areas:

Firstly, the findings demonstrate that the experience design principles identified in experience-centric organisations and hedonic settings were also found to be applicable in non-hedonic service contexts. The thesis therefore extends existing experience design theory beyond contexts where the experience is an explicit component in the delivery system. Whilst similar design principles apply, the study also demonstrated these were contingent on the context of the service being delivered. The performance of employees, as the extant literature suggests, had a strong influence, which indicates the importance of people in both hedonic and non-hedonic service contexts. Sensory mechanic clues also had effect although those that had the greatest impact on how customers engaged with the delivery system and perceive the outcome related directly to their objectives for initiating the service, that is, their prevention goals. Mechanic clues influencing the internal ambience, such as colour, music or lighting which literature suggests are important factors in designing for experience had a minimal impact. Distractions and interruptions that occur during the delivery of the service which customers perceived as important, also related to their goals for using the service. Whilst customer experience is relevant in non-hedonic contexts therefore, the design of the customer journey and associated touchpoints need to reflect the customers' consumption goals and purpose for engaging with the service provider.

Secondly, the conceptual framework provides an alternative perspective of how the experience itself can be characterised. These outcomes were drawn from the literature focusing on hedonic service contexts, for example, Csikszentmihalyi (1975) and Pine and Gilmore (1998). The findings demonstrate however, that only two of these outcomes were relevant to experiences in non-hedonic service contexts. Whilst strong evidence was identified to demonstrate the relevance of the Emotional Response and Perceived Control constructs and their attendant relationships with the Experience Mechanism constructs, the relationship between the Experience Mechanism constructs and the Memory Recall and Perception of Time constructs generally did not appear to hold. This is an interesting point of distinction and provides scope for further research in order to add to the principles on which a delivery system is designed to maximise the impact of customer experience in both hedonic and non-hedonic service contexts.

Finally by drawing from the conceptions of experience described by Pine and Gilmore (1998) and Csikszentmihalyi (1975), the study first identifies and then empirically demonstrates how factors termed as Experience Mechanisms act as the means through which customers engage with the service provider. The findings demonstrate how these mechanisms, integrated within the design of the delivery system, mediate how customers perceive their experience. A set of design propositions have been developed to describe these relationships; summarised in Table 9.0 below:

Table 9.0 Summary of service design propositions drawn from the findings of the study

Focused Attention
Proposition 1. Focused Attention has a mediating influence on the relationship between customer interface design and a customer's emotional response and perceived control
Sensory Stimulation
Proposition 2. Sensory Stimulation has a mediating influence on the relationship between customer interface design and a customer's emotional response
Proposition 3. Sensory Stimulation has a mediating influence on the relationship between organisational infrastructure design and a customer's emotional response and perceived control

Interaction
Proposition 4. Interaction has a mediating influence on the relationship between technology and physical support design and a customer's emotional response and perception of time
Proposition 5. Interaction has a mediating influence on the relationship between customer interface design and a customer's emotional response and perception of time
Proposition 6. Interaction has a mediating influence on the relationship between organisational infrastructure design and a customer's emotional response, perceived control and perception of time
Proposition 7. Interaction has a mediating influence on the relationship between integration design and a customer's emotional response and perceived control
Adaptability
Proposition 8. Adaptability has a mediating influence on the relationship between customer interface design and a customer's emotional response and perceived control
Proposition 9. Adaptability has a mediating influence on the relationship between organisational infrastructure design and a customer's emotional response and perceived control

9.4 Limitations of the Empirical Study

This exploratory study sought to understand how organisations in non-hedonic service contexts design their delivery systems for customer experience. Through the case study methodology used to collect and analyse the data, the study identified a number of constructs and relationships between them which suggest how the design of the delivery system influences the experience that customers perceive. Whilst case studies are a useful method to explore a phenomenon when it is not fully understood (Meredith 1998), there are limitations that arise from this research strategy. The resources available and time constraints meant that only two case studies were conducted. Whilst this limits the degree to which the results can be generalised, the richness of the data obtained through these in-depth exploratory studies provided an opportunity to demonstrate the relevance of the conceptual framework to the design of service delivery systems and in how customers perceive the outcome. Similarly, whilst the primary data collection method used in each case study (semi-structured interviews) yielded a number of interesting findings, it also presented a number of challenges in terms of analysing the data obtained.

9.4.1 Informant Responses

Interviews with employees working at a variety of different levels across both organisations' management hierarchy are susceptible to reflexivity (Yin 2009; Finn et al. 2000; Candi et al. 2013) that is, employees over emphasising what they do or the degree to which they embrace the customer centric-culture being put forward by senior managers. Whilst the data was collected from different

locations, which helped to establish reliability, in interpreting the findings care was also taken not to place undue emphasis on particular recollections but to develop broader inferences from the data obtained from a variety of respondents from both case studies. Conducting an essentially reflective interview also meant that customers' descriptions of their experiences were focused on their conscious perceptions. The data collection method was not specifically designed to uncover their sub-conscious thoughts and feelings, so whilst questions were asked to probe further than their initial responses, the deeper psychological meaning attached to customers' comments sometimes went unexplored. Comments regarding the lack of impact of internal aesthetic sensory clues, the decoration and furnishing, for example, are an interesting finding and demonstrate customer's opinions at a conscious level. Similarly customers perceptions of time were described at a general level based in most cases on an impression rather than any clear evidence of time perceptions being altered. Further research would need to be conducted to fully understand at a sub-conscious level how these aspects influence how customers perceive the experiences they have.

9.4.2 Citations

Using Nvivo 10 to store and analyse the data obtained during the interview process also provided details of the numbers of references made regarding each construct and relationship. Whilst it was possible to draw inferences from the analysis of this information, to determine which aspects of the conceptual framework were more prominent features, they need to be treated cautiously. The quality and pertinence of the informant's observations were a more important determinant in establishing the relevance of the conceptual framework. Some elements that received a small number of references were therefore identified as significant factors. The single service concept delivered in both organisations meant that each customer interviewed received a similar level of service. Whilst therefore, subconsciously other factors might have been involved, at the reflective level of the data collection method used, the numbers of references cited does provide some indication from the customers' perspective of which aspects were more relevant to them in the design of the delivery system and in the outcomes they perceived.

The data received from the organisations' employees also highlighted aspects of the delivery system which they recognised as influential in the delivery of the service. The performance of frontline employees, for example, was important in respect of their recruitment and behaviours (Infrastructure) their flexibility and capacity to adapt their approach to satisfy customer needs (Infrastructure; Adaptability), and in their ability to build a relationship with customers (Interaction). To obtain the widest range of data however, employees working in a variety of different roles were interviewed to obtain multiple perspectives on the design of the delivery system. Employees' comments therefore focused on their job role and did not necessarily cover the full range of design options that the conceptual framework focused on. As a result, lower levels of support do not necessarily mean the factor to which it relates was not a significant aspect in the design of the delivery system. The design of the central operations department and the focus on branch operations in the pharmacy for example, was highlighted as an important element that ensured an integrated approach between the branch network and head-office by the head-office manager responsible for the department and by service supervisors. This feature of the delivery system had relatively little direct impact however, on how counter assistants performed their role. As a result, whilst a key element in the design of the delivery system, this aspect received a limited number of references.

9.4.3 Secondary Data

The inferences drawn from the data also include the researchers' assumptions and potential bias (Saunders et al. 2009) regarding the importance of the secondary data sources. Whilst these were not heavily quoted by employees during the initial interview sessions subsequent interviews with managers confirmed their relevance. For example, secondary data demonstrating the importance of behavioural frameworks in recruitment and of ongoing monitoring of employees' performance did not feature heavily in discussions with employees in either organisation. The secondary data obtained from branch visits however, highlighted its significance, and were later connected with the actual performance of branch employees and therefore considered relevant in the research findings.

9.5 Recommendations for further research

Whilst the thesis contributes towards identifying the key principles involved in designing the delivery system for customer experience, further research should be undertaken in different non-hedonic service contexts to build on the insights gathered and generalise the findings to a wider service domain. Research exploring the relevance of the conceptual framework in hedonic contexts should also be undertaken given that the findings indicate that experiences in hedonic contexts are perceived differently to those that emerge from a customer's involvement in services operating in non-hedonic contexts.

Flow experience – Whilst the concept of flow underpins a number of the constructs used in the conceptual framework of this study, flow experiences were not detected in the context of the organisations studied. The preconditions necessary for flow experiences to develop and the outcomes (positive emotions and perceived control) generated as a result were however identified, positive experiences in the contexts studied more likely to resemble the “control experiences” that Massimini and Carli (1988) refer to, rather than a state of flow. Further research to understand how the customers' participation and the challenge of the activity they undertake influences the experience they have and how these can be designed for therefore should be undertaken.

Mechanic clues – The research demonstrated that the mechanic clues customers perceived as significant related to their particular consumption goals. This research provides some indication of the common elements in the design of the physical setting, which customers perceive as important in non-hedonic contexts; however additional research is needed to further develop this understanding and to provide managers with practical assistance.

Employee behaviours – The study confirmed the importance of front-line employees in the delivery of the service and in the customers' perception of their experience. The behaviours employees demonstrate therefore influence how customers perceive their experience. Limited studies have been conducted to identify the service-oriented behaviours which have the biggest impact on how customers perceive their experience in either hedonic or non-hedonic service contexts. Further research therefore, is required to understand the

specific behaviours expected of front line employees that influence the performance of the delivery system in both service contexts. In particular, research should be undertaken to identify the behaviours important to the performance of employees whose role includes an element of support and mentoring of customers as they participate in the delivery process.

Construct Relationships – The observations drawn from this research have been formulated into a series of propositions to explain the key relationships to emerge from the data, both in the design of the delivery system and in the outcomes customers perceive. Whilst this is helpful, suggesting that customer experience emerges as a result of the customers' engagement with the service delivery system through the mediating influence of the Experience Mechanism constructs, there is however, a need to study these further. The development of these propositions provides a vehicle through which future research can be undertaken to quantitatively test the relative strength and importance of these observed relationships.

In summary, the need for service operations research to determine the components of the delivery system necessary for delivering successful experiences has been highlighted by several authors (Roth and Menor 2003; Verhoef et al. 2009). This doctoral thesis addresses this research opportunity focusing on delivery system design in non-hedonic contexts, settings in which limited research has been carried out (Candi et al. 2013). The research demonstrates that designing for customer experience is a strategic option for organisations that operate within non-hedonic service sectors. Delivering successful experiences in these contexts however is contingent on resources being deployed to the mechanisms incorporated into the design of the delivery system which have a mediating influence on customer's involvement in the delivery of the service, and which shape the experience they perceive as a result. The thesis demonstrates that focusing on the design of these mechanisms would aid the success of an organisation wishing to develop a competitive advantage, through a strategic focus on the experience customers perceive, regardless of the context in which they operated.

Appendix 1

Experience-Centric organisations highlighted in Extant Literature

Voss and Zomerdijk (2007) and Zomerdijk and Voss (2010)
Bluewater - regional shopping and leisure destination
Harley-Davidson - motorcycle products and services
Herman Miller - office furniture and services
Le Pain Quotidien - upmarket organic bakery / retail /restaurant concept
Luminar Leisure - themed bars, nightclubs, and restaurants
Royal Caribbean - cruise line
Virgin Atlantic - airline
Walt Disney World - theme park resort
X-Leisure - innovative entertainment and leisure destinations
The Brand Experience Consultancy - consulting firm
Beyond Philosophy - consulting firm
Gorgeous Group - consulting firm
HOK Sport Architecture - architectural firm
IDEO (Service Practice) - design agency
Imagination - design agency
MindFolio - consulting firm
Prophet - consulting firm

Details of organisations highlighted in extant literature that focus on evoking emotions that engage customers “*in memorable and meaningful ways*” (Voss et al. 2008).

Firms not specified:

2xLeisure United Kingdom

1xWinter sports resort Canada

1xTourism—castle United Kingdom

1x Consumer electronics United States

5xAutomotive United Kingdom/European community

1xRestaurant United States

1xToys and leisure European community

4XFood and beverage United Kingdom/European community

9xRetail—mall European community

2xTelecommunication United Kingdom

1xTravel United Kingdom

Voss and Zomerdijs (2007) cite examples *“of companies which stress the importance of the customer experience”*

YO! Sushi

First direct

Land Rover with the Land Rover Experience Centres

The Eden project

The Guinness Storehouse in Dublin

Die Gläserne Manufaktur (the Transparent Factory) of Volkswagen in Dresden

American Girl Stores

Apple Retail Stores

Build-A-Bear Workshops

Joie Vivre Hotels

Disney theme parks

Case studies focusing on the impact of mechanic and humanic service clues:

Berry et al. (2002)

University Hospital emergency department in Augusta, Georgia

Avis Rent-A-Car, Newark International Airport

Berry and Bendapudi (2003)

Mayo Clinic, Minnesota

Haeckel et al. (2003)

The Health and Wellness Centre, Doylestown Hospital (Pennsylvania)

Berry et al. (2006a)

The Hampton Inn Hotel chain

Deluxe Corporation's Financial Services Division

The Westin Hotel chain

The Health and Wellness Centre, Doylestown Hospital (Pennsylvania)

Berry et al. (2006b)

Deluxe Corporation's Financial Services Division

The Westin Hotel chain

Appendix 2 Literature sources informing relationships between constructs
Focused Attention
B1 Customer Interface / Focused Attention
The design of the physical interface should enable customers to focus on the activities they are participating in, in pursuit of their consumption goals
Ding (2011); Gupta and Vajic (2000); Pine and Gilmore (1998)
1ii Focused Attention / Emotional Response
The customers ability to focus on an activity that enables them to achieve their goals has an impact on the emotions they express
Ding et al. (2010); Ding (2011); Gentile et al. (2007); Hoffman and Novak (1996); Johnston (2004); Pine and Gilmore (1998); Zomerdiijk and Voss (2010)
1iii Focused Attention / Perceived Control
The customers ability to focus on an activity that enables them to achieve their goals has an impact on the level of control they perceive over the delivery of the service
Csikszentmihalyi and LeFevre (1989); Csikszentmihalyi (1975, 2003); van Rompay et al. (2008)
1iv Focused Attention / Perception of Time
The level of concentration applied during the delivery of the service influences the customers awareness of the duration of time participating.
Baker and Cameron (1996); Chase and Dasu (2001); Csikszentmihalyi (2003); Healy et al. (2007); Hong et al. (2013); Novak et al. (2003); Shieh and Ling (2010); Beltaqui et al.
Sensory Stimulation
B2 Customer Interface / Sensory Stimulation
The capacity of clues embedded within the design of the interface to stimulate customers' sensory perception
Berry et al. (2006a); Brunner-Sperdin and Peters (2009); Chase and Dasu (2001); Collier and Meyer (1998); Coyle and Thorson (2001); Hartline and Ferrell (1996); Healy et al. (2007); Pullman and Gross (2003, 2004); Rayport and Jaworski (2004); Voss et al. (2008); Zomerdiijk and Voss (2010); Wall and Berry (2007)
C2 Infrastructure / Sensory Stimulation
The design of operational policies and management practices which influence the signals provided by employees humanic clues during the delivery of the service
Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989; Ford et al. (2001; Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012); Sirianni et al. (2013); Voss and
2i Sensory Stimulation / Memory Recall
The signals generated through the humanic and mechanic clues in the service context have the capacity to be remembered
Berry et al. (2006a); Bitran et al. (2008); Kelley (1989); Morrin and Ratneswar, (2003); Oh et al. (2007); Pine and Gilmore (1998); Taylor and Thompson (1982); Zomerdiijk and Voss (2010)
2ii Sensory Stimulation / Emotional Response
The signals generated through the humanic and mechanic clues in the service context have the capacity to evoke an emotional response
Berry et al. (2006a); Bitner (1990); Dasu and Chase (2010); Haeckel et al. (2003); Pullman and Gross (2003) Shieh and Ling (2010); Taylor and Thompson (1982); Turley and Milliman (2000); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010); Bustamante and Rubio (2017)

2iii Sensory Stimulation / Perceived Control
The signals generated through the humanic and mechanic clues in the service context have the capacity to influence the level of control customers perceive over the delivery
Grewal et al. (2007)
2iv Sensory Stimulation / Perception of Time
The signals generated through the humanic and mechanic clues can influence the customers awareness of the duration of time spent participating in the delivery of the
Hornik (1984); Baker and Cameron (1996)
Interaction
A3 Technology and Physical Support / Interaction
The customers ability to interact with the organisation through a variety of mediums and receive a timely response and employees ability to maintain a relationship with their customers through the technology employed
Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008); Lemon and Verhoef (2016); Stocchi et al. (2016)
B3 Customer Interface / Interaction
The design of key points of contact with the customer that enable effective interactions to take place
Collier and Meyer (1998); Ding (2011); Johnston and Kong (2011); McCarthy et al. (2010); Payne et al. (2007); Prahalad and Ramawamy (2003, 2004); Roth and Menor (2003); Voss et al. (2008)
C3 Infrastructure / Interaction
The organisations leadership recognise the importance of the interactions and relationships employees develop with their customers.
Berry et al. (2006); Ding (2011); Ford et al. (2001); Shah et al. (2006); Voss et al. (2008)
D3 Integration / Interaction
The degree to which the organisation communicates with their customers and suppliers, and the extent to which internal functions collaborate to improve the delivery of the
Caemmerer and Wilson (2010); Dasu and Chase (2010); Ford et al. (2001); Oliveira et al. (2002); Shah et al. (2006); Voss et al. (2008); Voss and Zomerdijk (2007)
3ii Interaction / Emotional Response
The interaction that occurs with the customer has the capacity to evoke an emotional
Berry et al. (2006a); Dasu and Chase (2010); Ding (2011); Ding et al. (2010); Hoffman and Novak (1996); Grove and Fisk (1997); Pullman and Gross (2003); Voss and Zomerdijk (2007); Zomerdijk and Voss (2010)
3iii Interaction / Perceived Control
The degree to which a customer's interaction with the organisation influences the level of control they perceive over the delivery of the service
Dasu and Chase (2010); Ding et al. (2010); Collier and Sherrell (2010); Cook et al. (2002); Grewal et al. (2007); Guo et al. (2016); Hui and Bateson (1991); McMillan and Downes (2000); Zhu et al. (2007); Tussyadiah (2014)
3iv Interaction / Perception of Time
The customers perception of the duration of time interacting with the delivery system is an element in the value they derive from the service offering
Bitran et al. (2008); Bitner (1992); Ding (2011); Ding et al. (2010); McCarthy et al. (2010); Shieh and Ling (2010); Yeung and Soman (2007)

Adaptability
A4 Technology and Physical Support / Adaptability
The extent to which the customer is able to initiate and access the delivery process and subsequently synchronise their activities through a variety of different delivery channels
Badgett et al. (2006); Kellogg and Nie (1995); Racherla et al. (2011)
B4 Customer Interface / Adaptability
The extent to which key points of contact with the delivery system are flexible enough to allow customers to tailor the delivery process to meet their particular needs
Collier and Meyer (1998); Glushko and Tabas (2009); Gupta and Vajic (2000); Hartline and Ferrell (1996)
C4 Infrastructure / Adaptability
The extent to which employees are empowered to think and act on behalf of the
Chebat and Kollias (2000); Collier and Meyer (1998); Glushko and Tabas (2009); McCarthy, et al., (2010); Roth and Menor (2003); Sirianni et al. (2013); Tansk and Smith (2000); Zeithaml et al. (1988)
4ii Adaptability / Emotional Response
The capacity of the delivery system to adapt to the customers need has a positive impact on the emotions felt whilst engaged with the delivery system
Chase and Dasu 2001; Cook et al. (2002); Lee (2010); Mills and Krantz (1979)
4iii Adaptability / Perceived Control
The flexibility provided by the delivery system to initiate the service or adapt the outcome has a positive impact on a customers perception of control
Dasu and Chase (2010); Hui and Bateson (1991); Grewal et al. (2007); van Rompay et al. (2008); Ding (2011)

Appendix 3 Research Protocol

The aim of this document is to link the research question and literature informing the conceptual framework with the data collection strategy adopted during the empirical phase of the research study.

1. Introduction

To maintain a competitive advantage, strategies that differentiate purely on service and price are no longer sufficient (Verhof et al., 2009). Organisations need to find alternative points of difference to compete effectively. The customers' experience of the delivered service is a strategic option where organisations can create a significant point of difference. Literature suggests that customers perceive an experience regardless of the service or product being purchased (Voss and Zomerdijk, 2007; Johnston and Kong, 2011) and while there is some evidence in both hedonic and non-hedonic service sectors (Voss and Zomerdijk, 2007; Johnston and Kong, 2011) of organisations innovating their delivery systems for customer experience, the case studies presented have been predominately in hedonic service sectors (Candi et al., 2012). Limited research has been conducted to understand how organisations design for customer experience in non-hedonic service contexts. Identifying the critical design characteristics of delivery systems in these contexts will build on current knowledge and suggest where resources are best deployed to maximise the potential benefits of this strategic option. The aim of this research is therefore to explore how organisations design for customer experience in these contexts being guided by the research question:

How do organisations operating in Non-hedonic service contexts design for customer experience?

2. Study Design

A multi case research strategy will be employed as a basis for collecting qualitative data during the empirical phase of the project. Using a deductive approach (Miles and Huberman, 1994), a conceptual framework has been established (Figure 11) and a number of constructs developed. Established models of customer experience highlight a number of interrelated components in the design and configuration of the service delivery system (Roth and Menor, 2003; Voss, et al., 2008; Verhoef et al., 2009; Zomerdijk and Voss, 2010). The

conceptual framework for this research builds on these models and categorises these options into four separate design choices. The framework also draws from other fields of study. In particular the concept of flow (Csikszentmihalyi, 1975) and the experience dimensions described by Pine and Gilmore (1998) were drawn upon to illustrate mechanisms which act as the means through which the customer engages with the delivery system. Four Experience Outcome constructs were also developed from these conceptions of experience. The implied relationships between the constructs, derived from a synthesis of the literature reviewed have also been included in the design of the conceptual framework. The design and analysis of the empirical research will provide an opportunity to determine the relevance of the conceptual framework in non-hedonic contexts. The empirical phase of the research will therefore have two primary aims. The first will be to identify the presence of the constructs and of the relationships between them in non-hedonic service environments. The second objective is to explore the specific characteristics of each construct so that their meaning could be better understood.

3. Case selection

Representative “critical cases” will be sought from which it is anticipated a body of evidence can be drawn to demonstrate the presence and relevance of the constructs of the conceptual framework and the relationships between them.

Given few measures for customer experience are publically available, customer satisfaction, a proxy measure for positive customer experiences will be the principle rationale applied to selecting case studies. Two organisations, a national high street bank (case study 1) and community pharmacy (case study 2), both demonstrating high levels of customer satisfaction in their published information have been chosen to be studied. Each operates in distinctly different service sectors and a useful contrast when exploring the phenomenon of customer experience in non-hedonic contexts. The study will seek therefore to match the pattern of outcomes obtained during the first case study with the conceptual frame work. A literal replication of the findings from case 1 would be expected in the 2nd case study. In doing so, the analytical generalisation of the study will be extended.

4. Data Collection Method

A number of branches situated in a variety of trading locations will be identified to conduct observation visits and interview branch employees. Data will be collected through structured personal observations and face-to-face semi-structured in-depth interviews to elicit the views of both employees and customers. Secondary sources i.e. documents and relevant photographs will also be sought to provide additional support to the data obtained through the interviews conducted and observations carried out.

Structured personal observations

The purpose of the observation visits to be carried out in each branch will be to observe the front-house operation to understand how the service is delivered to customers and complete an observation schedule to identify and record the level of consistency between the functional / mechanic / humanic clues presented by each branch. Observation visits to branches operating in different trading locations will help determine the level of consistency being achieved in service delivery across the branch network in both organisations. This process will also help in developing background knowledge useful when conducting the semi-structured interviews. No special arrangements were made for each visit. A structured observation schedule will ensure that the same criteria is reviewed across each branch visited (see below). A summary report for each setting will then be compiled after each visit.

Interviews

Face-to-face semi-structured in-depth interviews will be the primary data collection method conducted with both employees and customers. The employees selected will be working at various levels throughout the hierarchy of both organisations. These informants will be well informed or in the best position to provide specialist knowledge:

- Service Designers, employees responsible for the design of the delivery system located at the organisations head-office
- Service Supervisors, managers responsible for the supervision of the delivery system (the area and branch managers)
- Service implementers, branch employees, that is, cashiers and advisors who have direct contact with customers and were responsible for the actual delivery of the service

Observation schedule

Setting: **Date:** **Context:**

Design of Physical environment: (assessment of Physical environment in which the service encounter takes place).

- **Lighting**
- **Ambiance**
- **Colour**
- **Signage**

Consistency of design

Customer interaction during the co-creation of the service offering

- **With physical environment**
- **With other customers**
- **With organisations employees**

Type of interaction

Specific clues

Functional - the technical quality of the service – its presence or absence

Mechanic - the sensory presentation of the service

Humanic - the behaviour and appearance of service providers

Distractions - ability to concentrate

Telephone follow up sessions will be arranged with these groups of informants if required. It is anticipated however that this would only be necessary to clarify facts with head-office service designers.

The regional managers responsible for branches in the south-west of England will be the key contacts in each organisation. They will nominate the branches from which the interviews and observations will be carried out and make the initial introductions to head-office colleagues who are suitable positions and levels of seniority to help with the research. Key contacts will be sought from within operations, marketing, human resources and training, and branch refurbishment plus representatives from the call-centre and website design in the bank. The branches selected will operate within a variety of locations, each with different demographic and social profiles, ranging from rural market towns to inner city settings.

Branch Managers will nominate the cashiers and advisors available to participate in their branches. Interviews with all employees will be conducted at their place of work either branch offices or at either organisations head-office. Interviewing a broad spectrum of employees working at different levels throughout the hierarchy of each organisation will provide a variety of perspectives of how the delivery system is designed for customer experience. Randomly selected customers from each organisation will also be interviewed to gain an understanding of their involvement in the delivery of the service and how they perceived the experience. No follow-up sessions are anticipated with this group of informants. Taken together the data obtained from this broad spectrum of informant should help in generalising the findings beyond the specific contexts of each case study. Informants will provide their time for free and no costs (other than traveling to each interview venue) are expected to be incurred for conducting these interviews. All interviews will be audio-recorded subject to consent being obtained, typed verbatim by the researcher and analysed using Nvivo 10 software as a method of arranging and sorting the data. Data will be held on a single laptop, but backup copies will also be held on two memory sticks.

5. Ethical considerations and consent of informants

An ethics approval form has been completed and approval gained from the university's ethics officer. This process included an assessment of the methodology of the research study and the impact that this would have on the wellbeing, safety and privacy of both participants and researcher together with the precautions taken to minimise any risk of harm. In addition, the security of the data collected, that is, its collection and storage during its analysis and whilst reporting the findings, was also assessed.

Prior to the start of the semi structured interviews, the purpose and anticipated length of each interview will be discussed with each of the informants. Participants will be advised that their participation is voluntary and that they are free to withdraw from the research at any time. They will be made aware that the interviews are confidential and that the data obtained will be held securely. Consent will be obtained prior to the start of each interview.

INTERVIEW CONSENT FORM

Thank you for agreeing to be interviewed for this project.

The aim of this study is to investigate how service organisations are designed for customer experience and explore how the interactions that take place influence the customers' perception of the experience.

I wish to confirm that:

- Interviews are confidential and anonymised so participants cannot be identified individually from the data.
- Where interviews are recorded and/or transcribed they will be coded in order to protect the identity of respondents. All files will be stored securely in accordance with the UK Data Protection Act.
- Any quotations and/or examples used in research outputs (such as reports, conference papers, presentations, etc.) will remain anonymous.
- Participation in this research is entirely voluntary. Participants are free to refuse to answer any question or terminate the interview at any point.

.....
Participant Signature

.....
Print Name

Date

.....
Researcher Signature
Name

.....
Print

Date

Data will also be obtained through branch observations. These will focus predominantly on the design of the physical environment and delivery system rather than the individual behaviour of employees or customers which will minimise the ethical concerns of this data collection method. Branch managers will be fully informed prior to the start of these observations.

6. Data protection and informant confidentiality

Personal information will be held solely by the researcher and not shared with other university colleagues or the organisations being studied. A reference code will be designated to each informant which will be used to identify the data they provide in any subsequent report. Once documented and analysed each recorded interview will be deleted.

7. Interview guide

An initial set of research questions have been developed prior to the start of the interviews being carried out. Interview questions will focus on the three elements of the conceptual framework, Design Choices, Experience Mechanisms and Experience Outcomes. Consistency has been maintained between the two case studies although they have been altered slightly to reflect the different contexts in which the organisations operate. An interview guide detailing these questions was developed for each informant group. Questions asked with the organisations employees focused on elements of the individuals' job role i.e. service designer, service supervisor or service implementer which influenced the delivery of the service and the customers perception of their experience. The aim of the interviews with customers is to understand the factors important to them in their interaction with the service system and how these influence their perception of the experience. Customers will be given the opportunity to talk about their experience prior to these structured questions being asked:

- *Can you describe what you use the Bank/Pharmacy for?*
- *Describe what you want the Bank/Pharmacy to do for you*
- *What aspects are important to you in the service you receive from the Bank/Pharmacy?*
- *How does the bank help you achieve this?*
- *Is there anything else they could do?*

- *How would you describe the experience of using the Bank/Pharmacy?*

Each question has been designed to elicit a sufficiently detailed response in order that a full understanding can be developed of the informants' perspective for each construct. The questions will also enable an understanding of how each construct relate to each other. To support this, follow up questions will help to develop a conversation around each construct in order to form a better understanding of the relationships that exist between the constructs.

Design Choices Constructs

These questions will focus on developing an understanding of the strategic design choices adopted by the case organisations in the design of the delivery system.

Technology and Physical support

Literature guiding the questions being asked:

Real and virtual environments (*Roth and Menor 2003; Normann 2005*)

Technology and equipment employed (*Normann 2005*)

Multiple integrated distribution strategies (*Payne and Frow 2007; Oliveira et al. 2002; Racherla et al. 2011; Oliveira et al. 2002; Verhoef et al. 2009; Roth and Menor 2003*)

Broad themes which the interview questions will address:

Service Designers

How does the organisation attempt to satisfy their customer's needs?

What delivery channels are made available to customers?

Do customers of each delivery channels have specific needs or characteristics?

Service Designers / Service Supervisor

What is the relationship between the branch, internet, telephone and mobile phone delivery channels?

How do customers interact between them?

What research has been done to understand this?

Service Supervisors

What flexibility do branch managers have in managing the variability of customer demand?

Customer Interface

Literature guiding the questions being asked:

Ambient environmental conditions (*Bitner 1992; Voss and Zomerdijk 2007*)

The appearance of the external and internal features of the setting (*Kotler 1973; Gupta and Vajic 2000; Turley and Milliman 2000*)

The spatial layout and functional design of the machinery, equipment and furnishings (*Bitner 1992; Voss and Zomerdijk 2007; McCarthy et al. 2010*)

The internal signage, pricing and point of purchase information (*Bitner 1992; Turley and Milliman 2000; Voss and Zomerdijk 2007*)

The impact of employees (*Grace and O'Cass 2004; Berry et al. 2006a; Wall and Berry 2007; Voss et al. 2008; Brunner-Sperdin and Peters, 2009*)

The appearance of employees (*Soloman 1985; Turley and Milliman 2000; Berry et al. 2006b*)

The impact of other customers (*Martin and Pranter 1989; Hui and Bateson 1991; Pullman and Gross 2004; Zomerdijk and Voss 2007; Voss et al. 2008; van Rompay et al. 2008*)

Broad themes which the interview questions will address:

Service Designer

How does the organisation design the key stages of the customers' journey across different delivery channels?

How has the physical environment in which the service is being delivered been designed to enhance customer experience?

Service Designers/ Service Supervisors

In the design of the service system what consideration has been taken of the impact of other customers on an individual's experience?

Service Supervisors

Is there a standard footprint that is applied across all branches?

How are service standards maintained across the branch network?

Organisational Infrastructure

Literature guiding the questions being asked:

The values the organisations leaders promote (*Chatman 1989; Cable and Judge 1995; Roth and Menor 2003; Tang and Tang 2012*).

Policies and procedures that ensure employees can fulfil their roles
(*Chatman 1989; Berry and Bendapudi 2003; Roth and Menor 2003; Voss et al. 2008; Ingelsson et al. 2012*)

Service standards and productivity objectives (*Heskett 1987; Roth and Menor 2003*)

Broad themes which the interview questions will address:

Organisational Values

Service Supervisors (Area) / Service Supervisors / Service implementers

How much discretion are employees allowed to adapt the delivery of the service in favour of the customer?

What should the customers experience be like?

Does the organisation interact with each customer in the same way?

Service Designers/Service Supervisors (Area) / Service Supervisors

How is this communicated throughout the organisation?

Service Supervisors (Area) / Service Supervisors

How is good customer service rewarded?

Service Implementers

How does the training received help provide excellent service to customers?

Recruitment/Training

Service Designers / Service Supervisors (Area) / Service Supervisors / Service Implementers

What are the processes for recruiting, training and compensating the branch employees?

Is the same process used across all of the service delivery channels?

Service standards

Service Designers

What are the main elements considered when assessing customer satisfaction/ experience across the service delivery channels?

How are these elements measured within the branch network?

Service Supervisors

What operational processes support the customer's experience?

What methods are used to measure customer experience?

Organisational Integration

Literature guiding the questions being asked:

The degree of collaboration and coordination between business functions (*Roth and Menor 2003; Voss et al. 2008 (Glushko and Tabas 2009)*)

Mechanisms used to transfer knowledge throughout the organisation (*Zeithaml et al. 1988; Oliveira et al. 2002; Roth and Menor 2003; Voss et al. 2008; Caemmerer and Wilson 2009; Tang and Tang 2012*).

Broad themes which the interview questions will address:

Service Designers / Service Supervisors

How closely do Marketing and Operations collaborate together?

How aligned are the alternative banking channels with the branch network?

How does the organisation learn from customers and other stakeholders?

Service Designers

What central operational support exists?

What methods are available for employees to feedback information?

Service Supervisors

How do branch employees interact with other channels – online/ telephone banking?

How are the external quality assessments carried out / communicated to individual employees?

Service Implementers

How do service implementers know that the experience customers are receiving is to the standard the organisation expects?

Experience Mechanisms Constructs

These questions will focus on the mechanisms within the delivery system that facilitate the customer's participation and influence how experience is perceived?

Focused Attention

Literature guiding the questions being asked:

The capacity of the delivery system to enable customers to concentrate (*Csikszentmihalyi 1975; Pine and Gilmore 1998*)

Removing obstacles generated by the service setting (*Pine and Gilmore 1998; Bitgood 2002; Xia and Sudharshan 2002; Csikszentmihalyi 2003; Lin 2004; Berry et al., 2006a*)

Opportunities for customers to learn (*Gupta and Vajic, 2000; McKee et al. 2006; Payne et al. 2007*)

Broad themes which the interview questions will address:

Service Supervisors

How do customers participate in the delivery of the service?

Has anything been done to make this easier for the customer?

What problems do employees have in delivering a good service?

Service Supervisors / Service implementer

What distractions prevent customers from concentrating whilst in the branch?

How are these overcome?

Customers

What aspects of the service offering are important to the customer?

How does the Bank /Pharmacy help achieve this?

What effect does the presence of other people have on the customers' experience?

Are there any other distractions that interfered with the way customers use the service?

How easy is it for them to communicate with employees?

Sensory Stimulation

Literature guiding the questions being asked:

The capacity of service clues to stimulate a customer's sensory perception (*Bitner 1992; Pine and Gilmore 1998; Lin 2004*)

The ability of the service clues to attract attention (*Taylor and Thompson 1982; Morrin and Ratneshwar 2003; Fiske and Taylor 2013*)

The number of distinct sequences and layers of sensory clues to the customers' journey (*Pine and Gilmore 1998; Haeckel et al. 2003*)

Broad themes which the interview questions will address:

Service Designer/ Service supervisors

Follow up questions regarding the design of the interface with the customer and specific things that have been introduced to enhance customer experience

Service Supervisors

How is the Branch designed to engage customers?

Service Implementers

Identifying relevant customer oriented behaviours i.e. *“Describe a time when you have provided good customer service?”*

Customer

How does the space in which the service is provided influence how customers feel?

What do customers notice about service setting/ how does that make them feel?

What is interesting?

What is frustrating?

How do customers feel about the standard dress/demeanour of the branch team?

Interaction

Literature guiding the questions being asked:

The ease at which customers can communicate and collaborate with the service provider (Coyle and Thorson 2001)

The speed of the providers responds (Coyle and Thorson 2001; Kioussis 2002; Froehle and Roth 2004; Rose et al. 2011)

The degree of control customers perceive over the process (Arnould et al. 1993; Martin and Pranter 1989; McMillan and Downes 2000; Prahalad and Ramaswamy 2004; Gentile et al. 2007; Voss and Zomerdijk 2007; Zomerdijk and Voss 2010)

Broad themes which the interview questions will address:

Service Designers / Service Supervisors (Area)

How does the customer interact with Head office functions?

How well does the branch communicate with the other service delivery channels – online/ telephone banking? / Other stakeholders?

Service Supervisors (Area) / Service Supervisors / Service Implementer

What guidance is given to employees in how they should interact with the customer?

Service Implementer

Do employees interact with every customer in exactly the same way?

What evidence can be provided to show how employees build relationships with their customers?

Customers

How effective are the branch team in communicating the customer?

How easy is it for the customer to understand their conversations with employees?

Does the organisation communicate with any other way? Text alerts apps etc.?

How responsive is the Bank / Pharmacy to customers communication?

Specific question: Bank-Have you ever been invited for a customer review? –

What did you gain from this event?

Specific question: Pharmacy-Have you ever been invited to a consultation with the Pharmacist to review your medication? –

Specific question: Have you ever asked for advice on a medical condition?

Adaptability

Literature guiding the questions being asked:

The level of management control and decision-making power devolved to the customer (Collier and Meyer 1998; Hill 2002; Voss and Zomerdijk 2007; Dasu and Chase 2010).

The degree to which employees are empowered to adapt their behaviour (Larsson and Bowen 1989; Chebat and Kollias 2000; Glushko and Tabas 2009; Csikszentmihalyi 2003; Sirianni et al. 2013)

Broad themes which the interview questions will address:

Service Supervisor (Area) / Service Supervisor / Service Implementer

What opportunities / how easy is it for customers to adapt or customise the delivery process to meet their specific needs?

Has anything been done to make this easier for them?

Service Supervisors

To what degree do the organisations operational policies enable the service to be adapted in the customers favour?

How much discretion do employees have to make decisions in favour of the customer?

Service Implementer

How do employees determine the customer's needs?

What evidence can be provided to show how employees adapt service delivery to meet the needs of the customer?

Customers

How easy is it for customer to change something to meet their particular needs?

How easy is it to access the service (branch and website)?

Specific question: Pharmacy-What choices are provided by the Pharmacy in the way customer manages their medication?

How important are these choices?

Has the experience of using the service made the customer think differently or considered different options?

Experience Outcome Constructs

These questions will focus on how customers perceive their experience in the settings studies.

Memory Recall

Literature guiding the questions being asked:

The ability to engage with the service provider in memorable and meaningful ways (*Voss et al. 2008*)

The ability to reflect on the experience (*Shaw and Ivens 2002; Payne et al. 2007; Boswijk et al., 2007; Foster and Stines 2011*)

Broad themes which the interview questions will address:

What does the customer remember most about their experience of using the bank/pharmacy?

Emotional Response

Literature guiding the questions being asked:

Recommendation emotions (*Shaw 2007; Chitturi et al., 2008; Dasu and Chase 2010*)

Advocacy emotions (*Shaw 2007*)

Destroying emotions (*Shaw 2007*)

Broad themes which the interview questions will address:

Specific question: How do you feel about your relationship with the organisation?

Specific question: How focused is the organisation on meeting your particular needs

Specific question: How valued as a customer do you feel?

Specific question: How strongly do you trust the Bank/Pharmacy?

Specific question: How happy / pleased does the Bank/Pharmacy make you feel?

Perceived Control

Literature guiding the questions being asked:

Decisional control: the degree to which the customer can access and select a course of action from a choice of options (Averill 1973).

Behavioural control: The customer perception that they are able to take direct action to influence the delivery or outcome of the service offering (Averill 1973).

Cognitive control: The delivery system provided sufficient information so as to reduce the customers' uncertainty and provides them with assurances that the process is being well managed (Averill 1973; Dasu and Chase 2010).

Broad themes which the interview questions will address:

Bank:

Specific question: How much control do you feel you have over your account when using the bank?

Specific question: Can you give an example of this?

Specific question: How important is this degree of control to you?

Pharmacy:

Specific question: How much control do you feel you have over how you take your medication?

Specific question: Can you give an example of this?

Specific question: How important is this degree of control to you?

Specific question: Can you think of a time when the pharmacy helped you maintain control over your medication?

Specific question: How much control do you have in the way the organisation communicates with you?

Perceptions of Time

Literature guiding the questions being asked:

The customers' perception of the duration of time engaged in the delivery process (Bitran et al. 2008).

During active participation (Csikszentmihalyi 1975)

Passive participation (Bitran et al. 2008)

During periods when a high level of social interaction takes place (*Bitran et al. 2008*)

Benefits and value customers infer from the length of time they are engaged with the delivery system (*Yeung and Soman 2007; Bitran et al. 2008; Chiou 2008*)

Broad themes which the interview questions will address:

Bank:

Specific question: How quickly do you get served when you are visiting the branch?

Specific question: How do you feel about this /how important is that to you?

Specific question: How quickly are you able to navigate the website?

Specific question: How long does it take you to reach the appropriate advisor via the telephone?

Specific question: Is that an acceptable length of time? / how important is that to you?

Pharmacy:

Specific question: How important is the speed at which your prescription is dispensed

Specific question: How quickly do you get served when you are visiting the branch?

Specific question: Is that an acceptable length of time/ how important is that to you?

7. Analysis of data

A within-case analysis of the data will be carried out in each case to determine the presence and relevance of the constructs explored and the relationships between them. Template analysis will be the method adopted to analyse the data obtained through the semi-structured interviews, using the conceptual framework to develop a predefined list of preliminary codes. These codes represent the key themes expected from the data. During the process of analysing the transcripts, a hierarchy of sub-categories will be established within the coding template. Each section of text will be allocated a sub-code which will relate to a specific aspect of one of the original higher order themes. These sub-categories will provide a richer understanding of the constructs and

of the relationships connecting them in each case study. A cross-case analysis between the two case studies will then be conducted. The aim of this second level of analysis will be to demonstrate the similarities and differences between the two cases. From this the extent to which the findings can be generalised to other non-hedonic contexts can be established.

8. Anticipated outcomes and significance

This research contributes a new framework to illustrate how the design of the service delivery system influences customer experience. The model proposes that a number of mechanisms incorporated into the design choices available to organisations which influence how customers engage with the service provider and the experience that subsequently emerges. The framework also provides an alternative perspective of how the experience itself can be characterised. In exploring the nature of the constructs in a non-hedonic service context, the study will build on existing knowledge of experience in non-hedonic service contexts where the design of the service provision is not experiential, providing a set of design propositions from which future quantitative research to test the relative strength and importance of both constructs and their relationships, can be carried out. In addition, the research will provide industry practitioners with a design framework enhancing their understanding of the strategic benefits of customer experience and suggest where resources are best deployed to maximise the potential benefits from this strategic option in non-hedonic contexts.

Appendix 4a Case Study 1 Data Base-Status of interviews conducted-Bank-Employees

Bank Employees			Interview Status			Analysis status	
Ref	Location	Job Role	Interview Date	Consent Form	Interview conducted	Transcript typed	Transcript coded
A2	Head Office	Service Designer (Distribution Development)	19-Mar	Yes	Yes	Yes	Yes
A3	Head Office	Service Designer (Research Manager - Consumer Behaviour)	19-Mar	Yes	Yes	Yes	Yes
A4	Head Office	Service Designer (Customer Insight Manager - Telephone Banking)	19-Mar	Yes	Yes	Yes	Yes
A4	Head Office	Service Designer (Customer Insight Manager - Telephone Banking)	15-Apr	Yes	No	No	No
A5	Head Office	Service Designer (Learning and Development Manager)	30-Apr	Yes	Yes	Yes	Yes
A6	Head Office	Service Designer (User Experience Manager - Internet)	30-Apr	Yes	Yes	Yes	Yes
A7	Head Office	Service Designer (Operations Business Manager)	15-Apr	No	No	No	No
A8	Head Office	Service Designer (Marketing Manager)	17-Jan	Yes	Yes	Yes	Yes
A1	Head Office	Service Supervisor (Area Manager)	01-Feb	Yes	Yes	Yes	Yes
B1	Tavistock	Service Supervisor (Branch Manager)	09-Feb	Yes	Yes	Yes	Yes
B2	Plymouth (Fascia 1)	Service Supervisor (Branch Manager)	22-Feb	Yes	Yes	Yes	Yes
B3	Plymouth (Fascia 2)	Service Supervisor (Branch Manager)	08-Mar	Yes	Yes	Yes	Yes
BA1	Tavistock	Service Implementer (Senior Branch Advisor)	01-Mar	Yes	Yes	Yes	Yes
BA3	Plymouth (Fascia 1)	Service Implementer (Customer Relationship Manager)	12-Mar	Yes	Yes	Yes	Yes
BA4	Plymouth (Fascia 1)	Service Implementer (Deputy Branch Manager)	12-Mar	Yes	Yes	Yes	Yes
BA5	Plymouth (Fascia 1)	Service Implementer (General Advisor)	12-Mar	Yes	Yes	Yes	Yes
BA6	Tavistock	Service Implementer (General Advisor)	19-Apr	Yes	Yes	Yes	Yes
BA7	Tavistock	Service Implementer (General Advisor)	19-Apr	Yes	Yes	Yes	Yes
BA8	Plymouth (Fascia 2)	Service Implementer (General Advisor)	26-Apr	Yes	Yes	Yes	Yes
BA9	Plymouth (Fascia 2)	Service Implementer (General Advisor)	26-Apr	Yes	Yes	Yes	Yes
BA10	Plymouth (Fascia 2)	Service Implementer (General Advisor)	26-Apr	Yes	Yes	Yes	Yes
BA11	Tavistock	Service Implementer (Customer Relationship Manager)	11-Dec	Yes	Yes	Yes	Yes

Appendix 4b Case Study 2 Data Base-Status of interviews conducted-Pharmacy-Employees

Pharmacy Employees			Interview Status			Analysis status	
Ref	Location	Role	Interview Date	Consent Form	Interview conducted	Transcript typed	Transcript coded
A1	Head Office	Service designer (NHS Services)	02-Jun	Yes	Yes	Yes	Yes
A2	Head Office	Service designer (Head of Training and Development)	02-Jun	Yes	Yes	Yes	Yes
A3	Head Office	Service designer (Colleague Recruitment and comms)	02-Jun	Yes	Yes	Yes	Yes
A4	Head Office	Service designer (Head of Marketing)	02-Jun	Yes	Yes	Yes	Yes
A5	Head Office	Service designer (Central Operations)	03-Jun	Yes	Yes	Yes	Yes
A6	Head Office	Service designer (Refits and shop design)	09-Sep	Yes	Yes	Yes	Yes
B1	Clevedon	Service Supervisor (Branch Manager)	19-May	Yes	Yes	Yes	Yes
B1	Clevedon	Service Supervisor (Branch Manager)	27-Nov	Yes	Yes	Yes	Yes
B2	Hartcliffe	Service Supervisor (Branch Manager)	21-May	Yes	Yes	Yes	Yes
B3	Head Office	Service Supervisor (Regional Manager)	18-Jun	Yes	Yes	Yes	Yes
B4	Gallmington	Service Supervisor (Branch Manager)	03-Jul	Yes	Yes	Yes	Yes
BA1	Hartcliffe	Service Implementer (Pre-registration pharmacist)	21-May	Yes	Yes	Yes	Yes
BA2	Clevedon	Service Implementer (Counter Assistant)	19-May	Yes	Yes	Yes	Yes
BA3	Clevedon	Service Implementer (Counter Assistant)	19-May	Yes	Yes	Yes	Yes
BA4	Clevedon	Service Implementer (Counter Assistant)	19-May	Yes	Yes	Yes	Yes
BA5	Hartcliffe	Service Implementer (Counter Assistant)	21-May	Yes	Yes	Yes	Yes
BA6	Hartcliffe	Service Implementer (Counter Assistant)	21-May	Yes	Yes	Yes	Yes
BA7	Gallmington	Service Implementer (Counter Assistant)	03-Jul	Yes	Yes	Yes	Yes
BA8	Gallmington	Service Implementer (Counter Assistant)	03-Jul	Yes	Yes	Yes	Yes
BA9	Gallmington	Service Implementer (Counter Assistant)	16-Jul	Yes	Yes	Yes	Yes
BA10	Gallmington	Service Implementer (Counter Assistant)	16-Jul	Yes	Yes	Yes	Yes

Appendix 4c Case Study 1 Data Base-Status of interviews conducted-Bank-Customers

Customers					Interview Status			Analysis status	
Ref	Gender	Age profile	Location	Relationship with the Bank	Interview Date	Consent Form	Interview conducted	Transcript typed	Transcript coded
C1	Male	60+	Plymouth (Fascia 2)	Bank Nominated Customer	25-Apr	Yes	Yes	Yes	Yes
C2	Male	60+	Plymouth (Fascia 2)	Bank Nominated Customer	25-Apr	Yes	Yes	Yes	Yes
C3	Male/Female	60+/40-59	Plymouth (Fascia 2)	Bank Nominated Customer	25-Apr	Yes	Yes	Yes	Yes
C4	Female	<40	Plymouth (Fascia 2)	Bank Nominated Customer	25-Apr	Yes	Yes	Yes	Yes
C5	Male	40-59	Cullompton	Colleague	04-Jun	Yes	Yes	Yes	Yes
C6	Female	40-59	Bristol	Colleague	13-Jun	Yes	Yes	Yes	Yes
C7	Male	40-59	Exeter	Customer	14-Jun	Yes	Yes	Yes	Yes
C8	Male	<40	Cullompton	Colleague	17-Jun	Yes	Yes	Yes	Yes
C9	Female	60+	Exeter	Customer	17-Jun	Yes	Yes	Yes	Yes
C10	Female	60+	Exeter	Customer	05-Jul	Yes	Yes	Yes	Yes
C11	Female	40-59	Taunton	Customer	09-Jul	Yes	Yes	Yes	Yes
C12	Male	60+	Tavistock	Bank Nominated Customer	16-Jul	Yes	Yes	Yes	Yes
C13	Male	60+	Tavistock	Bank Nominated Customer	18-Jul	Yes	Yes	Yes	Yes
C14	Male	40-59	Ashburton	Customer	22-Jul	Yes	Yes	Yes	Yes
C15	Male	40-59	Taunton	Customer	23-Jul	Yes	Yes	Yes	Yes
C16	Female	<40	Taunton	Customer	17-Sep	Yes	Yes	Yes	Yes
C17	Male	40-59	Bristol	Customer	03-Oct	Yes	Yes	Yes	Yes
C18	Female	60+	Exeter	Customer	19-Nov	Yes	Yes	Yes	Yes
C19	Male	60+	Exeter	Customer	19-Nov	Yes	Yes	Yes	Yes
C20	Female	40-59	Cheltenham	Customer	05-Dec	Yes	Yes	Yes	Yes
C21	Male	40-59	Bristol	Customer	07-Dec	Yes	Yes	Yes	Yes
C22	Female	60+	Exeter	Customer	06-Jan	Yes	Yes	Yes	Yes
C23	Female	60+	Taunton	Customer	09-Jan	Yes	Yes	Yes	Yes
C24	Female	40-59	Exeter	Customer	14-Jan	Yes	Yes	Yes	Yes
C25	Male	60+	Corfe Mullen	Colleague	24-Jan	Yes	Yes	Yes	Yes
C26	Female	40-59	Exeter	Customer	28-Jan	Yes	Yes	Yes	Yes
C27	Female	60+	Exeter	Customer	12-Feb	Yes	Yes	Yes	Yes
C28	Female	<40	Frome	Customer	22-Feb	Yes	Yes	Yes	Yes
C29	Female	40-59	Taunton	Customer	23-Feb	Yes	Yes	Yes	Yes

Appendix 4d Case Study 2 Data Base-Status of interviews conducted-Pharmacy-Patients

Patients					Interview Status			Analysis status	
Ref	Gender	Age profile	Location	Relationship with the Pharmacy	Interview Date	Consent Form	Interview conducted	Transcript typed	Transcript coded
P1	Female	60+	Taunton	Relationship	08-Aug	Yes	Yes	Yes	Yes
P2	Male/Female	40-59	Clevedon	Relationship	11-Aug	Yes	Yes	Yes	Yes
P3	Male	60+	Clevedon	Patient Association	11-Aug	Yes	Yes	Yes	Yes
P4	Female	40-59	Clevedon	Responsible Adult	26-Aug	Yes	Yes	Yes	Yes
P5	Female	<40	Clevedon	Relationship	26-Aug	Yes	Yes	Yes	Yes
P6	Female	<40	Hartcliffe	Transactional	28-Aug	Yes	Yes	Yes	Yes
P7	Female	60+	Hartcliffe	Transactional	28-Aug	Yes	Yes	Yes	Yes
P8	Female	60+	Hartcliffe	Relationship	28-Aug	Yes	Yes	Yes	Yes
P9	Male	60+	Taunton	Patient Association	02-Sep	Yes	Yes	Yes	Yes
P10	Male/Female	60+	Hartcliffe	Relationship	04-Sep	Yes	Yes	Yes	Yes
P11	Male	60+	Taunton	Relationship	08-Sep	Yes	Yes	Yes	Yes
P12	Female	60+	Taunton	Relationship	10-Sep	Yes	Yes	Yes	Yes
P13	Female	40-59	Clevedon	Relationship	11-Sep	Yes	Yes	Yes	Yes
P14	Male	<40	Clevedon	Relationship	16-Sep	Yes	Yes	Yes	Yes
P15	Male	60+	Taunton	Relationship	23-Sep	Yes	Yes	Yes	Yes
P16	Male	60+	Taunton	Relationship	25-Sep	Yes	Yes	Yes	Yes
P17	Female	40-59	Hartcliffe	Patient Association	25-Sep	Yes	Yes	Yes	Yes
P18	Male	40-59	Taunton	Relationship	07-Oct	Yes	Yes	Yes	Yes
P19	Female	60+	Taunton	Relationship	07-Oct	Yes	Yes	Yes	Yes
P20	Female	<40	Taunton	Relationship	09-Oct	Yes	Yes	Yes	Yes
P21	Male	60+	Taunton	Relationship	04-Nov	Yes	Yes	Yes	Yes
P22	Female	60+	Taunton	Relationship	04-Nov	Yes	Yes	Yes	Yes
P23	Male	40-59	Clevedon	Patient Association	10-Nov	Yes	Yes	Yes	Yes
P24	Female	40-59	Taunton	Responsible Adult	10-Nov	Yes	Yes	Yes	Yes
P25	Female	40-59	Taunton	Patient Association	12-Nov	Yes	Yes	Yes	Yes
P26	Male	60+	Taunton	Patient Association	12-Nov	Yes	Yes	Yes	Yes
P27	Female	40-59	Taunton	Transactional	02-Dec	Yes	Yes	Yes	Yes
P28	Female	40-59	Taunton	Transactional	03-Dec	Yes	Yes	Yes	Yes
P29	Male	40-59	Taunton	Transactional	10-Dec	Yes	Yes	Yes	Yes
P30	Female	40-59	Taunton	Transactional	11-Dec	Yes	Yes	Yes	Yes

Appendix 4e Catalogue of Secondary data - Bank

Ref		Category	Document
1	Performance Management	1.1 Results	1.11 Customer satisfaction survey results-Sept 2012 (Page 1) -supports Appendix 8 External standards audits
		1.1 Results	1.12 Customer satisfaction survey results-Sept 2012 (Page 2) -supports Appendix 8 External standards audits
		1.1 Results	1.13 Customer satisfaction survey results-Sept 2012 (Page 3) -supports Appendix 8 External standards audits
		1.1 Results	1.14 Customer satisfaction survey results-Sept 2012 (Page 4)-supports Appendix 8 External standards audits
		1.1 Results	1.15 Customer satisfaction survey results-Sept 2012 (Page 5)-supports Appendix 8 External standards audits
		1.1 Results	1.16 Customer satisfaction survey results-Sept 2012 (Page 6)-supports Appendix 8 External standards audits
		1.1 Results	1.17 Corporate Banking Customer Satisfaction Survey 2011
		1.1 Results	1.18 Corporate Banking Customer Satisfaction Survey 2012
		1.1 Results	1.19 Group Sustainability Report 2011
		1.1 Results	1.20 Group Sustainability Report 2012
		1.2 Survey Documents	1.21 Mystery Shopper-Audit document (Page 1)-supports Appendix 8 External standards
		1.2 Survey Documents	1.22 Mystery Shopper-Audit document (Page 2)-supports Appendix 8 External standards
		1.2 Survey Documents	1.23 Mystery Shopper-Audit document (Page 3)-supports Appendix 8 External standards
		1.2 Survey Documents	1.24 Customer satisfaction survey-Audit document (Page 1)-supports Appendix 8 External standards audits
		1.2 Survey Documents	1.25 Customer satisfaction survey-Audit document (Page 2)-supports Appendix 8 External standards audits
		1.2 Survey Documents	1.26 Customer satisfaction survey-Audit document (Page 3)-supports Appendix 8 External standards audits
		1.2 Survey Documents	1.27 Customer satisfaction survey-Audit document (Page 4)-supports Appendix 8 External standards audits
		1.3 Observation Forms	1.3a General assistant observation form (Page 1)
		1.3 Observation Forms	1.3b General assistant observation form (Page 2)
		1.3 Observation Forms	1.3c Call centre observation form (Page 1)
		1.3 Observation Forms	1.3d Call centre observation form (Page 2)
		1.3 Observation Forms	1.3e Customer relationship advisor observation form (Page 1)
		1.3 Observation Forms	1.3f Customer relationship advisor observation form (Page 2)
		1.3 Observation Forms	1.3g Customer relationship advisor observation form (Page 3)
		1.3 Observation Forms	1.3h Customer relationship advisor observation form (Page 4)
		1.3 Observation Forms	1.3i Customer relationship advisor observation form (Page 5)
		1.4 Awards	1.4a National Awards 2014
		1.4 Awards	1.4b National Awards 2014
		1.4 Awards	1.4c National Awards 2015
1.5 Customer feedback	1.5a E-mail feedback document		
2	Balanced scorecard		2.1a Balanced scorecard
			2.1b Balanced scorecard
3	Behaviours		3.1a Behaviours - supports Appendix 7 Behavioural Frameworks
			3.1b Behaviours - supports Appendix 7 Behavioural Frameworks
			3.1c Values
4	Service clues	4.1 Point of Sale material	4.1a Customer Engagement letter Basis upon which business is conducted with the
		4.1 Point of Sale material	4.1b Information Leaflet
		4.1 Point of Sale material	4.1c Marketing Poster
		4.1 Point of Sale material	4.1d Marketing Board
		4.2 Brand	4.2a Powerpoint presentation of new Branding concept for branch offices
5	Adapting the delivery process		5.1a Powerpoint presentation-Customer Experience Research "Resolving major events to help our customers get back in control of their finances"
			5.1b Powerpoint presentation-Customer Experience Research "Consistently delivering the basics for customers in day to day transactions"
6	Interface with customer	6.1 Access	6.1a Access-Talking ATMs
		6.1 Access	6.1b Delivery Channels available
		6.1 Access	6.1c Access via Mobile app
		6.2 Functional clues	6.2a Service available
		6.2 Functional clues	6.2b FSA

6	Interface with customer	6.2 Functional clues	6.2c Rebranded Entrance - supports Appendix 4a Structured observations
		6.2 Functional clues	6.2d Rebranded Counter - supports Appendix 4a Structured observations
		6.2 Functional clues	6.2e Rebranded Counter - supports Appendix 4a Structured observations
		6.2 Functional clues	6.2f Rebranded Counter - supports Appendix 4a Structured observations
		6.3 Sensory stimulation	6.3a Sensory clues - Minimising background noise Headsets worn by call-centre employees
		6.3 Sensory stimulation	6.3b Welcome Desk - supports Appendix 4a Structured observations
		6.3 Sensory stimulation	6.3c Office Space
		6.3 Sensory stimulation	6.3d Semi permanent cubicle space
		6.3 Sensory stimulation	6.3e Semi permanent cubicle space
		6.3 Sensory stimulation	6.3f Semi permanent cubicle space
		6.4 Interaction	6.4a Coffee machine
		6.4 Interaction	6.4b Rebranded Waiting area - supports Appendix 4a Structured observations
		6.4 Interaction	6.4c Rebranded Welcome Pod - supports Appendix 4a Structured observations
		6.5 Standard footprint	6.5a Standard footprint
7	Integration	7.1 Communication with branch	7.1 Example of weekly communication
8	Customer Journey		8.1a Powerpoint presentation "Customer Experience Tracking"-Overview of The Co-operative Banking Group Customer Experience Research Programme
			8.1b Understanding online experience
			8.1c Understanding account opening experience
9	Customer Segments	9.1 Customer segments	9.1a Customer segments
			91b Customer segments-Internet

Appendix 4f Catalogue of Secondary data -Pharmacy

Ref		Category	Document
1	Performance Management	1.1 Results	1.1a/b Customer Experience Audit Results-supports Appendix 8 External standards audits
		1.1 Results	1.1c Customer Satisfaction Results Q4 2013 -supports Appendix 8 External standards audits
		1.2 Survey Documents	1.2a Experience Audit document -supports Appendix 8 External standards audits
		1.2 Survey Documents	1.2b NHS survey (Page 1)
		1.2 Survey Documents	1.2c NHS survey (Page 2)
		1.2 Survey Documents	1.2d NHS survey (Page 3)
		1.2 Survey Documents	1.2e NHS survey (Page 4)
		1.3 Performance Review	1.3a Performance Review - supports Appendix 7 Bahavioural Frameworks
		1.3 Performance Review	1.3b Performance Review - supports Appendix 7 Bahavioural Frameworks
		1.3 Performance Review	1.3c Performance Review - supports Appendix 7 Bahavioural Frameworks
		1.3 Performance Review	1.3d Performance Review - supports Appendix 7 Bahavioural Frameworks
		1.3 Performance Review	1.3e Performance Review - supports Appendix 7 Bahavioural Frameworks
		1.3 Performance Review	1.3f Performance Review - supports Appendix 7 Bahavioural Frameworks
		1.4 Reward and Recognition	1.4a Branch leaflet
		1.4 Reward and Recognition	1.4b People in Pharmacy Recognition awards (PIP)
2	Balanced scorecard		2.1a Clevedon Branch Balanced scorecard and weekly branch update
3	Behaviours		3.1a Behaviours - supports Appendix 6 Bahavioural Frameworks
4	Service clues	4.1 Point of Sale material	4.1a Information - Shelf talker - supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1b Information - Shelf talker- supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1c Information - Shelf talker - supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1d Information - Shelf talker - supports Appendix 3b Structured observations
		4.1 Point of Sale material	4.1e Information Leaflets - supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1f Information Leaflets- supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1g Information Leaflets- supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1h Information Leaflets- supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1i Opening Hours- supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1j Opening Hours- supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1k Opening hours - supports Appendix 4b Structured observations
		4.1 Point of Sale material	4.1m Opening hours - supports Appendix 4b Structured observations
		4.2 Retail	4.2a Location 3 - OTC Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2b Location 3 - Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2c Location 3 - Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2d Location 3 - Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2e Location 4 - Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2f Location 4 - OTC Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2g Location 4 - OTC Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2h Location 4 - Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2i Location 5 - Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2j Location 5 - Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2k Location 5 - Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2l Location 5 - OTC Retail - supports Appendix 4b Structured observations
		4.2 Retail	4.2m Location 5 - OTC Retail - supports Appendix 4b Structured observations
		4.3 Consulting Room	4.3a Consulting Room
		4.3 Consulting Room	4.3b Consulting Room
		4.3 Consulting Room	4.3c Consulting Room
		4.4 Dispensary	4.4a Dispensary
		4.4 Dispensary	4.4b Dispensary
5	Adapting the delivery process	5.1 Increasing knowledge	5.1a Information leaflet Minor ailments 1
		5.1 Increasing knowledge	5.1b Information leaflet Minor ailments 2
		5.1 Increasing knowledge	5.1c Information leaflet Minor ailments Childrens Health 1
		5.1 Increasing knowledge	5.1c Information leaflet Minor ailments Childrens Health 2
		5.1 Increasing knowledge	5.1e Information leaflet Minor ailments Dust mites
		5.1 Increasing knowledge	5.1f Information leaflet Minor ailments Pets
		5.1 Increasing knowledge	5.1g Information leaflet Minor ailments Allergy check
		5.1 Increasing knowledge	5.1h Information leaflet Minor ailments Pain Relief

6	Interface with customer	6.1 Consultation	6.1a Medicine use review
		6.2 Services	6.2a Services- Free Prescription
		6.2 Services	6.2b Services- Free Prescription
		6.2 Services	6.2c Services- Medicine Use Review
6	Interface with customer	6.2 Services	6.2d Services- Ask the Pharmacist strategy
		6.2 Services	6.2e Services- Ask the Pharamacist strategy
		6.2 Services	6.2f Services- Healthy Heart
		6.2 Services	6.2g Services- Weight Management
		6.2 Services	6.2h Services- Weight Management
		6.2 Services	6.2i Services- Free Prescription
		6.3 NHS Contract	6.3a NHS Contract England
		6.3 NHS Contract	6.3b NHS Contract NI
		6.3 NHS Contract	6.3c NHS Contract Scotland
		6.3 NHS Contract	6.3d NHS Contract Wales 1
		6.3 NHS Contract	6.3e NHS Contract Wales 2.
		6.4 Interaction	6.4a Counter Design close to OTC medication
7	Infrastructure	7.1 Woakload	7.1a Planning business operations
		7.2 Training	7.2a Buttercup Training
		7.2 Training	7.2b Buttercups Training-Good dispensing practice
		7.3 Conversations	7.3a Developing effective conversations (1)
		7.3 Conversations	7.3b Developing effective conversations (2)
		7.4 Induction	7.4a Induction-working safely
		7.4 Induction	7.4b Induction-Pharmacy regulations
		7.4 Induction	7.4c Induction-Basic operations
		7.4 Induction	7.4d Induction-Customer consultations
		7.4 Induction	7.4e Induction-Retail
		7.4 Induction	7.4f Induction-Dispensing
		7.4 Induction	7.4g Induction-Pharmacy services
		7.4 Induction	7.4h Induction-Communication skills (1)
		7.4 Induction	7.4i Induction-Listerning
		7.4 Induction	7.4j Induction-Effective communication (1)
		7.4 Induction	7.4k Induction-Communication skills (2)
		7.4 Induction	7.4l Induction-Responding to customers
		7.4 Induction	7.4m Induction-Effective communication (2)

Appendix 5a Observation schedule – Bank

Setting: Bank brand 1 – Location 1

Date: 30/11/12

Context: The observation was conducted in the banking hall of the [Placement Location-Case 1] bank in Location 1, a busy city environment, to understand the physical elements the customer experiences during their visit to this branch. This branch had a high level of transactions which were mainly based on current accounts rather than on investment, savings accounts or other financial products. There were no adverse weather conditions that would affect the numbers of customers visiting the branch, the observation however was carried out at the end of the month which normally meant an increase in customer numbers.

Physical environment: The branch appearance of the branch was clean and tidy. The banking hall had a high ceiling with florescent lighting units fitted with diffusers which provided a good level of lighting throughout the banking hall. All of the lighting units were working. Smaller spot lights were also used to focus on a number of wall-mounted marketing posters. These posters focused specifically on the functional benefits of the financial products offered by the bank (Details of bank rate, account transfers and mortgage rates) (Appendix 3e-4.1c). Legal and advisory signage was also identified in a prominent position on the main counter units (Appendix 3e-6.2b). The hall was conservatively decorated - 3 walls painted magnolia 1 wall painted orange. The carpet was coloured grey and seating blue. The ambient temperature of the banking hall was pleasant and the heating was clearly working. There was no background music playing or in-branch radio broadcasting.

The banking hall had a fortress-style main counter unit which was used for the majority of transactions. A regular queue of 3+ customers were observed waiting to be attended to throughout the observation session. The glass fronted counter separated the customer from the service employees and had the potential to limit communication and eye contact between the two. A queuing system had been introduced to make accessing the cashiers easier. Part of the banking hall had also been designed with a number of open style personal service cubicles (Appendix 3e 6.3d-f) and a small seating waiting had been

established with three soft chairs. A coffee making machine (Appendix 3e 6.4a) was available for refreshments during scheduled meetings with advisors. These cubicles were used for individual face-to-face private meetings and were secluded from the main customer flow by screens. A number of offices were also available for private meetings.

Customer interaction with the physical environment:

Functional Clues: Functional clues demonstrating the technical quality of the service were mainly observed through the marketing material positioned on the walls of the banking hall. The main theme of the in-branch marketing was aimed at saving the family unit money i.e. looking for a mortgage, student finance and reducing mortgage payments. The speed and efficiency of the service process was also demonstrated by the presence of the queuing system. This meant that there were rarely more than 3 customers waiting to be served at any one time. The secluded area set aside for face to face meetings also enabled customers with more complex and longer transactions or who required information to be managed in a more efficient manner. The location of this area was in close proximity with customers queuing for the main counter which might have influenced how much personal information they were willing to disclose. In this way the variability and length of each customer transactions at the counter was reduced and queue length maintained to a reasonable level. The customer also had the opportunity to interact with the external Automatic Teller Machine (ATM) accessed from outside the building. This also offered customers an additional functional benefit.

Mechanic Clues: The banking hall was decorated in neutral colours with a good level of lighting and there were no distinguishing smells or sounds. Whilst the mechanic clues in the setting have the potential to influence how customers perceive their experience, the subdued nature of the signals provided by these sensory clues provided a minimum amount of sensory stimulation. In addition to the ambience of the banking hall, the internal marketing material which focused primarily on the functional elements of personal banking also provided little opportunity for customers to develop an emotional connection with the organisation. There was for example no reference made to the banks social goals or ethical finance policy which might have resonated with customer

personal values through which an emotional connect with the bank might have developed.

Humanic Clues: Within this context, the customer has the opportunity to interact with two types of customer service employee.

Customer Advisors - The advisors appeared approachable, interested and proactive in talking to customers. These members of staff worked outside of the main counter area and acting as Greeters when not individually engaged in resolving queries through a welcome desk positioned prominently in the banking hall. They were observed identifying the customers' requirements and then filtering those with more complex issues through to individual face-to-face meetings. The advisors were also able to deal with non-cash transactions which helped to reduce queue length when the numbers of customers waiting to be served increased.

Cashiers - Whilst the cashier's demeanor appeared to be approachable, their position behind the counter meant that they were less able to develop a dialogue and had a minimal level of interaction with their customers. The cashier's opportunity to talk or build a rapport appeared limited due to the regular flow and length of the queue of waiting customers and glass frontage which acted as a barrier to communication. All employees were provided with a standard uniform and all wore a name badge.

With other customers: The queuing system placed customers waiting for an available cashier in a line. This appeared to restrict the interaction between customers. Only one interaction between two customers was witnessed during the observation session. Whilst this would require further verification, in a banking context the presence of other customers appeared to have little positive impact on the overall customer experience.

Distractions: The customers' ability to focus on their interaction with bank employee would be influenced by the glass partition on the counter. Talking through the glass could be a distraction both in terms of listening to, and conversing with the cashier. The positioning of the personal service area could also be a distraction. The proximity of the cubicles in this area to other customers queueing to make transactions at the main serving counter meant

that private conversations might be overheard which could be disconcerting to some customers.

Setting: Brand 2 – Location 1

Date: 30/11/12

Context: The observation was conducted in the banking hall of a **Brand 2** branch of the [Placement Location-Case 1] bank, to understand the physical elements the customer experiences during their visit to this branch. This branch has a lower level of transactions when compared to the branch previously observed on the same day. This was mainly based on deposit accounts and investments. There were no adverse weather conditions that would affect the numbers of customers visiting the branch. The observation being carried out at the end of the month however might have had an impact on the number of transactions being observed. Customer flow appeared to be more erratic than in the branch observed earlier. Customers visiting the branch were served at the counter with little delay and no queue developed during the observation. The appearance of the banking hall was less formal with an open counter which allowed for greater access to the cashiers. A small open area was set aside for individual face-to-face meetings. Meetings with customers however appeared to be mainly taking place in private offices.

Physical environment: The branch had a relaxed appearance. The counter separating the customer and service employee was open which allowed for a more fluid exchange between the two. The ceiling in this branch was lower than in the previous branch with a further reduction in height over the counter area. This gave the counter a more intimate appearance. The area was clean and tidy throughout. A welcome desk (Appendix 3e 6.3b) had also been positioned prominently in the banking hall although throughout the observation session this was unmanned. The banking hall was well lit, with a variety of lighting units being used rather than fluorescent light tubes. Individual spot lights also focused on a number of wall-mounted marketing posters. All of the lighting units were working. The internal decoration included a more vivid pallet than in the Brand 1 branch i.e. red / blue / green / magnolia. The floor was partially carpeted coloured red and laminated over the counter area. The seating area was coloured red. There was no background music playing or in-branch radio

broadcasting and the banking hall was maintained at a pleasant temperature. A limited number of marketing posters were positioned on the walls of the banking hall. These featured similar corporate advertising themes as identified in the the Brand 1 branch highlighting the functional benefits of the financial products offered (Details of bank rate, account transfers and mortgage rates). The legal and advisory signage was also positioned in conspicuous areas on the counter units. There appeared to be a greater design element to the banking hall in this branch, for instance the counter was curved rather than being constructed in a straight line. The open style of the counter enabled the cashiers to interact directly with customers rather than through a glass panel, which appeared to encourage dialogue. 1 to 1 meetings with customers were conducted in private offices at the rear of the banking hall. A seating area at the front of the hall had been established with three soft chairs for customers waiting for appointments.

Customer interaction with the physical environment:

Functional Clues: Functional clues demonstrating the technical quality of the service were mainly observed through similar corporate marketing material positioned on the walls of the banking hall. This would have had a limited impact on customer's emotions however. The customer had the opportunity to interact with the external Automatic Teller Machine accessed from outside the building, which provided an additional functional benefit.

Mechanic Clues: The banking hall was decorated in vivid colours with a good level of lighting which provided a stronger opportunity for customers senses to be stimulated. The sensory signals provided by the vivid and contrasting colours on the walls, carpets and laminated flooring and open style of the counter created a more relaxed atmosphere. Similarly the open style and limited barriers between customer and cashier also meant that employees were able to build a stronger rapport with their customers. The physical environment in this branch therefore provided a greater opportunity for an emotional connection to develop through the mechanic clues provided. Further research would be required to identify whether this was an important element in the customers perception of their experience in this context. A few seats were made available in a waiting area for customer appointments and a coffee making machine

(Appendix 3e 6.4a) was available for refreshments during scheduled meetings with advisors.

Humanic Clues: Within this branch context, the customer had a greater opportunity to interact with customer service employees. Both cashiers and advisors appeared approachable, interested and willing to talk to customers about their concerns. Given the customer flow was less intense and length of queue shorter cashiers appeared to have more time to interact with each customer and a greater opportunity to develop a dialogue and build a stronger relationship with them. Employees were provided with a standard uniform and a name badge which was worn by all employees.

With other customers: Despite the lack of any formal queuing system, customers still waited in line to be served. There was however still a minimal level of interaction between customers in this branch. The presence of other customers therefore appears to have little impact on the customers overall experience.

Distractions: The appearance and ambience of the banking hall meant that possible distractions had been minimized. Face-to-face meetings were held in private offices which meant both the service employee and customer could focus on their discussion without the distraction of being overheard.

Setting: Brand 2 – Location 2

Date: 1/12/12

Context: The observation was conducted in the banking hall of a Brand 2 branch of the [Placement Location-Case1] bank in located in a busy market town, to understand the physical elements the customer experiences during their visit to this branch. The branch was located in a busy rural market town. This branch had a good level of transactions and is used by customers for investments, deposit and to manage their current accounts. There were no adverse weather conditions that would affect the numbers of customers visiting the branch. Customer flow appeared to be steady but not intense throughout the observation session. Customers visiting the branch were served at the counter with little delay and no queue developed during the observation. The appearance of the banking hall was less formal with an open counter which

allowed for greater access to the cashiers. It was also smaller than the branches previously observed, so an open area set aside for individual face-to-face meetings was not a practical design option. Meetings with customers therefore occurred in private offices.

The physical environment, that is, lighting, colour scheme, ambience and internal signage, of this branch were all of similar design to that observed in the Brand 2 branch situated in location 1. This demonstrated a degree of consistency across branches within the Brand 2 fascia. A seating area at the front of the hall had been established with three soft chairs. Whilst the branch was smaller than the Brand 2 branch situated in location 1, they had similar floor plans and marketing point of sale material. A welcome desk had been positioned prominently in the front of the banking hall although this was unmanned throughout the observation session.

Service Clues: The service clues provided by this branch were identical to the clues observed in the Brand 2 branch visited in location 1, for instance the theme of the in-branch marketing and the behaviour and appearance of the organisations employees, demonstrating a consistent approach.

Organisations employees: The service employees in this branch also appeared approachable, interested and willing to talk to customers about their concerns. With other customers: As the branch was not particularly busy there were few occasions when customers needed to queue. Interaction between customers was therefore minimal. The presence of other customers in this branch therefore appears to have little impact on the customers overall experience.

Appendix 5b Observation schedule – Pharmacy

Setting: Pharmacy – Location 3

Date: 18th May 2014

Context: The observation was conducted in a branch of the [Placement Location-Case 2] Pharmacy to understand the physical elements the customer experiences during their visit to this branch. This branch is located within a surgery in a coastal location. Within the community that the surgery serves are a large number of retirement and nursing homes. The pharmacy also has a small shop unit attached to it (6sq meters with 5 Bays of retail products).

There were no adverse weather conditions that would affect the numbers of patients visiting the branch. There was an intermittent flow of customers, a high proportion of which were patients of the surgery, depositing their prescription. Patients visiting the branch were served at the counter with little delay. 1 assistant was available at all times, taking in prescriptions and giving advice on the range of “Over-the-Counter” (OTC) medicines sold. Patients waiting for their prescription to be dispensed were generally not delayed longer than 10 minutes. No queue management system was employed; patients formed a single queue to hand in / collect prescriptions and make purchases which did not appear to create any undue problems. Limited customer seating was available (3 Chairs), and as these were located close to the counter area, conversations with the counter staff could easily be overheard.

Physical environment: The appearance of the pharmacy was clean and tidy. The Pharmacy was decorated with neutral colours-white and aqua blue throughout the shop which was in line with the organisations corporate image. The floor was laminated throughout. There was a good level of lighting throughout the shop and the dispensing area, with all of the lighting units working. The ambient temperature of the pharmacy was pleasant, although no heating was required on the day of the observation. There was no background music playing or in-branch radio broadcasting.

A consistent brand, both in the application of internal and external signage was applied to the dispensing and retail areas of the branch. There was a minimum

amount of signage and marketing posters positioned on the walls of the retail area. Product / price point-of-sale material was positioned adjacent to relevant products (Appendix 3f 4.1a). There were also a number of posters advertising promotions in the retail area. These posters focused specifically on the functional benefits of the promotions i.e. the price. Shelf edge pricing labels showing the products price were clear and easy to read. A number of information leaflets were located in the foyer area (Appendix 3f 4.1e-h; 5.1a-h) together with and signage/information provided by other agencies e.g. NHS.

An Opening Hours signage board (Appendix 3f 4.1i-j) was positioned at the entrance which also advertised the additional services the pharmacy offered e.g.

- NHS and private prescriptions dispensed
- Repeat prescription service
- Medical Use review
- New Medicine service
- Prescription collection service
- Stop smoking
- Contraceptive advice
- Travel Health
- Disposal of unwanted medicines

The legal sign indicating the name of the responsible pharmacist on duty was also clearly visible and other certificates showing employees qualifications were made available for patients to see.

The dispensary was designed as a functional area in which to dispense medication. Whilst this was open, it could not be fully seen from the retail area where patients were standing. The counter area however allowed employees to interact directly with patients. A consultation room was available to use if required, although as this was accessed from the shop floor it might have been a distraction to some patients. The room was quite small, but tidy and organised and adequate to hold a consultation. Importantly it appeared to be soundproof. There appeared to be no standard footprint to the variety of information supplied by pharmacy or other agencies available in the consultation room and foyer area. The aisles of the retail area were clear and shelving clean. The shelves

were well stocked and the range appeared to be adequate for the location the pharmacy was located in (Appendix 3f 4.2a-d).

- Essential medicines
- First Aid
- Foot-care
- Electrical Health products
- Promotional lines

(Appendix 3f 4.2d)

These were supported with Shelf talkers providing product / price advertising or additional information (Appendix 3f 4.1a-d). A standard layout applied throughout the retail area to the products displayed.

Customer interaction with the physical environment:

Functional Clues: Functional clues demonstrating the technical quality of the service being delivered were observed in both the retail area and during the dispensing process. Signage at the entrance gave a clear indication of the services available and the branches opening hours. In the retail area, the marketing material positioned both on the walls and shelving demonstrated the price competitiveness of their product offer and its relevance e.g. sun cream in summer months. The availability and range of products stocked gave credibility to the pharmacy's retail offer and suggested sound replenishment processes across the full product range which would have included dispensing products.

The standard of presentation also suggested a high level of attention to detail by the branch management. The information leaflets displayed would also have demonstrated to patients the depth of the healthcare service offering that the branch was able to provide. It also provided an adequate level of advice to satisfy patient's lack of knowledge regarding the treatment of some minor ailments. The speed at which prescriptions were dispensed and ability to provide the full quantities requested on the prescription were also functional clues which supported patients perception of the technical quality of the dispensing process. The Certificates / Qualifications on show also provided evidence of the branch teams' capability to dispense.

Mechanic Clues: The retail area was well presented and the mechanic clues that this suggests, i.e. cleanliness (attention to hygiene standards throughout) would have helped to create an emotional connection with the patient. The high standards of cleanliness of the shelves and housekeeping in the dispensing area, together with the presentation of the retail fixtures created an impression of a business that was operating to the correct operational standards. Lack of these clues would definitely have been noted which would have influenced patients willingness to use the services provided by the pharmacy. The internal décor of the pharmacy would have supported this impression. Whilst the sensory mechanic clues provided through the branch lighting, colour décor and ambience of the retail area would have been absorbed by patients' senses, these clues were not particularly vivid. They would therefore be unlikely to be remembered unless associated with another aspect of their experience.

Whilst the semi open style of the dispensary and limited barriers between patient and branch assistants enable patients to hold a conversation with the pharmacy staff, the size of the branch and close proximity of others might inhibit some from fully engaging with branch employees. Similarly, the proximity of the seating area to the counter created the potential for conversations to be overheard. For some patients this would have created a distraction and was therefore potentially a negative sensory clue. The provision of a soundproof consultation room however satisfied patients need for privacy when this was required.

Humanic Clues: The organisations employees, both pharmacists and counter assistants appeared approachable, interested and willing to create a dialogue with patients. The branch had a relaxed atmosphere and as the customer flow appeared less intense and with fewer patients waiting for their prescriptions, the counter assistants had more time to interact with each patient and build a rapport with them. Interaction with counter staff followed a standard questioning format when diagnosing a minor ailment that they were qualified to provide advice on. During the observation, the pharmacist was occasionally asked for advice and support on the management of patients' medication. A standard uniform and name badge was also worn by all employees that added to the image of a proficient healthcare provider, created by the corporate branding

Other customers: There was minimal interaction between patients in this branch, unless they appeared to know each other. Some of the conversations with the pharmacy staff could be easily overheard given the close proximity of the seating / waiting area which could be disconcerting. The presence of other customers in these circumstances appeared to have little positive impact on overall customer experience and the potential to have an adverse effect.

Distractions: The size of the branch was the main factor influencing potential distractions. The small shop floor and waiting area meant that it was easy to over hear a conversation which could be unsettling for the patient and also those within earshot inadvertently listening in to the conversation.

Setting: Pharmacy – Location 4

26th November 2014

Context: The observation was conducted a branch of the [Placement Location-Case 2] Pharmacy. This branch is located within a Health centre in a large city. The surgery serves a large population with high levels of social and economic deprivation. Many of the patients using the pharmacy are entitled to free prescriptions either because of their age or financial circumstances. The pharmacy has a small shop unit attached to it (11sq meters with 5 Bays of retail products). There were no adverse weather conditions that would affect the numbers of patients visiting the branch. There was a steady flow of patients, the majority of which were patients of the surgery, depositing their prescription.

Patients visiting the branch were served at the counter with little delay although at times there appeared to be a build-up of people (3 +) waiting for their prescription to be dispensed due to the large numbers visiting the surgery. Individually, those waiting for their prescription to be dispensed did not appear to be waiting an excessive amount of time, that is, longer than 10 minutes. 1 assistant was working on the front counter, taking in prescriptions and selling OTC medicines. No queue management system was employed; patients formed a single queue to hand in /collect prescriptions and make purchases which did not appear to create any undue problems.

Physical environment: The appearance of the pharmacy was clean and tidy. There was a good level of lighting throughout the branch and all of the lighting

units were working. The Pharmacy was decorated with similar corporate colours-white and aqua blue and the floor was laminated throughout the shop area. The ambient temperature of the branch was pleasant and there was no background music playing or in-branch radio broadcasting.

The internal and external signage applied to the dispensing and retail areas of the pharmacy was consistent with their corporate brand throughout.

An Opening Hours signage board was positioned at the entrance (Appendix 3f 4.1k-l) which also advertised the additional services the pharmacy offered.

These were similar to those available at the first branch observed e.g.

- NHS and private prescriptions dispensed
- Medical Use review
- Prescription delivery service
- Stop smoking
- Contraceptive advice
- Travel Health
- Disposal of unwanted medicines

A minimum amount of signage or marketing was positioned on the walls of the retail area. The additional services offered by the pharmacy were advertised at the entrance of the branch. These were similar to those available at the branch observed in location 3. Given the limited size of the retail offer there were no directional signs indicating the products stocked. Likewise, there was little point of sale advertising material positioned adjacent to relevant products demonstrating their functional benefits i.e. the competitiveness of the price, although shelf edge pricing labels showing the products price were clear and easy to read. A variety of different information was available to read in the foyer area (Appendix 3f 4.1e-h; 5.1a-h) although there appeared to be no clear direction or footprint as to what information should be supplied by the pharmacy and other agencies. The wall adjacent to the entrance had a number of posters randomly attached over corporate brand design which looked unappealing and disorganised. The legal sign which indicated the name of the responsible pharmacist on duty was also clearly visible. Certificates showing employees qualifications however were not visible to patients.

The dispensary area was open, but could not be fully seen from the retail area where patients were standing because of a 5 foot shelving unit selling OTC medicines obscuring the view. The retail area was restricted to one 5 meter wall unit (Appendix 3f 4.2e-h). The pharmacy stocked a minimum range of basic products including:

- Essential medicines
- Deodorants / sanitary products
- Hair care/Cosmetics
- Washing and bathing
- First Aid
- Promotional lines

No standard Foot print was applied to the retail area because of its small size, the product range being guided by Head office rather than being designated via merchandising plans which appeared to influence the standard of merchandising, which was inconsistent throughout the retail area.

Appendix 3f 4.2d

The rest of the space was clear and acted as an open reception area, providing patients enough space to congregate. There was sufficient seating (12 seats) to enable most people waiting to sit down if they wished. This was located away from the main serving counter which meant that conversations with the counter staff could not be easily over heard. Additional chairs could have been located in this area if required. Whilst most of the dispensary could not be seen by patients, the counter area was open which allowed employees to interact directly with them when required. A small consultation room was available if required however as with the first branch observed it was in full view of the shop floor which might have been disconcerting for some patients. Despite the numbers of patients using the branch, there appeared to be a relaxed atmosphere and a good rapport between patients and branch employees.

Customer interaction with the physical environment:

Functional Clues: Similar functional clues were observed in this branch. The signage at the entrance gave a clear indication of the services available and the branches opening hours. The information leaflets displayed would also have demonstrated the depth of the healthcare service offering and provided the

correct level of advice to satisfy patients' lack of knowledge regarding the treatment of minor ailments. In the retail area the availability and range of products stocked was limited. This set of functional clues did not particularly add to the credibility of the pharmacy's offer.

Mechanic Clues: The sensory mechanic clues offered through the branch lighting, colour décor and ambience were not particularly vivid and therefore would be unlikely to be associated with patients experience unless linked with other sensory clues. Similarly, as the retail shop area was small it presented few mechanic clues to stimulate patients' senses. No product / price advertising or additional information was available and merchandising and presentation was inconsistent which might demonstrate a lack of management focus in this area. The standard of cleanliness of shelves and in the dispensing area however would have created the impression that the business was operating to the correct operational standards. The corporate décor and ambience of the branch supported this impression, all of which would have helped to demonstrate the proficiency in the dispensing process and create an emotional connection with the patient.

Humanic clues: The pharmacist and his team appeared to be approachable, interested and willing to help patients with a regular dialogue occurring and a strong relationship obviously present, especially with those that regularly used the branch. The pharmacist was at the centre of this relationship building process and had a good personal rapport with his patients. The open counter enabled him to easily identify who was in his branch. This meant that he could initiate conversations without difficulty which it was evident that he did on a regular basis. During the observation the pharmacist was frequently asked for advice and supported patients on the management of their medication. The size of the branch and lack of retail footage meant that patients appeared to have a reasonable amount of personal space and therefore the proximity of other patients would not be a reason to inhibit them from initiating a conversation with the pharmacy staff. Similarly, the positioning of the seating area away from the serving counter also meant that conversations were less likely to be overheard. All staff were wearing a standard uniform and name badge provided by the organisation.

Other customers: There was minimal interaction observed between patients unless they appeared to know each other. The presence of other customers therefore would appear to have little positive impact on patients overall experience.

Distractions: Other patients i.e. those requiring methadone treatment, had the potential to be unsettling and distract other customers using the service. The organisation managed this problem by creating a separate entrance for these patients to obtain their medication although this took members of staff away from their duties serving on the counter.

Observation schedule

Setting: Pharmacy – Location 5

Date: 3rd July 2014

Context: The observation was conducted a branch of the [Placement Location-Case 2] Pharmacy in a market town. This branch is located in a small shopping precinct located in close proximity to the local GP surgery and adjacent to an estate of mainly private residential housing. The surgery serves a community with a wide range of different age and income groups. There were no adverse weather conditions that would have affected the numbers of patients visiting the branch on the day of the observation.

A regular flow of patients were seen to be visiting the branch. At busy times, which occurred regularly throughout the visit, a queue of 5 plus patients were observed waiting to be served. A high proportion of these were patients of the surgery, depositing and collecting their prescription. Once attended by an assistant those waiting for their prescription to be dispensed did not appear to be delayed longer than 10 minutes. 2 assistants were working on the front counter, taking in prescriptions and selling OTC medicines. No queue management system was employed; patients formed a single queue to hand in /collect prescriptions. Given the volume of patients using the branch, at times this appeared a little chaotic with dual queues developing. As well as dispensing medication the pharmacy also has a number of retail fixtures, (24 shelved bays) covering an area of 30sq metres. This was the largest of the branches visited and was of a comparable size to a small convenience shop. At

times customer's queueing to purchase the retail products stock exacerbated the confusion regarding the branches queueing problems.

Physical environment: The Pharmacy appeared to be clean and tidy. The aisles and shelving in the retail area were also clean. The pharmacy was well lit and there was a good level of lighting throughout the shop and in the dispensing area. All of the lighting units were in working order. The Pharmacy was also decorated in standard corporate colours and the floor was laminated throughout. The branch temperature was pleasant and no background music was playing or in-branch radio broadcasting.

The internal and external signage applied to the dispensing and retail areas in this branch were also consistent with the organisations corporate brand image. Opening hour's signage positioned at the entrance, advertised the additional services the branch offered (Appendix 3f 4.1m). This was also similar to the services offered in the other branches observed. Directional signage for each product group was clearly visible throughout the retail area. There were also a number of posters advertising promotions on the windows. These posters focused specifically on the functional benefits of the promotions i.e. the price competitiveness of the retail offer. The shelf edge pricing labels were also clear and easy to read. Information leaflets provided by other agencies e.g. NHS were also located in the foyer area. A number of posters were randomly attached to the wall adjacent to the dispensing area which looked unappealing and disorganised. The Legal sign which indicated the name of the responsible pharmacist on duty was clearly visible and other certificates showing employees qualifications available for patients to see.

In the retail area the shelves were well stocked and the range appeared to be adequate for the location and size of the retail area (Appendix 3f 4.2i-m).

- Essential medicines
- Baby
- Deodorants / sanitary products
- Hair care/Cosmetics
- Dental
- Washing and bathing

- First Aid
- Foot-care
- Promotional lines

These were supported with Shelf talkers providing product / price advertising or additional information (Appendix 3f 4.1a-d). The aisles were also wide enough to accommodate the volume of customers and clear from clutter although as there did not appear to be a clear reception or queueing system some of the retail products stocked were obscured by patients waiting to collect their prescription. The dispensary area was open and could be seen from the retail area where patients were standing. This enabled employees to interact directly with patients although the close proximity of the seating area might have discouraged some. As the main dispensary area was behind a counter stocking OTC medicines (5ft) the actual dispensing of medicines however was hard to see.

A consultation room had been incorporated into the branch design and was available for patients to use if necessary. Whilst the room was accessed from the shop floor it was located away from the main congregation of waiting patients. The room was small but tidy and organised and adequate to hold a consultation. The volume of patients in the branch meant the operation had a tense atmosphere and rapport between patients and branch employees was generally functional and business-like. The high volumes of patients in the pharmacy and lack of queue management systems also created blockages at times.

Customer interaction with the physical environment:

Functional Clues: Similar functional clues were identified in this branch to the other two visited i.e. an entrance sign indicating the services available and the branches opening hours and corporate marketing material on the walls and shelving of the retail area demonstrating the price competitiveness of their product offer. The information leaflets displayed (Appendix 3f 4.1e-h; 5.1a-h) demonstrated the depth of the healthcare service offering the branch provided and supplemented patients' lack of knowledge regarding the treatment of minor ailments.

Mechanic Clues: As with the other branches observed, the sensory mechanic clues offered through the internal ambience of branch design were not particularly vivid and would be unlikely to be remembered. The branch however had a good product range and availability and was well merchandised and presented. This was both visually appealing and gave patients confidence in how the business operated. Similarly the cleanliness of the shelves also created an impression of a business that was operating to a high standard. The internal décor of the branch supported this impression. The standards of hygiene and the information leaflets made available would have helped to create an emotional connection with the patient. Lack of these clues would definitely have been noted influencing patients willingness to use the services provided by the branch.

The semi open style of the dispensary and limited barriers between patients and branch assistants enabled patients to easily hold a conversation with the Pharmacy staff. Whilst most of the dispensary area could not be seen by patients, the area which was open was sometimes cluttered with delivery boxes and this might therefore have had an adverse impact. The numbers of other patients waiting might also have created a negative impression of both the potential waiting time and the organisational capability of the branch. The proximity of the seating area to the main serving counter and the potential for conversations to be over heard would also have created a distraction and potentially a negative sensory clue.

Humanic Clues: The organisations employees, both pharmacists and counter assistants appeared approachable, interested and willing to create a dialogue with patients. Given their workload however counter assistants had limited opportunity to interact with each patient and build a relationship with them. There appeared to be a good rapport, especially with those that were regular patients but the available time to talk was limited and the conversation was more business-like. The interaction with counter staff that did occur followed a standard questioning format for diagnosing a minor ailment. During the observation the pharmacist was seen to regularly engage with patients regarding the management of their medication and on occasions the

consultation room was used during these interactions. Branch employees were all wearing the standard uniform provided and a name badge.

Other customers: Minimal interaction between patients was observed, unless they appeared to know each other. The numbers of patients waiting to be served plus those waiting separately, either seated or standing to collect their prescription, meant that the branch appeared at times to be very crowded. Given this and the fact that some of the conversations with Pharmacy staff could be easily overheard, the presence of other patients in the service setting would appear to have little positive impact on overall customer experience and the potential to have an adverse effect.

Distractions: The size of the branch and numbers using the pharmacy were potential distractions. The volume of patients being served and the work that this generated meant at times the branch appeared crowded which would have been unpleasant and unsettling for some patients and would also have an impact on the type of interaction and rapport that patients would have experienced. Similarly the proximity of patients might have meant that conversations were inadvertently overheard which might also have created a sense of embarrassment for those involved.

Appendix 6 Initial Coding Template drawn from Descriptions of each Construct (Chapter 4)

Organisational Perspective
Coding Template
Design Choices
4.2.1 Technology and Physical support
<i>The means through which a customer is able to access the service offering</i>
<p>4.2.1.1 Accessing the service offering - Real and virtual environments Real and virtual environments (Roth and Menor 2003; Normann 2005) Multiple integrated distribution strategies (Wemmerlov 1990; Oliveira et al. 2002; Roth and Menor 2003; Payne et al. 2007; Verhoef et al. 2009 Racherla et al. 2011) Communication methods that enable the service provider to maintain a relationship with their customers (Voss et al. 2008; Racherla et al. 2011)</p> <p>4.2.1.2 Deployment of technology - Front office operations Technology and equipment employed in front and back office operations (Normann 2005)</p>
1. The customers' ability to access the service offering through a variety of real and virtual delivery channels
2. The technology employed in front-office operations to enable employees to build a relationship with their
4.2.2 Customer Interface
<i>The specific points of contact where customers engage with the delivery system and participate in the delivery of the service</i>
<p>4.2.2.1 Environmental touchpoints Ambient environmental conditions (Bitner 1992; Voss and Zomerdijk 2007) The appearance of the external and internal features of the setting (Kotler 1973; Gupta and Vajic 2000; Turley and Milliman 2000) The spatial layout and functional design of the machinery, equipment and furnishings (Bitner 1992; Voss and Zomerdijk 2007; McCarthy et al. 2010) The internal signage, pricing and point of purchase information (Bitner 1992; Turley and Milliman, 2000; Voss and Zomerdijk, 2007)</p> <p>4.2.2.2 Technological touchpoints Technological interfaces via telephone, e-mail or social media platforms (Froehle and Roth 2004). The impact of employees (Grace and O'Cass 2004; Berry et al. 2006a; Wall and Berry 2007; Voss et al. 2008; Brunner-Sperdin and Peters 2009)</p> <p>4.2.2.3 Human touchpoints The appearance of employees (Soloman 1985; Turley and Milliman 2000; Berry et al.2006b) The impact of other customers (Martin and Pranter 1989; Hui and Bateson 1991; Pullman and Gross 2004; Zomerdijk and Voss 2007; Voss et al. 2008; van Rompay et al. 2008)</p>
1. Customer engagement through physical branch setting
2. Customer engagement through virtual settings
4.2.3. Organisation Infrastructure
<i>The organisations internal architecture responsible for setting the policies and procedures which determine how the service strategy is implemented</i>
<p>4.2.3.1 Leadership values The values the organisations leaders promote (Chatman 1989; Cable and Judge 1995; Roth and Menor 2003; Tang and Tang 2012).</p> <p>4.2.3.2 Selection and socialisation procedures Policies and procedures that that ensure employees can fulfil their roles (Chatman 1989; Berry and Bendapudi 2003; Roth and Menor 2003; Voss et al., 2008; Ingelsson et al. 2012)</p> <p>4.2.3.3 Establishing and maintaining service standards Service standards and productivity objectives (Heskett 1987; Roth and Menor 2003)</p>
1. Leadership values which influence how people perform
2. Recruitment, induction and training processes responsible for developing employees
3. Standard operating processes and performance measurement routines to maintain quality

4.2.4. Organisational Integration
<i>The extent to which new information and knowledge is gathered from both internal and external sources and assimilated throughout the organisation</i>
4.2.4.1 Internal integration Extent to which internal departments work together and the mechanisms used to transfer knowledge throughout the organisation (Zeithaml et al. 1988; Oliveira et al. 2002; Roth and Menor 2003; Voss et al. 2008; Caemmerer and Wilson 2009; Tang and Tang 2012)
4.2.4.2 External integration The degree of collaboration and coordination between stakeholders within supply chain (Roth and Menor 2003; Voss et al. 2008; Grewal et al. 2009; Glushko and Tabas 2009)
1. Internal Integration - Collaboration between head office functions
2. Adaptive Mechanisms – The methods through which information and knowledge is assimilated throughout the organisation
3. Opportunities for organisational learning
4. External Integration - Senior managers encourage working with other stakeholders
Experience Mechanisms
Organisational Perspective
4.3.1 Focused Attention
<i>The extent to which the service system supports and enables the customer to focus on activities in pursuit of their consumption goals</i>
4.3.1.1 Consumption Goals Consumption goals which motivate behaviour to initiate a service influence the customers perception of the experience that emerges as a result. (Bitner 1992; Chitturi et al. 2008; Puccinelli et al. 2009; Peterman 2009; Lemke et al. 2011)
4.3.1.2 Learning and Practice Learning through reflection (Foster and Stines 2011), participation and practice (Goleman 1996; Gupta and Vajic 2000; Payne et al. 2007) Support systems to rectify knowledge imbalance (Gupta and Vajic, 2000; McKee et al. 2006; Payne et al. 2007) Learning leading to an increased level of engagement with service provider (Poulsson and Kale 2004), impacting on the attitudes and preferences, and the relationship customers form with the service provider (Payne et al. 2007)
4.3.1.3 Interruptions/Distractions The capacity of the delivery system to enable customers to concentrate (Csikszentmihalyi 1975; Pine and Gilmore 1998) Removing obstacles generated by the physical setting (Pine and Gilmore 1998; Bitgood 2002; Xia and Sudharshan 2002; Csikszentmihalyi 2003; Lin 2004; Berry et al. 2006a)
1. Rectifying Knowledge imbalance
2. Management practices that enable customers to achieve their goals easily when visiting branch offices
3. Distractions which prevent customers from focusing on the activities they are undertaking
4.3.2 Sensory Stimulation
<i>The ability of the delivery system to provide humanic and mechanic clues which have an impact on customer sensory perception</i>
4.3.2.1 Vividness and salience The capacity of Humanic and Mechanic service clues to stimulate the customer’s senses (Bitner 1992; Pine and Gilmore 1998; Lin 2004) The ability of the service clues to attract attention (Hornik 1984; Taylor and Thompson, 1982; Morrin and Ratneshwar 2003; Fiske and Taylor 2013) The number of distinct sequences and layers of sensory clues to the customers’ journey (Pine and Gilmore 1998; Haeckel et al. 2003)
1. Humanic Clues which employees consider important in having an impact on customer sensory perception
2. Mechanic clues - Factors which influence how customers perceive the setting in which the service is delivered

4.3.3 Interaction

The means through which the service provider is able to communicate and collaborate with the customer to initiate or contribute towards the delivery of the service

4.3.3.1 Informal social interaction/creating an equal dialogue

The ease at which customers can communicate and collaborate with the service provider (Coyle and Thorson 2001 2001). The speed of the providers responds (Coyle and Thorson 2001; Kiousis 2002; Froehle and Roth 2004; Rose et al. 2011)

The degree of control customers perceive over the process (Arnould et al. 1993; Martin and Pranter 1989; McMillan and Downes 2000; Prahalad and Ramaswamy 2004; Gentile et al. 2007; Voss and Zomerdijk 2007; Zomerdijk and Voss 2010)

4.3.3.2 Virtual communication:

Customers are now provided with a range of alternative communication mediums through which they can access information and advice to aid in purchasing decisions (Oliveira et al. 2002; Froehle and Roth 2004; Rose et al. 2011)

The degree to which a virtual communication system can imitate the characteristics of face-to-face communication (Steuer 1992; Kiousis 2002)

The speed and responsiveness of communication (Roth and Menor 2003)

The degree of control customers have over how they receive communication from the service provider (Downes and McMillan 2000; Zhu et al. 2007)

1. Creating a dialog with the customer

2. Building a relationship through social interaction

3. Maintaining contact with customer over duration of relationship

4. Learning from interactions with customers

5. Interaction through virtual mediums

4.3.4 Adaptability

The extent to which the delivery system is capable of personalising the service offering to meet a customer's needs

4.3.4.1 Customer participation

The level of management control and decision making power devolved to the customer (Collier and Meyer 1998; Hill 2002; Voss and Zomerdijk 2007; Dasu and Chase 2010)

4.3.4.2 Willingness of organisation to respond to customers input

The degree to which employees are empowered to adapt their behaviour (Larsson and Bowen 1989; Chebat and Kollias 2000; Glushko and Tabas 2009; Sirianni et al. 2013)

1. Operating processes that enable customers to adapt

2. The customers ability to synchronise their banking activities between channels

3. Willingness of organisation to respond to customers input

Experience Mechanisms
Customers Perspective
4.3.1 Focused Attention
<i>The extent to which the service system supports and enables the customer to focus on activities in pursuit of their consumption goals</i>
<p>4.3.1.1 Consumption Goals Consumption goals which motivate behaviour to initiate a service influence the customers perception of the experience that emerges as a result. (Bitner 1992; Chitturi et al. 2008; Puccinelli et al. 2009; Peterman 2009; Lemke et al. 2011)</p> <p>4.3.1.2 Learning and Practice Learning through reflection (Foster and Stines 2011), participation and practice (Goleman 1996; Gupta and Vajic 2000; Payne et al. 2007) Support systems to rectify knowledge imbalance (Gupta and Vajic, 2000; McKee et al. 2006; Payne et al. 2007) Learning leading to an increased level of engagement with service provider (Poulsson and Kale 2004), impacting on the attitudes and preferences, and the relationship customers form with the service provider (Payne et al. 2007)</p> <p>4.3.1.3 Interruptions/Distractions The capacity of the delivery system to enable customers to concentrate (Csikszentmihalyi 1975; Pine and Gilmore 1998) Removing obstacles generated by the physical setting (Pine and Gilmore 1998; Bitgood 2002; Xia and Sudharshan 2002; Csikszentmihalyi 2003; Lin 2004; Berry et al. 2006a)</p>
1. Primary goals for using the bank (What is important to the customer)
2. Distractions-factors which prevent customers from achieving their goals
3. Delivery system provides customers with sufficient knowledge
4.3.2 Sensory Stimulation
<i>The ability of the delivery system to provide Humanic and Mechanic clues which have an impact on customer sensory perception</i>
<p>4.3.2.1 Vividness and salience The capacity of Humanic and Mechanic service clues to stimulate the customer's senses (Bitner 1992; Pine and Gilmore 1998; Lin 2004) The ability of the service clues to attract attention (Hornik 1984; Taylor and Thompson, 1982; Morrin and Ratneshwar 2003; Fiske and Taylor 2013) The number of distinct sequences and layers of sensory clues to the customers' journey (Pine and Gilmore 1998; Haeckel et al. 2003)</p>
1. Humanic clues which employees consider important in having an impact on customers' sensory perception
2. Mechanic clues which employees consider important in having an impact on customers' sensory perception
4.3.3 Interaction
<i>The means through which the service provider is able to communicate and collaborate with the customer to initiate or contribute towards the delivery of the service</i>
<p>4.3.3.1 Informal social interaction/creating an equal dialogue The ease at which customers can communicate and collaborate with the service provider (Coyle and Thorson 2001 2001). The speed of the providers responds (Coyle and Thorson 2001; Kiouisis 2002; Froehle and Roth 2004; Rose et al. 2011) The degree of control customers perceive over the process (Arnould et al. 1993; Martin and Pranter 1989; McMillan and Downes 2000; Prahalad and Ramaswamy 2004; Gentile et al. 2007; Voss and Zomerdijk 2007; Zomerdijk and Voss 2010)</p> <p>4.3.3.2 Virtual communication: Customers are now provided with a range of alternative communication mediums through which they can access information and advice to aid in purchasing decisions (Oliveira et al. 2002; Froehle and Roth 2004; Rose et al. 2011) The degree to which a virtual communication system can imitate the characteristics of face-to-face communication (Steuer 1992; Kiouisis 2002) The speed and responsiveness of communication (Roth and Menor 2003) The degree of control customers have over how they receive communication from the service provider (Downes and McMillan 2000; Zhu et al. 2007)</p>

1. The ease at which customers can interact with employees
2. The ease at which customers can interact through a virtual medium
3. The general responsiveness of the organisation
4. Indirect contact with the organisation through marketing activities
4. Adaptability
<i>The extent to which the delivery system is capable of personalising the service offering to meet a customer's needs</i>
4.3.4.1 Customer participation The level of management control and decision making power devolved to the customer (Collier and Meyer 1998; Hill 2002; Voss and Zomerdijk 2007; Dasu and Chase 2010).
4.3.4.2 Willingness of organisation to respond to customers input The degree to which employees are empowered to adapt their behaviour (Larsson and Bowen 1989; Chebat and Kollias 2000; Glushko and Tabas 2009; Sirianni et al. 2013)
1. Enabling the customer to participate in the delivery of the service (Their actions)
2. The willingness of the organisation to respond to customers input
Experience Outcome
4.4.1 Memory recall
<i>Customers' ability to recall at a later date a characteristic, activity or event that relates to the performance of the delivery system</i>
4.4.1.1 Recall The ability to engage with the service provider in memorable and meaningful ways (Kelley 1989; Pine and Gilmore 1998; Haeckel et al. 2003; Voss et al. 2008) The pattern of activity sequences that occurs over the course of the customer's journey which influence how events are remembered (Ariely 1998; Chase and Dasu 2001; Crowley 2007; 2008; Cowley and Caldwell 2001; LaTour and Carbone 2014).
4.4.1.2 Reflection The ability to reflect on the experience (Shaw and Ivens 2002; Payne et al.2007; Boswijk et al. 2007; Foster and Stines 2011)
1. Recall of either a positive or negative aspect of a past encounter with the delivery system
2. Past encounters with the delivery system have resulted in an overall positive/negative impression being created
3. Unable to recall any particular encounter in the past
4.4.2 Emotional response
<i>The emotions expressed as a result of the customers' involvement in the delivery of the service</i>
4.4.2.1: Evoked emotions Emotions change how customers perceive a service setting and motivate their behaviour (Morrison and Crane 2007) Used to help make decisions when other, more rational information is not available or when the tangible choices between different service providers are similar (Morrison and Crane 2007; O'Shaughnessy and O'Shaughnessy 2003) Encourages customer loyalty (Pullman and Gross 2003; 2004) and influences their willingness to return (Barsky and Nash 2002).
4.4.2.2 Emotional Clusters Recommendation emotions (Garbarino and Johnson 1999; Shaw 2007; Chitturi et al.2008; Dasu and Chase 2010) Advocacy emotions (Shaw 2007) Destroying emotions (Shaw 2007)
1. Demonstrating advocacy emotions
2. Demonstrating recommendation emotions
3. Demonstrating other positive emotions
4. Demonstrating negative emotions

4.4.3 Perceived Control
<i>The extent to which customers believe they have control over the delivery of the service</i>
4.4.3.1 Decisional control The degree to which the customer can access and select a course of action from a choice of options (Averill 1973)
4.4.3.2 Cognitive control Reduces the customers' uncertainty and provides them with assurances that the process is being well managed (Averill 1973; Dasu and Chase 2010)
4.4.3.3 Behavioural control Perceived when the customer is to able take direct action to influence the delivery or outcome of the service offering (Averill 1973)
1. The customers' perception of the degree of control they have over the delivery of the service
2. Factors which influence the level of control a customer perceives
3. Perception of lack of control
4.4.4 Perception of time
<i>Customers' perception of the duration of time engaged in the delivery of the service</i>
4.4.4.1 Attention to time The customers' perception of the duration of time engaged in the delivery process (Bitran et al. 2008) Perception of time during active participation (Csikszentmihalyi 1975)/ passive participation (Bitran et al.2008)
4.4.4.2 Duration as an element of value Perception of time during occasions when a high level of social interaction takes place (Bitran et al. 2008) or when the value and benefits derived from the service offering are hard to evaluate (Yeung and Solan 2007)
1. Perception of duration of time engaged in delivery of the service
2. Longer Durations - Enough time during meetings with employees to discuss relevant issues

Appendix 7a Analysis of Coded Data		
Bank-organisation	Sources	References
1. Design Choices	20	507
1. Technology and Physical support	13	44
1. The customers' ability to access the service offering through a variety of real and virtual delivery channels	6	18
a. Customers use a variety of different channels to access the delivery system	6	14
b. The degree of integration between channels has a detrimental effect on customer experience	3	4
2. The technology employed in Front Office operations to enable employees to build a relationship with their customers	11	26
a. Used to initiate conversations	2	3
b. Used to maintain contact with customer	6	7
i. Used to maintain contact via online diary system	5	6
ii. Used to maintain contact via text	1	1
c. Feedback mechanism used for call centre	1	1
d. Internet banking platform in need of updating	1	3
e. Used to facilitate employee training (E-learning)	2	3
2. Customer Interface	18	86
1. Customer engagement through branch setting	16	79
a. Customer engagement through the branch network is an important element in business strategy	6	7
b. The design of the setting influences how customers engage	4	9
i. General design of branch offices-Reception area	2	2
ii. Positioning of offices	1	1
iii. Lack of office space for meetings with customers. Meeting conducted in semi permanent offices located in Banking hall	3	6
c. Key points of contact with branch employees	12	56
i. Key point of contact- interaction on the counter	6	16
0.1. Design of counter	5	7
0.2. Interaction on the counter	4	8
0.3. Queue management	1	1
ii. Key point of contact - Design of customer review process	11	35
0.1. Customer review formats	6	7
0.2. Contact before to ensure customer is prepared-managing expectations	4	5
0.3. Review process	10	19
0.4. Scripting conversations	1	4
iii. Key point of contact - Follow up communication process	4	5
d. The impact of other customers	3	3
e. Minor and major servicing events	1	1
f. Customers have direct phone access to a particular branch rather than all calls being diverted via a distant call centre	3	3
2. Customer engagement through call centre	2	4
a. Available 24hr	1	1
b. Managers recognise the experience of engaging with the call centre is different	1	3
3. Customer engagement through Website	1	3
a. Customers' ability to access information easily	1	2
b. Customers' ability to achieve their objectives easily	1	1
3. Organisation Infrastructure	20	295
1. Leadership values which influence how people perform	17	129
a. Customer centricity	16	64
i. Acting in the customers best interest	6	10
ii. All customers are treated the same way	11	25
iii. Managing unprofitable accounts-Cash Minder accounts	2	2
iv. Branch specific activities	6	6

0.1. Community Events	3	3
0.2. Operational culture encourages co-operative working	3	3
v. Call Centre design encourages interaction with customers	1	1
vii. Creating customer advocacy	5	6
vi. Treating customers fairly	3	3
b. Employee Empowerment- The degree of discretion allocated to employees to make choices	14	39
i. Taking the initiative to meet the customers specific needs	11	29
0.1. Employees make decisions regarding how best to satisfy the customers needs	5	5
0.2. Adapt approach to individual customer	10	21
0.3. Going the extra mile-Acts of Kindness	2	3
ii. Taking ownership for customer complaints	6	7
iii. Senior managers encouraging employees to take ownership	2	2
iv. No discretion in the configuration of products purchased	1	1
c. Financial Conduct Authority acts to guide how organisation performs	2	5
d. Rewarding success	10	21
i. Removal of financial targets	8	10
ii. Recognition of extra ordinary performance	6	11
2. Recruitment induction and training processes responsible for developing employees	16	73
a. Recruiting the right people	3	5
i. The recruitment process	1	2
ii. Recruiting people with the right behaviours	2	3
b. Induction	7	16
c. Training	14	48
i. Coaching	7	13
ii. Training process	12	25
d. Induction and ongoing follow up training for call centre employees	1	4
i. Induction	1	2
ii. Training	1	2
3. Standard operating processes and performance measurement routines to maintain quality	18	93
a. Achieving consistency in service delivery	8	17
i. The organisation strives to deliver a consistent standard to customers throughout	4	4
ii. Standard operating process have been developed to ensure consistent delivery	1	1
iii. A Branch design footprint has been established, but difficult to implement	1	1
iv. Measuring complaints consistently helps to improve visibility of service breakdowns	3	3
v. The organisation focuses on understanding how the key encounters throughout their relationship with the customer are perceived	2	5
vi. Addition follow up calls to ensure customer has the information they require	3	3
b. Operational performance measures	17	76
i. Internal Performance Reviews	14	41
0.1. Branch Observations of individual employees performance	12	22
0.2. Desk Review-documented performance review	6	10
0.3. Internal review conducted by managers of the quality of customer reviews carried out branch employees	3	5
0.4. Balanced scorecard of branch performance	3	3
0.5. Review carried out by call-centre managers of employees recorded conversations with customers	1	1
ii. External audits and surveys	15	31
0.1. Customer satisfaction surveys	8	14
0.2. Mystery Shopper surveys	10	11
0.3. Event based surveys	2	2
0.4. Call Centre quality checks	1	4
iii. Research still required	2	4

4. Organisational Integration	18	82
1. Internal Integration - Collaboration between head office functions	6	14
2. Adaptive Mechanisms – The methods through which information and knowledge is assimilated throughout the organisation	13	56
a. Communication to branches from both Head Office and Area Management	9	26
i. Communication with Area Manager	4	6
ii. Head office communication with branches	9	20
0.1. H.O. provide information regarding new product launches and customer contact lists maturing products	4	6
0.2. Newsletters provide feedback and recognition of employees who have demonstrated extra ordinary level of performance	7	10
b. Routines established within branch to ensure that information is communicate to all employees	10	18
c. No clear vision of the service concept appears to have been cascade throughout the organisations hierarchy	11	12
3. Opportunities for organisational learning	5	12
a. Information gained from external sources (customers)	4	11
b. Branch network communication system facilitate upward flow of information and ideas (Direct e-mail for ideas)	1	1

Bank-organisation	Sources	References
2. Experience Mechanisms	20	485
1. Focused Attention	18	110
1. Rectifying knowledge imbalance	10	23
a. Providing information and direction which enable the customers to easily access a particular part of the delivery system-(through the use of Greeters and host desk)	4	4
b. Providing customers with information so that they are able to fully participate	8	19
i. Design of website	1	2
ii Employee actions to inform	5	6
2. Management practices that enable customers to achieve their goals easily when visiting branch offices	13	28
a. Employees actions and solutions focused behaviour enable customers to achieve their goals	9	20
b. Operational performance-Monitoring processes to ensure employees deliver a consistent standard	2	2
c. Factors which influence the speed of delivery during customer's passive participation	5	7
i. Lack of staffing	2	2
ii. Proactively managing queues	3	4
iii. Distractions influencing the perception of time queuing-TV monitors	1	1
3. Distractions which prevent customers from focusing on the activities they are undertaking	15	59
a. Operational	10	20
i. Interruptions to meeting	3	4
ii. Phones ringing	3	3
iii. Fluctuations in demand and staff shortages creates operational problems which need to be managed	5	8
iv. Time management-not setting correct expectation of how long meetings will take	3	3
v. Poor past experience	1	1
vi. Recognition that the design of the website needs upgrading to enable customers' to achieve their goals	1	1
b. Physical Design	6	14
i. Design of counter	5	5
ii. Customer flow	1	2
iii. Lack of office space only semi permeant offices	3	5
iv. Positioning of offices	1	1
v. Personal space around ATM machines	1	1
c. Systems issues	3	3
d. The impact of other customers	9	15
i. Children	3	3
ii. Lack of privacy from other customers	4	4
iii. Influence how employees conduct conversations with customers	3	4
iv. The impact of other customers wanting to hold an in-depth conversation on the counter influencing the speed of delivery	3	4
e. The impact of interruptions on employee's performance	3	7
i. Resolved by focusing on customer being attended to	2	4
2. Sensory Stimulation	16	95
1. Human clues which employees consider important in having an impact on customers' sensory perception	14	71
a. Cared for	10	28
i. Building rapport	9	18
ii. Care	3	4
iii. Approachable	4	6
b. Valued	9	17
i. Personal acknowledgement	5	7
ii. Welcoming - Friendly	5	6
iii. Treating customers individually	2	4

c. Solutions focused, taking ownership-finding a solution	11	26
i Taking ownership-finding a solution	7	10
iii Employee actions that support	5	6
ii Employee actions to inform	6	10
2. Mechanic clues which employees consider important in having an impact on customers' sensory perception	9	24
a. Visual clues	6	13
i. Hosting Desk and Greeters role	4	8
ii. Cleanliness	1	1
iii. Impact of glass doors in offices	2	2
iv. Personal space around ATM machines	1	1
v. Badly designed counter	1	1
b. Auditory clues	3	7
i. Glass fronted counters make conversations difficult	2	2
ii. Open counter-enables more effective interaction	1	2
iii. Phones ringing	3	3
c. Gustatory	3	4
i. Providing coffee- Taste (showing empathy)	3	4
3. Interaction	19	182
1. Creating a dialog with the customer	16	82
a. Informal social interaction	8	11
b. Looking for triggers	3	4
c. Pre-meeting phone call to set expectations for Review meetings	3	3
d. Process of welcoming customer to meeting	1	1
e. Recognising the need for privacy	3	3
f. All customers are treated the same way	11	20
g. Fact finding and asking the right questions	8	15
i. Customer Review	4	10
ii. Counter assistants asking questions to establish needs	4	5
i. Training focuses on conversations	7	12
j. Branch Observations support employees to create a dialogue with customers	9	13
2. Building a relationship through social interaction	17	68
a. Building rapport	9	18
b. Demonstrating an empathy with the customer	9	14
c. Providing Face to Face interactions with customers	1	1
d. Providing enough time during meeting for customers to fully discuss their financial concerns	3	5
e. Focused on customer being attended to	3	5
f. Management practices that support employees in building relationships	2	3
g. Awareness of how relationships build over multiple encounters	2	4
3. Maintaining contact with customer over duration of relationship	9	14
a. Follow up process following acquisition of new financial product	3	3
b. Maintaining contact over longer term	7	11
4. Learning from interactions with customers	4	11
5. Interaction through virtual mediums	2	7
a. Building a dialog and relationship with customers through a virtual medium (call centre)	1	3
b. The organisation recognises that customer's interactions through their website need to be improved	1	4
4. Adaptability	18	98
1. Operating processes that enable customers to adapt	11	23
a. Adapting the outcome resulting in customers perceiving a degree of behavioural control	1	1
i. The ability to cancel product within 14 day cooling off period	1	1
b. Adapting the outcome resulting in customers perceiving a degree of decisional control	6	10
i. Customer review process	4	8

0.1. Review process allows customer to decide the level of detail they wish to review their finances	4	7
0.2. Mandatory questions have to be answered	1	1
ii. Customer have little ability to make changes to how the service is delivered	2	2
c. Making information available provides customers with a degree of cognitive control	9	12
i. Customers provided with enough information to enable them to make an informed decision about the financial product they acquire	9	11
ii. The ability to obtain information from the delivery system easily provides an element of cognitive control	1	1
2. The customers' ability to synchronise their banking activities between channels	3	8
3. The willingness of the organisation to respond to customers input	16	67
a. Employees empowered to take the initiative to satisfy a customer's particular needs	14	36
i. Employees make decisions regarding how best to satisfy the customer's needs	4	4
ii. Adapt approach to individual customer	10	22
iii. Adapt how conversations with customers are conducted	5	7
0.1. Adapting to level of knowledge	2	2
0.2. Scripted conversations are required a key stages throughout engagement process	2	4
0.3. Recognising different customer behaviour patterns during major disruption to finances i.e. Planners and Reactors	1	1
iv. Going the extra mile-Acts of Kindness	2	3
b. Employees are provided with the discretion to handle complaints	7	9
c. Minimal discretion allowed to adapt organisational processes	9	17
i. Branch team have minimal discretion in how mandatory scripts are delivered	9	16
ii. Minimal control in managing staffing levels and wage control	1	1
d. Requirement to be flexible in how service delivered- Providing enough time to talk	3	5

Appendix 7b Analysis of Coded Data

Bank-customer	Sources	References
1. Experience Mechanisms	29	1041
1. Focused Attention	29	358
1. Primary goals for using the bank (What is important to the customer)	29	226
a. Ability to access account	25	59
i. General ability to access	4	4
ii. Branch	20	40
0.1. Ability to access (talk to) bank staff	11	15
0.2. Prefer not to visit bank	1	1
0.3. More pressured than phone banking	1	1
0.4. No telephone number provided to contact bank	1	1
0.5. Difficulty in accessing account because of lack of branches	2	5
iii. Call Centre	6	8
iv. Online	6	11
v. Easy to set up appointments	1	1
vi. The ability to check status of accounts	13	18
b. Ability to achieve an outcome-to do something	24	74
i. Easy to do business with	11	15
ii Not easy to do business with	1	1
iii. Branch	4	7
iv Not easy branch	7	9
v. Call centre	8	9
vi. Not easy call centre	3	6
vii. Online	12	25
viii. Not easy online	1	2
c. Providing solutions to problems (Help and advice) - Rectifying knowledge imbalance	9	12
d. Consistency and Reliability	4	4
e. Security-confidentiality	14	26
f. Other reasons for banking	18	28
i. Basic banking	11	14
ii. Free service- Low charges	5	6
iii. Lifestyle choice	6	8
2. Distractions- factors which prevent customers from achieving their goals	28	111
a. Proximity of other customers	23	40
i. Other customers overhearing conversations	9	11
ii. Having to listen to others conversations	6	6
iii. Significant only when discussing significant issues	2	2
iv. Observing other customers can have a slight positive advantage	3	3
v. Other customer's reasons for being in the bank	1	1
vi. Privacy when using ATM	1	1
vii. No impact	14	16
b. Speed of delivery	6	7
i. The impact of other people participating (paying in a desks)	4	4
ii. The general speed of delivery	2	3
c. Not being able to understanding what is being said	14	14
d. Negative stimuli in the physical environment	13	18
i. Ambience	3	3
ii. Design of setting	10	13
0.1. Glass fronted counters	4	4
0.2. Seating	1	1
0.3. Size of branch	1	1
0.4.Lack of privacy when holding a conversation due to the space available	7	7
iii. Background music - telephone banking	2	2

e. Negative stimuli present on website	4	6
i. Excessive advertising online	3	4
ii Website design	2	2
f. Aggressive sales techniques	5	9
h. Problems with codes and security numbers restricting access	4	5
3. Delivery system provides customers with sufficient knowledge (to fully participate)	11	21
a. Learning how to use the internet	3	4
b. Employees actions	6	10
i. Providing advice	5	7
ii. Providing options during review meetings	2	3
c. Options provided when customer asks for it, not before	2	2
d. Learning through trial and error	5	5
2. Sensory Stimulation	29	239
1. Humanic Clues which employees consider important in having an impact on customer sensory perception	28	142
a. Appearance of employees - visual clue	2	4
b. Behaviour of employees - visual/auditory clues	28	137
i. Acknowledgement	3	3
ii. Providing a solution	24	81
0.1. No solution found	2	3
0.2. Providing a solution - helpful	23	78
iii. Respect	2	2
iv. Polite- courteous	8	9
v. Friendly (ability to build rapport)	17	32
vi. Cared for Attending to the customers best interest	1	1
vii. Proactive in building relationships-approachable	5	5
0.1. Lack of due to staff changing	1	1
viii. Listening	2	2
viii. Basic customer care	2	2
c. Performance of Greeter	1	1
2. Mechanic Clues which employees consider important in having an impact on customer sensory perception	27	97
a. Visual clues	19	45
i. Branch Appearance	14	18
0.1. Ambience-positive	7	10
0.2. Ambience-negative	7	8
ii. Design of offices	10	15
0.1. Design of cubicles (Opaque-so customer cannot be seen)	1	1
0.2. Design of counter and office spaces for privacy	7	9
0.3. Positioning of cubicles away from other customers	3	5
iii. Cleanliness	3	3
iv. Availability of seating	4	4
v. Availability of Information leaflets to read	3	3
vi. Size of branch	1	1
vii. Additional feature on website would have minimal impact	1	1
b. Auditory clues	13	15
i. Glass fronted counters make communication harder	5	5
ii. Background music - telephone banking	2	2
iii Design of cubicles allows other customers to hear conversations	7	8
c. Gustatory clues	5	5
i. Refreshments made available during meetings	5	5
d. Tactile clues	2	2
i. Seating	1	1
e. The physical environment has minimal impact	20	30

3. Interaction	29	242
1. The ease at which customers can interact with employees	29	79
a. The ease at which customers can interact with branch employees	21	43
i. Interaction with branch employees	21	30
0.1. Effectiveness of communication in branch	17	19
0.2. Recognising that Service Hosts (Greeter) are used occasionally	2	2
0.3. Ability to make phone contact direct with a branch	3	3
0.4. Use of technology in branch to help build a dialogue	3	3
0.5. Interaction is poor	2	3
ii. Employees behaviour influences interaction	5	13
b. The ease at which customers can interact with call centre employees	20	36
i. Interaction with employees	3	4
0.1. Example-interaction with call centre	2	2
0.2. Ability to get something done	1	1
0.3. Speed of response	1	1
ii. Employees positive behaviours influence interaction	7	12
iii. Being able to understanding what is being said	18	20
2. The ease at which customers can interact through a virtual medium	20	51
a. Call centre	12	24
i. Navigating menu	6	6
ii. Problems with call centres	3	4
iii. The ability to get through to call centre	10	14
b. The ease at which customer can interaction through website	14	27
i. The ability to navigate web pages easily to take action	9	11
ii. Communication through internet only service	1	1
iii. Frustrations with Internet - tweaks not major changes	8	14
iv. Online instructions not clear	1	1
3. The general responsiveness of the organisation	25	49
a. Minimal contact	1	1
b. Lack of responsiveness - Unable to provide a solution	1	1
c. Lack of response to 2013 financial problems	3	5
d. Lack of communication regarding broader ethical aims	5	7
e. Capacity of organisation to respond to customer's communication	23	35
i. Response time on financial transactions - slow	1	1
ii. The banks' ability to response to queries in a prompt manner	20	28
iii. The banks' ability to response to queries in a prompt manner-poor	2	4
iv. Responding to queues	2	2
4. Indirect contact with the organisation through marketing activities	26	63
a. Minimal information being sent out with statements	14	14
b. Generic communication - not relevant	1	1
c. Minimal communication from organisation	9	9
d. Communication to raise awareness	16	33
i. Communicating to make customer aware of specific options available to them	5	5
ii. The organisation not providing relevant information - Lack of awareness of other products available	10	18
iii. The organisation does not use aggressive sales techniques	3	7
0.1. Internet	1	1
iv. Communication however needs to be jargon free	2	2
v. The correct level of communication is being sent out	1	1
e. Information not required	5	6

4. Adaptability	29	202
1. Enabling the customer to participate in the delivery of the service (Their actions)	28	173
a. Choice in how finances are purchased and then accessed	23	58
i. Choice in the financial product purchased	3	6
ii. Choice in type of current account	5	9
iii. The customers' ability to make a choice in how their accounts are accessed	15	25
iv. Choice in how customers check the status of their accounts	6	10
v. Lack of electronic access in branches	1	1
vi. Limited development or interest in mobile banking apps	5	6
vii. Choices available are adequate	1	1
b. Customer adapting the process-the ability to personally manage financial affairs	26	86
i. Managing accounts online	19	52
0.1. Adapting access to online account	1	2
0.2. Comparison with other banks	3	5
0.3. Difficult	2	2
0.4. The ease at which accounts can be managed on line	11	18
0.5. The ability to make payments and transfers	11	23
0.6. The ability to make transfers between accounts	2	2
ii. Managing account through head office - Account transfer process	4	4
iii. The importance of the ability to manage accounts	8	14
iv. Managing accounts through call centre	9	12
0.1. Ordering stationary	1	1
v. Managing account through Post Office	4	4
c. Ceding responsibility to the bank	4	6
i. Having no control in delivery of the service	2	2
ii. Customers level of confidence in financial decisions being taken	2	4
d. Customer recognise the need to take responsibility for managing their accounts	9	11
e. Alerting to problems (deficit) with account which allows customer to respond	7	7
f. Customer is prepared to explore how internet channel operates	5	5
2. Willingness of organisation to respond to customers input	17	29
a. Employees adapting approach to meet customers' level of knowledge	4	5
b. Branch proactively alerting customers to new products available	6	8
c. Providing support - organisation takes action	8	10
i. Options provided when customer asks for it, not before	2	2
d. Perception that organisation is prepared to offer advice	3	4
e. Telephone banking proactively reacting	1	1
f. The ability to get a response back to a query raised	1	1

Bank-customer	Sources	References
2. Experience Outcomes	29	497
1. Memory recall	27	40
1. Recall of either a positive or negative aspect of a past encounter with the delivery system	9	11
a. Recall of a positive event or encounter	6	7
b. Recall of a negative event or encounter	4	4
2. Past encounters with the delivery system have resulted in an overall positive or negative impression being created	21	25
a. Overall positive impression of engaging with delivery system	16	17
i. The organisational processes	5	5
b. Overall negative impression of engaging with delivery system	6	8
3. Unable to recall any particular encounter in the past	4	4
2. Emotional response	29	248
1. Demonstrating advocacy emotions	21	41
a. Happy or pleased	16	26
b. Other positive advocacy emotions	9	15
2. Demonstrating recommendation emotions	28	103
a. Cared for	10	10
b. Focused	5	5
e. Safe	17	32
i. Secure	8	10
ii. Confident	9	13
iii. Reassured	7	9
i. Trust	24	36
j. Valued	15	20
i. Average	4	4
3. Demonstrating other positive emotions	24	39
a. Pride	3	4
b. Surprised	1	1
c. Grateful	1	1
d. Satisfied-Fulfilled	15	17
e. Other positive emotions	14	16
3. Demonstrating negative emotions expressed	26	65
a. Annoying	3	3
b. Anxious	8	10
c. Lack of feeling valued	12	12
d. Disappointed	5	5
e. Embarrassment	2	2
f. Frustration- irritated	8	8
g. Hassle	1	1
h. Intimidated	1	1
i. Worry	1	3
j. Not cared for, unappreciated	3	5
k. General negative emotions	11	17
3. Perceived Control	27	112
1. The customers' perception of the degree of control they have over the delivery of the service (control over their finances)	15	17
2. Factors which influence the level of control a customer perceives	27	87
a. Decisional Control - The ability to adjust how the service is delivered through a limited set of options	19	39
i. Choice in the financial product purchased	1	2
ii. Choice in type of current account	5	7
iii. Access to a variety of delivery channels to suit an individual customers needs	12	17
0.1. ATM Machine	1	1

iv. Ability to manage accounts flexibly between channels	7	13
b. Cognitive Control -The ability to make a positive interpretation of situation when other means of control are lacking	13	19
i. Statements enable customers to check the status of their accounts	6	10
ii. Being able to understanding what is being said when talking directly to an employee -	8	9
c. Behavioural Control - The ability to take direct action	18	29
i. Enables customer to take action manage accounts - finances	12	13
ii. The ability to make payments and transfers easily	8	11
iii. The ability to take action quickly when fraud is detected	2	2
iv. The performance of service system influences how the customers behaviours - less pressure	2	3
3. Perception of lack of control	7	8
a. Speed of transfers	1	1
b. Composition of financial product	2	2
4. Perceptions of time	26	97
1. Perception of duration of time engaged in delivery of the service	26	90
a. Branch response times-passive participation	12	16
i. In line or better than expectations	10	12
ii. Longer	3	4
b. Website	10	14
i. In line or better than expectations	9	12
ii. Slower than expected	2	2
c. Telephone Banking - In line or better than expectations	11	19
d. Responsiveness - the time taken to respond to requests	22	40
i. Responsiveness- ability to respond to requests	21	31
ii. In line or better than expectations	7	7
iii. Slower than expected	2	2
2. Longer Durations - Enough time during meetings with employees to discuss relevant issues	5	7

Appendix 7c Analysis of Coded Data

Pharmacy-organisation	Sources	References
1. Design Choices	21	603
A. Technology and Physical support	14	37
1. The customers' ability to access the service offering through a variety of real and virtual delivery channels	5	17
a. The branch network is the main distribution channel. Branches are differentiated based on their location i.e. community and high street	3	7
b. The Pharmacy provides a website, although this is not currently aligned to their overall strategic plan or integrated with branch operations	3	10
2. The technology employed in Front Office operations to enable employees to build a relationship with their customers	12	20
a. Used to initiate conversations	2	2
b. Used to maintain contact with patient	5	7
i. Via text messages	1	1
c. Used to facilitate service offering-Stock management system	3	4
e. Used to track patient waiting times	4	4
f. Used to facilitate employee training (E-learning)	2	2
g. Act as a script for employees during consultations	1	1
B. Interface with customer	18	112
1. Customer engagement through branch setting	18	112
a. Ensuring patients are able to engage with the pharmacist easily is a key element in the pharmacy's operational strategy	6	14
b. The design of the setting	9	32
i. Appearance/Ambient conditions	2	3
ii. Design of branches - Standard design principles	2	5
iii. Internal communication - POS	6	15
0.1. Alternative communication medium with the customer - TV	2	3
0.2. Leaflets	3	4
0.3. Point of sale marketing information	2	3
0.4. Signage - Competence of Pharmacist	2	3
0.5. Signposting- Information	2	2
iv. Key point of Contact-Positioning of fixtures and offices	3	5
v. Lack of space	2	4
c. Key points of contact with branch employees	16	58
i. Key point of contact-Follow up meetings	8	15
ii. Key point of contact-Visibility of dispensary area-access to pharmacist	3	10
0.1 Back office work flow	3	5
iii. Key point of contact-Consultation Room - The ability to talk in privately	8	9
0.1. Limitation	1	1
iv. Key points of contact-Consultation with employees	10	24
0.1. General consultation process	8	12
0.2. Standard Industry questioning routine WWAM	8	12
d. The impact of other customers	4	5
e. Customers have direct phone access to a particular branch rather than all calls being diverted via a call centre	2	3
C. Organisational Infrastructure	21	321
1. Leadership values which influence how people perform	21	122
a. Customer centricity	13	23
i. Focusing on the patients best interest	9	11
ii. Providing advice, guidance and choice	4	5
iii. Supported by senior managers	4	5
iv. Being an integral element in the local community	1	1
v. Key Example	1	1

b. Empowering employees	12	30
i. Employees adapting approach to individual circumstances	6	9
ii. Employees taking the initiative-taking action	9	15
iii. Going the extra mile - Acts of Kindness	5	6
c. Operating values	10	32
i. Focused on making the operation easier for branches	3	11
ii. Focused on becoming a trusted healthcare professional	5	5
iii. The organisation set targets for the MUR and NMS which might influence the quality of service provided	1	3
iv. Leadership culture encourages working with other stakeholders	6	13
0.1. Culture of working with other professionals	3	9
0.2. Upward communication is a key element of Internal Communication culture	2	3
0.3. With other retailers	1	1
d. Rewarding success	8	14
i. Achieving sales targets	4	5
ii. Recognition of extra ordinary performance	8	9
e. General Pharmaceutical Council acts to guide how organisations perform	12	23
i. Impact on Pharmacists behaviours	5	6
ii. The pharmacy profession has a key influence of the organisations operating culture	7	12
iii. Requirement to demonstrate continual professional development (CPD) - influence on learning	2	5
2. Recruitment, induction and training processes responsible for developing employees	19	77
a. Recruiting the right people	9	19
i. Recruitment Process	6	9
ii. Recruiting people with the right behaviours	5	7
0.1. The right qualities	3	3
0.2. Managers use a behavioural Framework to interview against	3	4
iii. Pharmacist lack of service oriented behaviours	2	3
b. Induction	8	19
i. Developing consultation skills	1	2
c. Training Process	16	39
i. Training Strategy	5	6
ii. Certification - NVQ and beyond is a central element of the organisations employee development strategy	9	12
iii. Some guidance provided on building relationships	7	10
iv. Not universally applied	7	11
3. Standard operating processes and performance measurement routines to maintain quality	19	122
a. Achieving consistency in delivery	14	40
i. The organisation monitors the speed at which walk-in patients prescriptions are dispensed	5	7
ii. The organisation places a degree of focus on ensuring full availability of prescription medication	2	2
iii. Standard operating process have been developed to ensure consistent delivery	10	22
0.1. Standard Operating Process	6	8
0.2. Defines work-flow	1	1
0.3. Provides guidance on how advice is provided to patients	1	1
0.4. Opportunity for operating process to be amended to suit local needs	5	9
0.5. Signing off changes in operating procedures	2	2
0.6. Used as part of remedial action to rectify problems	1	1
iv. Planograms established for each range of merchandise to maintain consistency	5	7
v. The service can only be fully delivered if fully trained pharmacist are available	1	2
b. Operational performance measures	18	82
i. Internal Performance Reviews	12	43
0.1. Branch Observations of individual employees performance	9	17
- informal coaching and observations occur but no clear process	7	11

- Lack of formal observations of performance	3	3
- Employee performance supported by the proximity of pharmacist in delivering the service	2	3
0.2. Performance Reviews are carried out although the effectiveness-completion not clear	7	13
- Lack of	2	3
0.3. Branch managers regularly review branch performance with area manager	1	2
0.4. Balanced score card key mechanism for managing day to day operation	6	7
0.5. Waiting time is a key measure used to access performance	4	4
ii. External audits and surveys	17	39
0.1. Customer Satisfaction Surveys (C-Sat Surveys)	8	10
- Shortfalls of external surveys	2	2
0.2. Customer Experience Standards Audits (CESA Audits)	4	6
0.3. Lack of quality checks on structure medical reviews	2	2
0.4. Mystery Shopper surveys	4	4
0.5. NHS Survey	10	13
0.6. Real-time feedback	1	1
0.7. Are survey questions robust enough	2	3
D. Organisational Integration	21	133
1. Internal Integration - Collaboration between head office functions	6	11
2. Adaptive Mechanisms – The methods through which information and knowledge is assimilated throughout the organisation	17	79
a. Communication to branches from both Head Office and Area Management	12	40
i. Communication with Area Manager	4	10
ii. Head office communication with branches	10	30
0.1. Branch Talk	4	6
0.2. Communication process with branches	8	24
b. Routines established within branch to ensure that information is communicate to all employees	11	22
i. Communication within Branch	11	18
0.1. Lack of	1	1
ii. Employees lack of awareness of results from audits and surveys	3	4
c. No clear vision of the service concept appears to have been cascade throughout the organisations hierarchy	10	17
3. Opportunities for organisational learning	8	30
a. Information gained from external sources (patients)	4	11
b. Information gained from external sources (NHS)	2	3
c. Information gained from external sources (suppliers)	1	1
d. Branch network communication system to facilitate upward flow of information and ideas (Direct e-mail for ideas)	4	9
e. Ongoing review to improve branch operation	4	6
4. External Integration - Senior managers encourage working with other stakeholders	5	13
a. Working with suppliers and local pharmaceutical committees	2	3
b. Working and communicating with other healthcare professionals	3	9
c. Working with other retailers	1	1

Pharmacy-organisation	Sources	References
2. Experience Mechanisms	21	472
1. Focused Attention	19	122
1. Rectifying knowledge imbalance	8	15
a. Providing patients with information so that they are able to fully participate	8	15
2. Management practices that enable customers to achieve their goals easily when visiting branch offices	19	69
a. Employees actions and solutions focused behaviour enable patients to achieve their goals	8	20
i. Prepared to help (Solutions focused)	7	11
ii. Accepting ownership of a problem	7	9
b. Management practices that focus on improving branch performance thereby ensuring patients are able to achieve their goals easily	7	13
c. Ordering systems that consistently fulfil prescription requirements	3	5
d. Awareness of the importance of the speed of dispensing prescriptions	7	10
e. Employees working routines to keep waiting times to a minimum	5	10
f. The pharmacist is a key element in helping patients to achieve their goals	6	11
i. The patients' ability to access a pharmacist easily	1	4
ii. The speed of accessing a pharmacist	1	1
iii. Structured reviews focus on helping patients to achieve their goals	5	6
3. Distractions which prevent customers from focusing on the activities they are undertaking	14	38
a. Operational	8	14
i. Changes to delivery times	1	2
ii. Fluctuations in demand and staff shortages creates operational problems which need to be managed	5	9
iii. Lack of availability-ability to fulfil orders	2	3
b. Physical design	3	4
i. Branch temperature	1	1
ii. TV's to distract attention from time taken to dispense medication	2	3
c. The impact of other customers	7	12
i. The impact of other customers - willingness to initiate a conversation	4	6
ii. The impact of other customers-influence on overall atmosphere in branch	4	6
d. The impact of interruptions on employee's performance	5	8
i. Competing operational priorities	3	5
ii. Being visible and readily accessible can be distracting to the pharmacist	2	3
2. Sensory Stimulation	19	76
1. Humanic clues which employees consider important in having an impact on customers' sensory perception	17	62
a. Appearance staff	2	2
b. The behaviour of employees influence how they perform	2	2
c. Employee behaviours deemed as important	16	58
i. Care	11	17
0.1. Building rapport	8	11
0.2. Care	6	6
ii. Valued	11	20
0.1 Personal acknowledgement	4	7
0.2. Welcoming - Friendly	5	8
0.3. Respect for all patients	5	5
iii. Solutions focused, taking ownership-finding a solution	8	21
0.1. Prepared to help (Solutions focused)	7	11
0.2. Accepting ownership of a problem	7	10

2. Mechanic clues which employees consider important in having an impact on customers' sensory perception	6	14
a. Visual clues	3	10
i. Appearance - Ambient conditions	1	2
ii. Cleanliness	1	1
iii. The visibility of the dispensing operation makes the Pharmacist more accessible	3	7
0.1. Being able to see into dispensary provides patients with an element of cognitive control	1	3
b. Auditory clues	4	4
i. No background sound	1	1
ii. Soundproof room for private conversations	3	3
3. Interaction	20	127
1. Creating a dialogue with patients	17	55
a. Informal social interaction	12	13
b. Training focuses on holding conversations	6	6
c. Recognising the need for privacy	10	13
d. The physical setting is designed to maximise the opportunities for positive interactions to occur	2	3
e. All patients get the same level of service	1	1
f. Looking for triggers	5	6
g. Asking questions to establish need.	8	13
2. Building relationship through social interaction with the pharmacist	12	24
a. Providing support and advice	4	5
b. Listening	1	1
c. Providing Face to Face interactions with patients	2	3
d. Providing enough time for patients to fully discuss their concerns	2	3
e. Importance of relationship with the pharmacist	1	1
f. Building rapport	8	11
3. Maintaining contact with customer over duration of relationship	8	19
a. Structured reviews	2	3
b. Maintaining contact over longer term (Medicine Use Review)	3	8
c. Contact following prescription of a new medication-(New Medicine Service)	5	8
4. Learning from interactions with customers	4	11
5. The ability to build relationships with other professionals	5	18
4. Adaptability	21	147
1. Operating processes that enable customers to adapt	11	29
a. Adapting the outcome which results in patients perceiving a degree of behavioural control	6	13
i. The patients' ability to gain information through which they can adapt their behaviour	4	8
ii. To choose not to take medication	3	4
iii. Patients can delegate responsibility to the pharmacy to place repeat prescriptions	1	1
b. Adapting the outcome which results in patients perceiving a degree of decisional control	10	16
i. Patient has the ability to decide how to initiate the service	6	9
0.1. Which pharmacist to use	3	5
0.2. How to initiate the service	3	3
0.3. To wait or pick up later	1	1
ii. Choice in product purchases	5	5
0.1. Range assortment- choice what to buy	1	1
0.2. Patients provided with enough information to enable them to make an informed decision about the medical products they purchase	4	4
iii. Additional services provided	1	1
iv. Communication with care homes through a variety of different mediums	1	1

2. The willingness of the organisation to respond to patients input	19	98
a. Operating process allows branch team to adapt some elements of the delivery process	7	14
i. Local variations-changes to operating process are permitted	3	4
ii. Home delivery is available if required	2	2
iii. Modified dosage systems can be provided if required	5	8
b. Standard operating processes influence the degree to which the service can be adapted	8	13
i. The professional framework around which the pharmacists operate influence how the service is delivered	7	10
ii. Working with other Chemists-competitors	2	3
c. Employees empowered to take the initiative to satisfy a patient's particular needs	7	10
i. Operating process provides guidance	1	1
ii. Employees make decisions regarding how best to satisfy the patients needs	7	9
0.1. Employees taking the initiative-taking action	9	16
0.2. Employees adapting approach to individual circumstances	7	10
0.3. Going the extra mile - Acts of Kindness	6	8
0.4. Taking Initiative for own development - CPD	2	3
d. Services personalised to patient's needs	8	16
e. Employees are provided with a variety of different communication methods through which the service can be adapted	4	8
3. Consultation with patients require a flexible approach and highly adaptive scripts	11	20
a. Standard Industry questioning routine WWAM used during consultations with patients	10	16
i. Diagnosing medical conditions-Unscripted conversations	10	16
b. Employees adapt their approach to meet the needs of different stakeholders	1	1
c. Requirement to be flexible in how service delivered- Providing enough time to talk	1	1
d. Recognising need to talk privately	2	2

Appendix 7d Analysis of Coded Data		
Pharmacy-Patient	Sources	References
1. Experience Mechanisms	30	1250
1. Focused Attention	30	437
1. Primary goals for using the pharmacy (What is important to the Patient)	30	164
a. Ability to access a pharmacist	8	13
b. The service is easy to do business with	23	61
i. Convenient	17	30
ii. Quick, easy and efficient service	13	25
iii. The current service level is not easy to do business with	3	4
iv. Supermarket prices tend to be cheaper	1	2
c. Providing solutions to problems (Support and Advice)-Rectifying knowledge imbalance	5	7
d. Consistency and Reliability	30	63
i. Accuracy of prescription made up	24	37
0.1. Accuracy	14	20
0.2. Patients check that the medication prescribed is correct (Active participation)	9	11
0.3. Don't check- Generally either have done or occasionally do (demonstrates an element of trust)	6	6
ii. The Pharmacy's ability to fulfil patients prescription requirements	12	17
iii. Consistency	6	9
e. Privacy is important during consultations	7	13
i. Approachable- confidential	2	4
ii. Privacy in discussions- Discretion in how things are discussed	7	9
f. Urgency and importance of service provided by Pharmacy	6	7
2. Distractions - Factors which prevent customer from achieving their goals	27	158
a. Setting-the space in which the service is delivered	21	31
i. The consultation room is not sound proof	1	1
ii. Lack of personal space at counter	1	2
iii. The impact of the physical space - Branches too small	20	28
b. Proximity of other customers	17	39
i. Conversations can easily be overheard by other customers	4	10
ii. Reticence to discuss medical condition with pharmacist-Not wanting to hold up other customers	7	9
iii. Listening to others conversations	5	6
iv. Presence and performance of methadone users	5	8
v. General impact of large numbers of customers	6	6
c. Speed of delivery	15	60
i. Employees actions	1	2
ii. Muddled operation	5	20
iii. Not separating prescription queues from other transactions	4	7
iv. Slow dispensing waiting time-large numbers waiting for prescriptions	11	19
v. The ability to be able to see into the dispensary adds to the sense of frustration	2	4
vi. Difficulty getting around the branch due to the large number of patients waiting to be served (No queueing process)	5	8
d. Being able to understand what is being said	18	28
i. Not being able to understand what employees were saying	3	3
ii. Understandable accent	17	19
iii. Understandable language	6	6
3. Delivery system provides customers with sufficient knowledge (to maintain control)	26	115
a. Advice	26	92
i. Advice from the Pharmacist-general	26	86
ii. Advice from counter staff	5	6
b. Advice on dealing with the impact of side effects	7	9
c. Information through branch leaflets	10	14

i. Learning from branch leaflets	8	10
ii. Don't read information leaflets	4	4
2. Sensory Stimulation	30	330
1. Humanic Clues which employees consider important in having an impact on customer sensory perception	30	172
a. Appearance of employees - visual clue	6	7
b. Behaviour of employees - visual/auditory clues	30	158
i. Acknowledgement	15	25
ii. Helpful - providing a solution	4	6
iii. Respect	4	5
iv. Polite - Courteous	9	12
0.1. Lack of Courtesy	1	1
v. Building rapport	25	44
0.1. Friendly, pleasant, welcoming	22	38
0.2. Lack of rapport	5	6
vi. Attending to the patients best interest	8	15
vii. Relationship building	11	20
0.1. Approachable (knowing the patient)	8	15
0.2. Lack of a relationship	2	3
0.3. Lack of a relationship due to staff changing	2	2
viii. Listening	9	10
viii. Acting in a professional manner	5	12
x. Feeling cared for	9	9
c. Conversation with other customers	5	7
2. Mechanic Clues which employees consider important in having an impact on customer sensory perception	29	158
a. Visual clues	28	133
i. Cleanliness	13	19
ii. Clutter	2	3
iii. Visibility of dispensing operation	22	44
0.1. Being able to see what back office staff are doing is important	12	23
0.2. Being able to see isn't important	11	14
0.3. The clues provided by the dispensary creates a poor impression	6	7
iv. Customer seating is a requirement of branch design	7	9
v. Retail Layout	8	9
vi. Impact of leaflets and store information	10	11
0.1. Positive impact of leaflets and store information	2	2
0.2. Minimal impact of instore communication	5	5
0.3. Functional clue - awareness of price	4	4
vii. The impact of the physical space in which the service is delivered - Branches to small	21	30
viii. Presence and performance of methadone users	5	8
b. Auditory clues	7	10
i. Design of consultation room	1	1
ii. The proximity of other customers means that conversations can easily be overheard	6	9
c. Physical environment has minimal impact	14	15
3. Interaction	30	204
1. The ease at which customers can interact with employees	30	179
a. The ability to interaction with counter staff	23	63
i. Interaction with counter staff-some significant	19	47
ii. Inconsistent	2	2
iii. Bad	9	14
b. The ability to interact with pharmacist	25	65
i. Positive interaction with pharmacist	5	6
ii. Being able to understand what is being said	21	41
0.1. Understandable accent	17	19
0.2. Understandable language	19	22
iii. Patients provided with sufficient time during consultations with employees	6	9

iv. Pharmacist following up on the effectiveness of prescribed medication	6	6
v. Awareness of a lack of interaction with pharmacist because of workload or staff turnover	3	3
c. Consultation Room facilitates conversation	3	5
d. The level of support provided by the pharmacist	8	18
e. Evidence of interaction with other customers	3	3
f. Interaction with other professionals	17	25
2. The general responsiveness of the organisation	4	6
a. Ability to make direct contact with the branch	4	6
3. Indirect contact with the organisation through marketing activities	16	19
a. Minimal indirect contact with the organisation	12	14
b. Minimal contact through website or text facilities	5	5
4. Adaptability	30	279
1. Enabling the customer to participate in the delivery of the service (Their actions)	30	202
a. Choice	18	49
i. Ceding responsibility to the pharmacy	12	24
ii. Which pharmacist to use	5	6
iii. Choice to delegate parts that the customer can participate in back to the organisation	4	4
iv. Pharmacist provides an alternative source of information	7	9
0.1. Patients are able to choose whether to accept the Pharmacist advice	1	1
v. Lack of choice in the service offering provided by the Pharmacy	3	4
vi. Patients have choice whether to adapt or change their behaviour	1	1
vii. In deciding where to take prescription	1	1
b. Patient adapting the processes	26	84
i. Patients are aware of the need to manage the reordering of their medication	10	13
ii. Choice in how repeat prescriptions are placed	22	38
iii. Choice in when to collect medication	15	26
0.1. Home delivery	2	2
iv. Choice in how medication is administered	7	7
0.1. How medication is dispensed-Dosett Box	2	2
c. The patient recognises the need to take ownership for rectifying their medical condition	6	6
d. Taking responsibility to understand medication	22	53
i. Gaining information predominantly through their doctor	8	9
ii. Using the internet to gain information	18	25
0.1. Yes	7	10
0.2. No	12	15
iii. Leaflets with medication	16	18
iv. Raising awareness	1	1
e. Solving a medical problem without prescription medicine	9	10
2. The willingness of the organisation to respond	21	77
a. The organisation is willing to adapt the delivery process to suit the patients` individual needs	10	19
i. The ability to obtain emergency prescription	2	2
b. Providing a choice in how medication is administered	1	1
c. Employees use their skill and knowledge to adapt the delivery process to accommodate patients needs	18	57
i. Advice	18	48
0.1. Advice from the Pharmacist-general	18	45
0.2. Advice from counter staff	3	3
ii. Dealing with the impact of side effects	7	9

Pharmacy-Patient	Sources	References
2. Experience Outcomes	30	526
1. Memory Recall	25	43
1. Recall of either a positive or negative aspect of a past encounter with the delivery system	18	26
a. Positive Recall	9	13
b. Negative Recall	10	13
i. The actions of other customers-bad	2	3
2. Past encounters with the delivery system have resulted in an overall positive or negative impression being created	8	11
a. Positive	4	5
b. Negative	4	6
3. Unable to recall any particular encounter in the past	6	6
2. Emotional Response	30	288
1. Demonstrating advocacy emotions	21	53
a. Happy or pleased	17	30
b. Other Advocacy	10	23
2. Demonstrating recommendation emotions	29	120
a. Cared for	14	20
i. Comfortable	5	6
ii. Feeling welcomed	6	7
b. Focused	23	24
i. Organisation not focused on customers needs	6	6
c. Safe	15	22
i. Reassuring	5	6
ii. Confident	7	8
iii. Relaxed	6	8
d. Trust	28	37
e. Valued	17	17
i. Concept of value linked to people rather than organisation	14	14
ii. Yes - other reasons	3	3
3. Demonstrating other positive emotions	22	44
i. Satisfied	12	15
ii. Other positive emotions	16	29
4. Demonstrating negative emotions expressed	22	71
a. Annoyed	6	13
b. Feeling Anxious	8	9
c. Frustrating	8	14
d. Irritation	1	2
e. Not helpful-welcoming	1	1
f. Uncomfortable	3	3
g. Worry	4	4
h. Lack of feeling valued	16	17
i. Other negative	5	8
3. Perceived Control	29	126
1. The customers' perception of the degree of control they have over the delivery of the service (dispensing medication)	13	14
a. Patients perceive an element of control over the delivery of the service	11	12
b. Not important	2	2
2. Factors which influence the level of control a customer perceives	26	98
a. Decisional Control. Decisional Control - The ability to adjust how the service is delivered through a limited set of options	18	24
i. Choice in the methods through which repeat prescriptions are placed	16	20
ii. Control in methods of administering medication	2	2
iii. Choice in product range	2	2
b. Cognitive control - The Information provided enables the patient to perceive an element of control	20	35

i. The importance of providing patients with sufficient information about condition and drugs prescribed to remedy it	14	19
ii. Being able to see the dispensary operation	3	4
iii. Being able to understand what is being said	10	12
0.1. Understandable accent	6	6
0.2. Understandable language	6	6
c. Behavioural Control - The ability to take direct action	21	39
i. The ability to choose whether to accept the advice being offered	3	4
ii. The ability to choose whether to take medication prescribed	1	1
iii. The ability to choose when to order repeat prescriptions	13	20
iv. The patients ability to choose when to collect their prescription	4	5
v. Choice in how to administer medication	6	9
0.1. Patients able to established administration routine	4	4
0.2. Pharmacist advice enables patient to change how they administered their medication	3	5
3. Perception of lack of control	10	14
a. In initial diagnosis	5	6
b. Lack of control in dispensing process	6	8
4. Perception of Time	26	69
1. Perception of duration of time engaged in delivery of the service - Branch response times	25	53
a. In line with or better than expectations	17	25
b. Longer	9	13
c. Responsiveness - Factors influencing how time is perceived	8	15
i. Impact of queues on perception of time	6	9
ii. Observing the dispensing process waiting time appears longer	3	5
iii. Observing the dispensing process waiting time appears shorter	1	1
2. Longer Durations - Enough time during meetings with employees discuss relevant issues	9	14
a. The ability to access a pharmacist is quick and easy	3	6
b. The Pharmacy provide enough time during consultations to fully discuss relevant issues and have questions answered	6	8

Appendix 8 Behavioural Frameworks

Behavioural frameworks have been developed in both organisations. These assist managers during the recruitment process and demonstrate to employees the standards of performance expected of them i.e. “How things get done”. Employees performance is also highlighted during the initial induction process and then in subsequent follow up training sessions. An element of the annual performance review conducted with all employees also focuses on developing how individuals act and their relationships with both customers and their work colleagues. Similarities can be identified between the two frameworks employed by the case organisations. These can be summarised as:

1. Team working – developing a collaborative working environment

Bank

Behaviour - “Create a great place to work, grow and develop”

Indicators:

I work collaboratively with others where ever they are from in the business

I inspire people around me by choosing a positive attitude every day

Pharmacy

Behaviour - “Collaboration and team work”

Indicators:

Support team decisions

Keep other team members up to date about things that affect them

Respond to requests for help

Treat colleagues with respect

2. Results focused – taking responsibility and ownership

Bank

Behaviour - “Strive to be better, faster, more successful”

Indicators:

I seek new and innovative ways of doing things

I learn from my experiences

Pharmacy

Behaviour - “Results focused”

Indicators:

Take pride in work

Maintain solid levels of performance

Show concern for attention to detail

Follow through and take care of the whole task

3. Customer-centric focus – understanding customers and handling situations appropriately

Bank

Behaviour - “Members and customers first”

Indicators:

Understand how I affect the experience we create for our customers

I play my part in treating customers fairly

Pharmacy

Behaviour - “Service focused”

Indicators:

Deal effectively with customers

Work to agreed service standards

Handle customer enquiries appropriately

Respond positively to customer feedback

4. Personal responsibility – recognising the impact of an individual’s behaviour

Bank

Behaviour - “Take personal and social responsibility”

Indicators:

I help others when they need it

I notice how I behave and the impact it has on others

Pharmacy

Behaviour - “Reasoning”

Indicators:

Draw sensible conclusions about additional action needed to fulfil the aim of the task

Behaviour - “Positivity”

Indicators:

Showing enthusiasm

Work hard to implement changes

Ask for help and support if needed to ensure standards are met

5. Committed to excellent communication - effective communication at all levels i.e. up and down the organisational hierarchy and with customers and other stakeholders

Bank

Behaviour - “Open fair and committed to excellent communication”

Indicators:

I listen to, understand and then respond accordingly

I choose my style and my method appropriate for who I am communicating with

I treat people as individuals not job titles

Pharmacy

Behaviour - “Communication”

Indicators:

Communicate in a clear, effective manner which is easily understood by others

Actively listen

Use methods of communication appropriate to the situation

Understand the importance of effective communication

Appendix 9 External Audits- Part A

Both organisations use a number of external audits to determine the degree to which the operational standards set by each organisation are being achieved. The results of these assessments are then published on an individual branch, area or regional level and on a national basis, and used during review sessions with line managers. Exit interviews are used by both organisations to assess their customer's level of satisfaction with the performance of their branch offices. Increasingly, these interviews are reported in real-time i.e. immediately or as soon as possible after the service encounter has occurred. Both organisations also use external auditors (Mystery shopper programmes and Standards audits) to measure the level of compliance to a range of predetermined service-standards. Mystery shopper visits are also designed to test specific scenarios i.e. the mystery shopper attempts to carry out a particular task and the way in which employees respond is analysed against the performance standards the organisation sets, for example, account opening, personal loan requests or customer consultations for over-the-counter medication. An analysis of these external audits identified a degree of similarity between the standards measured:

Appearance of the interface: The internal appearance of the branch, housekeeping and standard of cleanliness were similar aspects assessed by both audits. Similarly the external appearance of the branch i.e. graffiti free with windows and paintwork in good condition, were also analysed.

Legal obligations: Both mystery shopper audits included an inspection of specific legal signage to ensure the organisation was meeting its regulatory obligations.

Operational requirements: In addition, specific operational requirements that influence the delivery of the service were also reviewed. From the customers' perspective these standards acted as proxy measures for the level of efficiency of the service delivery system, such as, were the ATM's working correctly or were aisles clear from rubbish.

Front line employees: A substantial element of both customer satisfaction surveys and external audits is the impression created by the appearance and performance of front line employees. Both organisations set a clear dress code policy and provide their branch teams with a uniform and name badge which are expected to be worn. How employees perform, their behaviour and ability to communicate effectively with customers is also a performance standard assessed during these visits. These performance measures suggest both organisations recognise the importance of the impression employees make, to how customers perceive their experience.

External Audits Part B	
Customer satisfaction survey	
Bank	Pharmacy
Actual audit questions	Broad areas covered by Customer satisfaction survey
Appearance	
How satisfied are you with each of the following aspects of the experience when you go into the branch that you visit most often? <ul style="list-style-type: none"> The speed with which you are dealt with in the branch The cleanliness and tidiness of the branch The overall welcoming feel of the branch 	Appearance of the branch Privacy within the branch
People	
Bank	Pharmacy
Thinking about your most recent visit to this branch, how strongly do you agree or disagree with each of the following: <ul style="list-style-type: none"> The advisor who dealt with you made the experience “easy” for you The advisor appeared interested in you and your needs The advisor treated me fairly The advisor behaved in a way I expected from a responsible company like the XXXXXXX The advisor went the “extra mile” to meet my needs How satisfied are you, that the staff deal with at the branch counter: <ul style="list-style-type: none"> Are polite and helpful Value you as a customer Took time to listen and understand your needs Recognise your loyalty Process your transactions quickly and efficiently Are able to deal with your enquires promptly and appropriately Are able to talk to you in language you understand Are knowledgeable about the Banks products and services How satisfied were you that the member of staff who conducted your Customer Review: <ul style="list-style-type: none"> Introduced themselves to you Made you feel relaxed or at ease when you met them Took time to listen and understand your needs Explained the purpose of the review Understood your financial needs Gave you clear information Provided you with information that was appropriate for your needs Provided you with options that you felt were the right ones based on the information you provided Summarised what was discussed and made it clear what the next steps would be How satisfied are you with each of the following aspects of the experience when you go into the branch that you visit most often: <ul style="list-style-type: none"> The staff who deal with you at the branch counter The way you are greeted by staff on arrival 	Accessibility of the pharmacist Staff understand your needs Professionalism of staff Helpfulness of staff Sensitivity of staff Appearance of staff

Product	
Bank	Pharmacy
Did you: Fully understood the benefits of the product(s) you were Fully understand the terms and conditions of the product(s) Go on to open the product(s) discussed with you	Availability of prescription medicines Value for money of non-prescription products Accessibility of health advice information in-branch Availability of non-prescription products
Customer Review	Range of non-prescription products Length of waiting time for your prescription
Overall how useful was the review to you? Have you recommended a Customer Review to a friend or Taking every thing into consideration how satisfied are you with the overall level of service provided by your bank? Thinking about when you first started with the bank did anyone recommend them to you? Based on the experience you have had how likely are you to recommend the bank to a friend or relative? Have you ever recommended the bank to anyone? How likely would you be to take out another financial product with the bank in the future? How likely is it that you will still be a customer of the bank in 12 months' time?	
Planned Evaluations	
Bank-Brand Standards Mystery Shop	Pharmacy-Customer Experience Audits
Actual audit questions	Actual audit questions
Appearance	
Exterior	
Were the doors and windows free from flaky paint? Were ALL doors and windows clean? Was the front of the Bank branch/In Store Banking area free from litter? Was the telephone number visible on the door or window from the outside? Was any signage illuminated? Was the building/in store banking area (including walls, doors and windows) free from graffiti?	Was the [Brand] pharmacy sign clean? Were the branch opening hours clearly visible from the outside of the branch? Are the opening hours [Brand] branded? Was the disabled assistance signage clearly visible from the exterior of the branch? Was the front of the store and surrounding area free from Was the branch exterior walls, doors and windows well maintained and free from flaky paint? Is the fascia in line with the current branding? Is the branch displaying an illuminated green Pharmacy Cross? Were the exterior walls free from graffiti
Interior	
Upon entering the branch/In Store Banking area did the inside look clean and tidy? Did you feel the branch to be at an acceptable temperature	Were all the interior walls clean and free from stains / flaky paint? Was the floor of the branch clean and free from litter? If the floor was wet, was there a wet floor sign out? Was the ceiling free from stains? Was there a Consultation Room sign on the door? Was the disabled signing bench clear?

Bank-Brand Standards Mystery Shop	Pharmacy-Customer Experience Audits
Information	
<p>Was there Financial Services Compensation Scheme (FSCS) information / literature clearly visible in the branch?</p> <p>Were there marketing materials on display and arranged in a tidy manner? (this includes, posters, leaflets etc.)</p> <p>Were all internal leaflet displays complete (none empty)?</p>	<p>Was the name and number on the Responsible Pharmacist notice printed or hand written?</p> <p>Does the name on the Responsible Pharmacist Notice match with the name of the Responsible Pharmacist that signed off ...</p> <p>Was the Responsible Pharmacist Notice Visible from the shop floor/counter?</p> <p>What was the registered address?</p> <p>Was there a branch practice leaflet available?</p> <p>Were all products displayed with an SEL?</p> <p>Is the branch free from missing any plastic promotional barkers?</p>

Bank-Brand Standards Mystery Shop	Pharmacy-Customer Experience Audits
People	
Presentation	
<p>Were all staff members you observed well presented?</p> <p>Was the staff member who greeted/first served you wearing their name badge?</p> <p>What was the name of the staff member who greeted you?</p>	<p>Were the uniforms of the branch colleagues clean and</p> <p>Did all colleagues have a name badge?</p>
Performance	
<p>Were you acknowledged within 10 seconds by a staff member when you first entered the branch?</p> <p>Did the member of staff establish the reason for your visit (asking 'How can I help you?', or equivalent)?</p> <p>Did you feel that the staff member asked the right sort of questions to get a full understanding of your needs?</p> <p>Did the member of staff smile and make eye contact with</p> <p>Was the member of staff approachable, positive and friendly?</p> <p>Did the staff member appear interested in you and your</p>	<p>Did you feel the staff acknowledged you at an appropriate time given your position in the queue?</p> <p>During your time in the branch, were discussions in the dispensary free from being heard from the shop floor?</p> <p>Was there a member of staff on the counter/ shop floor/ visible when you entered the branch</p>

Bank-Brand Standards Mystery Shop	Pharmacy-Customer Experience Audits
People	
Performance	
<p>Was your enquiry handled in full by the first staff member you interacted with?</p> <p>Did the staff member appear positive that the branch would be able to assist you and meet your needs?</p> <p>Did the member of staff attempt to arrange an appointment for you to discuss your enquiry in full?</p> <p>Were the next steps explained to you?</p> <p>Did the member of staff ask if there was anything else that they could help you with?</p> <p>Did you feel you were treated fairly and made to feel valued as a customer</p>	

Bank-Brand Standards Mystery Shop

Pharmacy-Customer Experience Audits

Operations

Were the ATM's outside clean?
Were the ATM's outside working?
Were the ATM's inside clean?
Were the ATM's inside working?
Please note how many customers were in the queue when you entered the branch:
Please note (in estimated minutes) your waiting time before being served:
Were you given a business card by the staff member?
Were you provided with a business card without prompting for one?
Were you given details of the product/solution offered, to take home?

Was the access to the Consultation Area free from
Were aisles free from clutter?
Was the floor free from stock?
Was the floor free from stock in totes?
Was the branch free from any hand written signage?

Is the branch displaying batteries and the shaving unit on their P-Med shelves?
Was the Photo Me unit turned on and working?
If the branch has a makeup stand, is it fully merchandised?

Is the impulse till unit on display and merchandised correctly?

Cleanliness

Did you find the counter to be clean?
Were all chairs clean and in good condition?
Were all shelves/stock clean and free from dust?
Was the Consultation Area free from litter, clutter and stock?

Appendix 10a. The nature of relationships between constructs identified in case study 1	>20	Strong
	19-10	Moderate
	10>	Weak
Focused Attention	Informants	References
B1 Customer Interface / Focused Attention	15	58
Ding (2011); Gupta and Vajic (2000); Pine and Gilmore (1998)		
The bank recognises that the design of the physical interface can distract customers from achieving their main task. Similarly the presence of other customers can also have a detrimental effect on the customers' ability to focus on achieving their goals. Employees recognise that the presence of other people might influence the customers' willingness to discuss their personal financial details		
1. The design of the setting influences customers' ability to focus on the goals they are hoping to achieve 1a. The customers knowledge and experience was a consideration in the design of the website 2. The presence of other customers can have a detrimental influence on the customers' ability to focus on achieving their goals 3. Internal distractions (operational problems) influence and hinder the customers' ability to achieve their goals		
Example of relationship: Managers are aware that operational distractions influence the level to which customers engage with the delivery process and focus their attention on the activity they are participating in. A4 " you don't want people jumping around like idiots, joking you know, like the stuff on the call centre ... it definitely does impact on peoples experience and what makes it particularly galling for the customer is if they can sense that the adviser is engaging with the activity in the call centre and not fully engaging with them."		
1ii Focused Attention / Emotional Response	22	57
Ding et al. (2010); Ding (2011); Gentile et al. (2007); Hoffman and Novak (1996); Johnston (2004); Pine and Gilmore (1998); Zomerdijk and Voss (2010)		
The ease at which customers' are able to access the delivery system provides them with a positive emotional outcome. Distractions which prevent the customer from accessing the delivery system resulted in negative emotions being felt.		
1. The ability to easily access the delivery system results in a positive emotional outcome 2. The presence of other customers had a negative influence on how an experience is perceived and the emotions they felt 3. The reliability and functionality of the delivery process has a positive impact on customers' emotions 4. The challenge of the online banking activities made available to customers was in line with the their level of ability which resulted in a positive emotional outcome		
Example of relationship: The informants' ability to access her account easily had an impact on the emotions she felt, influencing her overall perception of the experience of engaging with the delivery process. C9 "I find it so easy with them. I have to rely on online to pay my bills and I find that is wonderful and if you ring them up the actual customer service bit in the bank when you ring them up is wonderful, it's twenty four hours and they can sort it out and they're very obliging, it's absolutely wonderful."		
1iii Focused Attention / Perceived Control	21	34
Csikszentmihalyi and LeFevre (1989); Csikszentmihalyi (1975, 2003); van Rompay et al. (2008)		
The customers' ability to easily access and manage their account has a positive influence on the level of control they perceive over the delivery of the service		
1. The customers' ability to access information easily from their branch has a positive influence on the level of control they perceive 2. Accessing financial accounts through a variety of sources enable the customer to more easily take direct action to achieve their goals (i.e. behavioural control)		
Example of relationship: The informants' ability to view her account easily was an important element in maintaining control over her finances. This example suggests an element of cognitive control in that the ability to easily view her account reduced the informants' uncertainty about fraud or misuse. C20 "Having control is very important, so I like to see when things are happening and also if something happens in my account that I cannot explain, I need to talk to somebody and I need to talk to them now."		

Sensory Stimulation	Informants	References
<p>B2 Customer Interface / Sensory Stimulation</p> <p>Berry et al. (2006a); Brunner-Sperdin and Peters (2009); Chase and Dasu (2001); Collier and Meyer (1998); Coyle and Thorson (2001); Hartline and Ferrell (1996); Healy et al. (2007); Pullman and Gross (2003, 2004); Rayport and Jaworski (2004); Voss et al. (2008); Zomerdiijk and Voss (2010); Wall and Berry (2007)</p>	15	54
<p>Employees are a significant point of contact with customers that influence how customers perceive their experience</p>		
<p>1. The organisation recognises that their employees are a significant point of contact with their customers 1a. The behaviours demonstrated by the organisations employees influence how customers perceive their experience 2. The presence of other customers waiting influences employees' performance i.e. they modify their behaviour 3. The organisation is aware that mechanics clues embedded in the service setting influence the emotions customers feel</p>		
<p>Example of relationship: The design of the physical setting can influence both the customer and employees' ability to hear what is being said and hold a conversation effectively, for example when employees work behind fortress style glass fronted counters BA5 <i>"I hate it, because ... not because of the security, because you are not mic-ed up there. It's very hard of hearing and then because you've also got background noise with everyone else talking to their customers, we're all shouting over each other and I feel a lot of the time the customer service can go because you can't hear what the customer is saying and likewise they sometimes can't hear you."</i></p>		
<p>C2 Infrastructure / Sensory Stimulation</p> <p>Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989; Ford et al. (2001); Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012); Sirianni et al. (2013); Voss and Zomerdiijk (2007)</p>	3	3
<p>The bank have developed a recruitment process that ensures new recruits possess the necessary service-oriented behaviours prior to employment</p>		
<p>1. Recruitment policies ensure that candidates demonstrate the expected behaviours prior to employment</p>		
<p>Example of relationship: The attitude and behaviour of employees is reflected in their performance and the visual and auditory clues they emit. These influence the relationship that employees form with their customers. Recruiting employees who can demonstrate the correct approach to their role is therefore an important precursor to developing this relationship. B2 <i>"Obviously you kind of expect your staff to have the customer service type personality, the way of speaking, that sort of thing, so it's more of an expectation that they speak politely and that they engage the customer, listen that sort of thing ... I always say to new starters, just use your common sense. Put yourself in the customers' shoes and just think, if that were me, I don't know the answer to it do I lie, do I blag it, or do I say unfortunately I'm not sure of that but I'm just going to go and get someone who does. I just think a common sense approach is absolutely key and put yourself in the customers' shoes."</i></p>		
<p>2ii Sensory Stimulation / Emotional Response</p> <p>Berry et al. (2006a); Bitner (1990); Dasu and Chase (2010); Haeckel et al. (2003); Pullman and Gross (2003) Shieh and Ling (2010); Taylor and Thompson (1982); Turley and Milliman (2000); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)</p>	23	54
<p>Examples were identified of both positive and negative emotions being felt as a result of the customers' engagement with both the humanic and mechanic clues present in the service setting</p>		
<p>1. The customers' goals determine what mechanics clues they perceive as important. Not all mechanics clues therefore create an emotional response. 2. The mechanics clues provided by the design of the main serving counter created a negative emotional response 2a. The mechanics clues provided by the design of the setting created a positive emotional response 3. The humanic clues provided by the organisations employees created a positive emotional response 3a. The humanic clues provided by the organisations employees created a negative emotional response 3b. The humanic clues provided by other customers created a negative emotional response</p>		
<p>Example of relationship: The behaviour of the organisations employees influenced the emotions that customers felt. C26 <i>"Yes I feel valued, they genuinely respect you as a customer and want to help you, the staff I've met ... I don't feel, I've never felt that they are thinking "Oh, she's in again and she wants a statement" you know or I never felt disrespected as a person ... or this is an older person that just doesn't get it and why doesn't she use telephone banking or anything like that at all. I've not felt like that at all."</i></p>		

Interaction	Informants	References
A3 Technology and Physical Support / Interaction	12	27
Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008)		
<p>The bank recognises that customers expect to be able to engage with them through a number of integrated delivery channels. Whilst technology has been innovated to influence the interaction between front-end employees and their customers, limited resources have been allocated to develop their online facility.</p>		
<p>1. The organisation recognises that customers expect to be able to interact with the organisation across a variety of</p>		
<p>Example of relationship: Technology is used as part of an ongoing strategy to communicate and maintain a relationship with the organisations customers. BA9 "So when we are saying to a customer "its nice outside, that's just to warm her up to maybe find a way to approach them about something, you then use the information you've got about the customer on the screen and what they have come in to do today ... you might see that they have got an ISA that's a really low rate of interest; you might want to help them and say "we can give you advice on improving that rate of interest, if you are interested in coming in and having a review"."</p>		
B3 Customer Interface / Interaction	13	35
Collier and Meyer (1998); Ding (2011); Johnston and Kong (2011); McCarthy et al. (2010); Payne et al. (2007); Prahalad and Ramawamy (2003, 2004); Roth and Menor (2003); Voss et al. (2008)		
<p>The Financial review process (Structured review process) includes a number of planned interactions. The bank has also developed a clear follow up process to ensure that the customer is fully briefed and aware of the account opening process.</p>		
<p>1. The initial appointment booking for a financial review ensures that the customer is fully prepared so that they can gain maximum benefit from the experience 2. The intervention process includes a number of follow up interactions 3. The organisation recognises the importance of regular and shorter encounters with their customers</p>		
<p>Example of relationship: Customer interaction takes the form of a regular number of minor encounters through a variety of different interfaces, interspersed with more significant events in which the personal interaction with the organisations employees is an important factor influencing the customers' perception of the delivery process A3 " When you're transacting with us, you just want things done quickly and efficiently, with a smile, politeness, you know but generally just on off ... done. When something's gone wrong, like a complaint or something that needs a bit more attention, you need to switch out of transactional mode and get into problem solving mode ... make them feel that you are in control. You're going to own it and keep them informed about what to do next".</p>		
C3 Infrastructure / Interaction	13	21
Berry et al. (2006); Ding (2011); Ford et al. (2001); Shah et al. (2006); Voss et al. (2008)		
<p>The operating culture of the bank focuses on the interaction that take place between their frontend employees and their customers. This influences the design of their internal processes responsible for ensuring consistency and the development of operational competencies that maximise the effectiveness of these encounters. The bank provides advice on engaging and building relationships with customers during induction sessions and in follow up training. Personal observations of front end employees' performance however are the main method of improving the interaction that occurs.</p>		

1. Observation Triads are a principle mechanism used by the organisation to monitor the consistency of employees interactions with their customers
 - 1a. Senior managers regularly participate in these Triad sessions
2. The organisations leaders recognise the importance of the interactions and relationships branch employees develop with their customers
3. The induction process for new employees includes modules on building relationships and rapport with customers
4. Whilst a structured scripted process ensures financial reviews are consistently delivered, looser adhoc communication also takes place both before the meeting to ensure the customer is fully prepared and during the meeting to help develop a rapport

Example of relationship: The observation reviews carried out help to maintain front line employees focus on their interactions with customers.

BA7 *"Yes, I'm fine with observations I think they help me because sometimes, sometimes you don't always feel enthusiastic to approach customers especially customers that you have seen every day in the branch and finding something to approach them on I think sometimes, yes you just loose enthusiasm, but when you have somebody observing you, you do it. And I know, that's me personally, I'm supposed to do it anyway. I should do it all of the time and I know I can do it because I always get good observations when I focus myself into thinking I'm going to focus and approach every customer today and I do it and I do it well, it's just sometimes my mind-set."*

D3 Integration / Interaction

Caemmerer and Wilson (2010); Dasu and Chase (2010); Ford et al. (2001); Oliveira et al. (2002); Shah et al. (2006); Voss et al. (2008); Voss and Zomerdijk (2007)

14

24

Whilst the bank recognised that their functional departments were not fully integrated in their operational procedures, work had commenced to develop a more integrated approach. Information is cascaded to front end employees through a structured meeting process which ensured that all employees are made aware of the businesses priorities and initiatives. The organisation actively engages with their customers and employees to gain knowledge to improve both their service offering and level of performance. In addition they also have a clear feedback process from branch teams which enables them to improve/innovate the delivery process.

1. The development of the website does not appear to be fully integrated with the priorities of the branch network
 - 1a. The customers experience is not totally integrated between the organisations delivery channels
 - 1b. The marketing function however is beginning to consider how the customers experience can be integrated between delivery channels
2. Information is transferred down to branch level through a structured meeting process
 - 2a. Locally area management also communicate with the branches they are responsible for via newsletters
3. The organisation facilitates upward communication so that opportunities identified at branch level can be fed back to national management
4. The organisation develops their existing knowledge through a programme of qualitative research which have provided insights as to how different customer groups react to dramatic changes in their financial situation

Example of relationship: Research carried out with customers identified how individuals deal with unexpected events.

The organisation has used this knowledge to influence how these events are managed in the future, so that they maintain their relationship with the customer after the problem has been resolved.

A6 *"when people are going through those major servicing things, so going overdrawn that kind of thing, for some people it's something they've known about, something they have planned for ... so while I might not be in full control at least I know what is happening ... so nothing is coming out of the blue. Whereas for reactors it's very much that "hang on, I haven't planned that. The mind-set is one of panic ... they don't have a clear sense because they will be in that state of....not shock, it might not be that serious, but they won't be thinking beyond that event. They will just be thinking "Christ how do I deal with this". Planners will have thought "actually these steps a, b, c which will get me back sorted", whereas for those reactors you need to give them that support. So O.K. that has happened, explain why it has happened and then say "here's what the next steps are" and help them get to that point more."*

3ii Interaction / Emotional Response		19	39
Berry et al. (2006a); Dasu and Chase (2010); Ding (2011); Ding et al. (2010); Hoffman and Novak (1996); Grove and Fisk (1997); Pullman and Gross (2003); Voss and Zomerdiijk (2007); Zomerdiijk and Voss (2010)			
The interaction with both employees and the website resulted in an emotional response from the customer.			
<ol style="list-style-type: none"> 1. The interaction between the customer and branch employees resulted in a positive impact on customers' emotions 1a. The interaction between the customer and branch employees resulted in a negative impact on customers' emotions 2. The interaction between the customer and telephone call centre resulted in a positive impact on customers' emotions 2a. Being unable to understand and communicate with call centre employees would have a negative impact on the customers' emotions 3. The ease at which the customer can interact with the organisations website resulted in a positive impact on customers' emotions 4. The responsiveness of the delivery process resulted in a positive impact on customers' emotions 4a. Lack of communication concerning the financial position of the bank resulted in a negative emotional response 			
<p>Example of relationship: The informants expressed positive emotions as a result of their interaction with the bank. In this example the informants' positive emotions were expressed as a result of the care demonstrated by the organisation over several different interactions.</p> <p>C26 <i>"They've sent me a letter twice, they've sent me a letter saying did you realise you've gone overdrawn over your overdraught limit. If you can replace the money into your account by this date, we will refund the charges ... they gave me until the 27th of December to do that. So I find that very different from the other high street banks ... That is a brilliant service, yes the fact that they are bothered."</i></p>			
3iii Interaction / Perceived Control		11	16
Dasu and Chase (2010); Ding et al. (2010); Collier and Sherrell (2010); Cook et al. (2002); Grewal et al. (2007); Guo et al. (2016); Hui and Bateson (1991); McMillan and Downes (2000); Zhu et al. (2007)			
The interaction with both employees and the website adds to the customers' sense of control over the delivery process. The lack of real-time communication however was shown to have a negative influence on the customers' sense of control			
<ol style="list-style-type: none"> 1. The ability to interact effectively with the organisation through both the telephone call centre and branch offices adds to the customers' sense of cognitive control over the delivery process 2. The ability to interact effectively with the organisations website without the distractions of unwanted advertising adds to the customers' sense of behavioural control over the delivery process 3. The lack of real-time communication negatively influences the customers' sense of control over the delivery process 			
<p>Example of relationship: Interaction with an organisation can influence an individuals' perception of the degree of cognitive control they perceive i.e. their understanding that the process is being well managed (Dasu and Chase 2010).</p> <p>C28 <i>"I think when you have difficulty contacting somebody over the phone it very easily makes you feel out of control. So with things like ... we had lots of problems with Talk Talk, the internet people and when something went wrong or when I wanted to change something it was a really frustrated out of control feeling. To think I'm going to phone them up and I'm going to have to go through all of this and they are not going to know what I am on about ... and I don't get that with the Bank."</i></p>			
3iv Interaction / Perception of Time		21	30
Bitran et al. (2008); Bitner (1992); Ding (2011); Ding et al., (2010); McCarthy et al. (2010); Shieh and Ling (2010); Yeung and Soman (2007)			
The speed at which customers can get a response from the branch and duration of time provided during individual meeting were factors in customer's overall perception of their experience.			
<ol style="list-style-type: none"> 1. The speed at which customers can get a response from the organisation is a factor considered in their perception of the experience 1a. The speed at which customers can interact with the delivery system through the telephone call centre is perceived as fast and efficient 1b. The speed at which customers can interact with the delivery system through the online channel is perceived as fast and efficient 1c. The ability to contact individual branches easily is an important element in customers' perception of their experience 2. The ability to interact with branch employees without feeling rushed or pressured to complete without their concerns being fully addressed is an important element in the value they derive from engaging with the delivery process 3. Delays in communication between different banks mean that account details are not always accurate when transferring money between accounts 			

Example of relationship: The informants' perception of the duration of time interacting with the technology the organisation provides positively influenced their overall experience.
 C11 "Again, a very reasonable amount of time ... I couldn't say minutes whatever, but I'm always impressed that actually somebody answers the phone in the first place. I've never been put onto "You are in a queue", it's always somebody that has answered and its part of the business team and whoever answers can deal with what I want to be done ... yes it's an excellent service."

Adaptability	Informants	References
B4 Customer Interface / Adaptability		
Collier and Meyer (1998); Glushko and Tabas (2009); Gupta and Vajic (2000); Hartline and Ferrell (1996)	11	31

The Financial Review process is a key point of contact between the organisations employees and their customers. These are specific interventions designed to ensure the customer is provided with the correct financial product to meet their specific needs.

A key element in the upgrade of their website is ensuring that all customers are provided with enough information to enable them to fully participate through this delivery channel

During periods when there is insufficient staffing to deal with demand, employees recognise that they might modify their

1. Customer Financial Review meetings enable employees' to help customers decide on the right product to meet their particular needs
 - 1a. During the meeting, the customer is provided with information from which they can decide which product to choose from a variety of options
 - 1b. Customers are able to influence the agenda and the level of detail they discuss about their financial situation
 - 1c. These meetings provide a structured method of helping customers decide on the right product to meet their particular needs. The performance of the employee also influences how effective these meeting are perceived
 - 1d. Once the customer has decided on a financial product, mandatory information is required to enable the delivery process to continue
 - 1e. During each review meeting the time allocated is dependent on the customers needs

Example of relationship: The organisation provides a clear process for conducting financial review meetings that enable both the employee and customer to fully understand the individuals' financial needs. During these meetings, customers are provided with sufficient information to enable them to make an informed decision regarding the best product for them to choose from the range of options presented to them.

B2 "What we will do is spend an hour, hour and a half with the customer and we will really try to get to know them on a financial basis and on a personal basis to some degree, any way we can really. We'd try to find out everything they need or they want, that they aspire to financially ... we'll try to digest that and then we'll sort of summarise back their own needs and then we will do what's called a product presentation. So we will get out the four current accounts that we offer, we're not allowed to recommend, we're not allowed to advise, we're not allowed to have any personal opinion, what we will do is say "You told me you need this, this and that, this current account does this, this and that."

C4 Infrastructure / Adaptability		
Chebat and Kollias (2000); Collier and Meyer (1998); Glushko and Tabas (2009); McCarthy, et al., (2010); Roth and Menor (2003); Sirianni et al. (2013); Tansk and Smith (2000); Zeithaml et al. (1988)	14	41

The banks' operational culture encourages employees to adapt their approach to the customers' particular needs.

1. Employees are encouraged to think and act on behalf of the customer
2. Similar behaviours are displayed to all customers regardless of their financial circumstances or potential profitability
3. Employees are however empowered with a degree of discretion in how they communicate and engage with customers
 - 3a. Counter Assistant will therefore adapt their approach to meet the customers needs
4. Employees are provided with an element of discretion in how complaints are managed

Example of relationship: Set within a clear operating framework, the organisations leadership culture actively encourages employees to identify solutions to improve customer's financial circumstances and accommodate their specific needs.

A3 "We talk a lot about empowerment as well, that you shouldn't wait for permission to do something that is the right thing for the customer. Specific stuff that we pick up on is the structure around the way you talk to a customer and provide service to a customer and particularly in the solutions that you give to the customer to make them understand that you have got their best interests at heart."

4ii Adaptability / Emotional Response	15	22
Chase and Dasu 2001; Cook et al. (2002); Lee (2010); Mills and Krantz (1979)		
The ability to manage their accounts through the delivery channels that best suited their needs had a positive impact on the customers' emotions. The flexibility of employees' performance had an influence on the customers' emotions		
<ol style="list-style-type: none"> 1. The ability to access accounts across different delivery channels had a positive impact on customers' emotions 2. The ability to easily manage their accounts had a positive impact on customers' emotions 2a. The flexibility provided by the delivery system had a positive impact on customer emotions 2b. The ability to easily pay via their account had a positive impact on the customers' emotions 3. The bank proactively reacted to fraud on a customers' credit card. Their action had a positive impact on the customers' emotions 		
<p>Example of relationship: The informants' ability to manage their accounts in a way that suited them evoked strong positive emotions</p> <p>C11 <i>"Yes, I go in basically each time and I log in and then it says "What do you want to do ... pay benefactors" so pay benefactors and then basically they are all listed, I go in ... how do you want to pay them and it's sort of like in three days directly, put a date in and I literally scroll through and I have a list from the lady that does my accounts, who I'm paying and that's it ... Yes, it's fantastic, yes it's brilliant."</i></p>		
4iii Adaptability / Perceived Control	23	52
Dasu and Chase (2010); Hui and Bateson (1991); Grewal et al. (2007); van Rompay et al. (2008); Ding (2011)		
The limited capacity to access and manage their accounts provided customers with the perception of control over some aspects of the delivery process. Customers' are also provided with a degree of flexibility in the process for opening new accounts that they acquire from the Bank. No flexibility however is provided in the composition (e.g. interest rate or repayment period) of each financial product made available		
<ol style="list-style-type: none"> 1. Customers are provided with a range of current accounts which gives them a degree of perceived decisional control in the acquisition phase of opening a new account 1a. Choices in how their accounts can be managed i.e. payments and transfers, provide the customer with a degree of perceived decisional control and being able to make changes, perceived behavioural control 2. The ability to manage their account easily provides the customer with a degree of perceived cognitive control 3. Customers have no control over some aspects of the delivery system or service offering such as in the composition of the financial products purchased 4. The customers' ability to receive bank statements through a variety of sources provides an opportunity to take direct action i.e. checking their accounts and therefore an element of behavioural control 		
<p>Example of relationship: The ability to make changes to her account easily provided the informant with a degree of behavioural control over the outcome.</p> <p>C28 <i>"It's important that I can view everything easily and it's important that the things that I need to do regularly, so things like setting up standing orders and cancelling things, that's important ... I'm happy with the account and it does everything that I need it to do."</i></p>		

Weaker support identified	Informants	References
1iv Focused Attention / Perception of Time	4	4
Baker and Cameron (1996); Chase and Dasu (2001); Csikszentmihalyi (2003); Healy et al. (2007); Hong et al. (2013); Novak et al. (2003); Shieh and Ling (2010)		
<p>Example of relationship: The perception of the duration of time taken to access the informants account (through Telephone Banking) to achieve a particular objective was an important element influencing her overall perception of the experience of engaging with the delivery process.</p> <p>C18 <i>"Oh very quick, very good yes, very clear, very precise, it's wonderful, I hope they don't change it. You know you can get a balance, you don't have to wait until it clears like some places ... It's so quick it's wonderful."</i></p>		
1i Focused Attention / Memory Recall	1	1
New Relationship		
<p>Example of relationship: The contrast witnessed between the operation of two of the available delivery channels was embedded in this informants' memory of engaging with the delivery system.</p> <p>C14 <i>"I suppose there's two experiences, one is about my day to day banking, efficient, quick, does what it says it does, so high marks and then the experience of opening the account for my daughter, shambolic, inefficient ... the word Omni shambles comes to mind ... yes bureaucratically inefficient, no one knows what is going on, you know so, you've got two extremes there and both I think are valid, because they are different channels and I think you know you've got one channel that works really well for me and I've glimpsed a channel that was actually appalling."</i></p>		

2i Sensory Stimulation / Memory Recall		
Berry et al. (2006a); Bitran et al. (2008); Kelley (1989); Morrin and Ratneswar, (2003); Oh et al. (2007); Pine and Gilmore (1998); Taylor and Thompson (1982); Zomerdijk and Voss (2010)	14	14
<p>Example of relationship: The impact of the behaviour of the organisations employees on the informants overall memory of engaging with the delivery system.</p> <p>C5 "Good, an good experience, when I first opened my account I was paying money into my savings account and writing cheques against my current account, so one was going greatly over drawn and the other greatly into credit because I was in the process of moving the account which you had to do yourself and they rang me up and said "We can see what you are doing, would you mind if we transfer money and by the way, we'll write of all of the charges you've incurred" which to me seemed a very nice helpful friendly step at the outset."</p>		
2iii Sensory Stimulation / Perceived Control		
Grewal et al. (2007)	5	5
<p>Example of relationship: The sensory clues evoked when organisations participate in excessive or aggressive sales tactics could results in customers feeling out of control – possibly forcing an unwelcome change in the way they manage their financial affairs.</p> <p>C28 "I think it is good in many ways because I don't feel pressurised. I probably would be more likely to switch banks if I felt that they were constantly trying to sell me things and I've never felt the need to switch banks and I do kind of look around and things but I like the way I am treated by them."</p>		
2iv Sensory Stimulation / Perception of Time		
Hornik (1984); Baker and Cameron (1996)	4	5
<p>Example of relationship: The performance of branch employees has an influence on the informants' perception of the amount of time they were provided to conduct their banking activities.</p> <p>C28 "I would say it's slightly, probably slightly slower than I would expect from some high street banks, but in a way that matters less. I quite like that kind of not being processed quite so much feeling, so I've never found it to be problematically slow but I have felt less rushed perhaps."</p>		
3i Interaction / Memory Recall		
New Relationship	5	5
<p>Example of relationship: The informants' perception of her interaction with the organisation through one particular delivery channel provided her long term procedural memory with a positive interpretation of events</p> <p>C28 "I think in general the telephone side of things, so I don't think there has been a particular instance that stood out but just the consistency of being able to contact them, get through easily, if you just want to check your balance over the phone which I used to do before it was quite so easy to get on the internet and stuff. Yes and the consistency of how easy and how pleasant the experience is when you phone up. Unfortunately phoning up a big company is normally unpleasant isn't it, so yes I think that consistency is probably a good thing"</p>		
A4 Technology and Physical Support / Adaptability		
Badgett et al. (2006); Kellogg and Nie (1995); Racherla et al. (2011)	8	16
<p>Example of relationship: Customers have access to a number of different channels and are provided with a limited number of options through which they can manage their accounts.</p> <p>A1 "when we open a current account we would ask the questions about what they want from a current account. How they want to use their current account, and we should be telling them about the various means of accessing it...so if they've got an I-phone or android phone then we should be telling them, there's this app, dead easy to down load, and if we're really good at customer service and engagement then we should be showing them how it's done. We should be phoning them up two weeks later to make sure they've done it if that's what they want to do."</p>		
D4 Integration / Adaptability		
New Relationship only identified in Pharmacy	0	0
4i Adaptability / Memory		
New Relationship	4	4
<p>Example of relationship: The ability of the informant to transfer existing account details over from their old bank was an element of the delivery process that was easily remembered</p> <p>C13 "I think when I swapped over my account with all my numbers and standing orders and that, it changed over quite easy really. It went better than I was expecting to be honest, they was very helpful like ... yes they were very helpful"</p>		

Appendix 10b: The nature of relationships between constructs identified in case study 2		>20	Strong
		19-10	Moderate
		10>	Weak
Focused Attention	Informants		References
B1 Customer Interface / Focused Attention			
Ding (2011); Gupta and Vajic (2000); Pine and Gilmore (1998)	13		36
The pharmacy recognises that the design of the physical interface can distract their patients from achieving their main task. Whilst the presence of other customers could have a detrimental influence on the patients' ability to focus on achieving their goals, it is not always detrimental to the delivery of the service.			
1. The design of the setting influences the patients' ability to focus on achieving their goals i.e. gaining information about a medical condition.			
1a The design of the setting might compromise the pharmacists' ability to concentrate on his dispensary role			
1b. Providing a setting where patients are able to focus on achieving their goals i.e. a confidential environment where patients can gain information about sensitive medical issues is an ongoing design challenge			
1c. The design of the setting (consultation rooms) enables patients to focus on achieving their goals i.e. gaining information about sensitive medical issues			
2. Structured medicale reviews with the Pharmacist enable patients to achieve their goals			
3. Internal distractions (operational problems) might influence and hinder the patients' ability to achieve their goals			
Example of the relationship: In some branches, the design of the physical setting makes it difficult for patients to either initiate or prolong their conversations with the pharmacist.			
B3 <i>"One of the challenges we face I think in pharmacy is a lot of the conversations that customers want to have are very private and confidential. To stand at the counter with twelve people behind you and tell them you want to talk about a urinary infection or whatever it might be, it's one of the biggest points of feedback that we get."</i>			
1ii Focused Attention / Emotional Response			
Ding et al. (2010); Ding (2011); Gentile et al. (2007); Hoffman and Novak (1996); Johnston (2004); Pine and Gilmore (1998); Zomerdijk and Voss (2010)	23		60
The ease of access and reliability of the delivery process provides patients with a positive emotional outcome. Distractions which prevent patients from accessing the service offering result in negative emotions being felt.			
1. Delays in delivering the service evoked a negative emotional response in the patient			
1a. Distractions that prevents patients from understanding how the delivery process works resulted in negative emotions being felt			
2. The consistency of the delivery system enabling patients to achieve their goals easily resulted in a positive emotional outcome.			
2a. The ability to access medication easily had a positive impact on patients' emotions			
2b. The ability to access the pharmacist without prior booking had a positive impact on patients' emotions			
2c. The patients' ability to easily initiate the service when require had a positive impact on patients' emotions			
3. The presence of other customers had a negative influence on how the patients' experience was perceived			
Example of relationship: Being unable to understand their conversation with the pharmacists' because of the pharmacist accent or dialect had a negative impact on the emotions the informant perceived.			
C30 <i>"there's been another chemist, where ... lovely bloke, but I couldn't understand a single word he was saying to me, so it makes it very difficult to understand ... I just remember as nice as he was, it didn't make much difference because I didn't know what the heck he was talking about because I couldn't understand him."</i>			
<i>"So how did that make you feel?"</i>			
C30 <i>"Frustrated because you haven't achieved anything. You end up having to go to another supermarket or another chemist."</i>			
1iii Focused Attention / Perceived Control			
Csikszentmihalyi and LeFevre (1989); Csikszentmihalyi (1975, 2003); van Rompay et al. (2008)	18		35
The patients' ability to easily access the service has a positive influence on the level of control they perceived			
1. The patients' ability to access the service easily had a positive influence on the level of control they perceived			
2. The patients' inability to access the service easily had a negative influence on the level of control they perceived			
Example of relationship: The speed at which the delivery process worked acted as a distraction preventing the informant achieving their objective. This resulted in the informant perceiving a lack of control in the delivery of the service.			
C25 <i>"I mean I wouldn't say anxious, but there is an anxiety built in because you just don't know how long you're going to be in there. You try not to get anxious about things like that because you can't control it, it's out of your control that's the hard bit."</i>			

Sensory Stimulation	Informants	References
B2 Customer Interface / Sensory Stimulation		
Berry et al. (2006a); Brunner-Sperdin and Peters (2009); Chase and Dasu (2001); Collier and Meyer (1998); Coyle and Thorson (2001); Hartline and Ferrell (1996); Healy et al. (2007); Pullman and Gross (2003, 2004); Rayport and Jaworski (2004); Voss et al. (2008); Zomerdijk and Voss (2010); Wall and Berry (2007)	16	40
The behaviours demonstrated by the organisations employees influence how patients perceive their experience Providing patients with a view of the pharmacist is a key element of the design principles applied to new and refurbished		
1. The behaviours demonstrated by the organisations employees influence how patients perceive their experience 1a. The organisation recognises that their employees are a significant point of contact with their patients 2. The points of interaction between patients and employees are design consideration in the layout of the shop floor 3. Awareness of a space where private conversations could be conducted (the consultation room) gave patients the confidence that their interactions with the pharmacist would remain confidential		
Example of the relationship: The mechanics clues embedded in the dispensary deliver specific visual clues to patients which provide them with an element of cognitive control over the delivery process A6 <i>"we know from customer feedback that they want to access the pharmacist. The other thing that we have done in more recent times is we have taken down the barriers of people seeing into our dispensaries. So they can physically see how the prescriptions are being processed."</i>		
C2 Infrastructure / Sensory Stimulation		
Badgett et al. (2006), Berry et al. (2006a); Berry and Bendapudi (2003); Cable and Judge, (1995); Chatman (1989; Ford et al. (2001; Ingelsson et al. (2012); Katz (2015); Kerr and Slocum (1987); Koutroumanis et al. (2012); Sirianni et al. (2013); Voss and Zomerdijk (2007)	7	15
The pharmacy has developed recruitment processes that ensure new recruits possess the necessary service-oriented behaviours prior to employment. The organisation recognises the importance of the presentation and dress of employees and has established operational standards to maintain these humanic clues		
1. Recruitment policies ensure that candidates demonstrate the expected behaviours prior to employment 1a. The organisation recognises the need to recruit employees with the correct service-oriented behaviours to ensure effective interactions take place 1b. The organisation recognises the importance and has establish operational standards regarding the presentation and dress of employees 2. The sensory elements contained within the physical setting are a consideration in the design of new or refurbished branches		
Example of the relationship: The organisation recognises that the performance of their employees has an influence on their patients' perception of engaging with the delivery process. Recruitment processes therefore include an assessment of how employees perform rather than to simply focus on their technical skills. A3 <i>"we had looked at changing our approach so that it was more behavioural based interviewing than competency based, so it was more sort of strengths based ... So competency is about being able to prove that you have done something in the past, strengths based recruitment is about what your preferences are, so what your natural style of behaviour is, which is what we are trying to get to, to be able to ascertain whether people have that natural instinct to want to help and serve customers as a part of their communication with them."</i>		

2ii Sensory Stimulation / Emotional Response		28	61
Berry et al. (2006a); Bitner (1990); Dasu and Chase (2010); Haeckel et al. (2003); Pullman and Gross (2003) Shieh and Ling (2010); Taylor and Thompson (1982); Turley and Milliman (2000); Voss and Zomerdijk (2007); Zomerdijk and Voss (2010)			
<p>Examples were identified of both positive and negative emotions being felt as a result of the patients' engagement with both the humanic and mechanic clues present in the service setting.</p> <p>The humanic clues provided by the performance of the organisations employees (i.e. lack of interaction) and the presence of excessive numbers of other patients influences patients' willingness to initiate or prolong a conversation with the pharmacist.</p>			
<p>1. The humanic clues provided by the performance of the organisations employees (friendly and courteous) created a positive emotional response</p> <p>1a. The humanic clues provided by the performance of the organisations employees created a negative emotional response</p> <p>2. The mechanic clues provided by the layout of the pharmacy branches have a minimal impact on how the patient feels</p> <p>2a. The size of the branch relative to the numbers of patients using the branch has an impact on patients' emotional responses</p> <p>2b. The mechanic clues provided by the design and management of the dispensary (Disorganised) has an influence on the patients emotional response.</p>			
<p>Example of relationship: The proxy clues (Standard of cleanliness) presented by the service setting influences how patients' feel about the organisations ability to manage the dispensing process to the standards they expect.</p> <p>C27 <i>"Well I would expect it would be clean. If it was dirty I think I wouldn't be happy to use it because if you looked and all of the surfaces were filthy, you would believe that actually their standard of hygiene is so poor, you know you then sort of think about people handling pills and allsorts. So yes it needs to look clean for me ... if I went in and it was filthy I would probably walk out again and go somewhere else."</i></p>			
Interaction	Informants	References	
A3 Technology and Physical Support / Interaction		4	6
Dasu and Chase (2010); Ding et al. (2010); Ding (2011); Froehle et al. (2000); Gupta and Vajic (2000); Rose et al. (2011); Voss et al. (2008)			
<p>Whilst patients can engage with the organisation through a variety of different channels i.e. direct phone line and website, personal face to face interaction with branch employees is a key element in the pharmacy's operational strategy. Whilst technology has been innovated to influence the interaction between front-end employees and their patients, limited development to date has been undertaken to develop their online facility.</p>			
<p>1. Technology has been innovated to enable branch employees to both initiate and improve the effectiveness of their interaction with patients</p> <p>2. The organisation encourages the use of their IT system to identify opportunities to build a rapport with patients.</p> <p>3. Technology has been introduced to provide branch offices with sufficient employee hours to manage demand</p>			
<p>Example of the relationship: The technology systems adopted by the organisation enabled the pharmacists to maintain a relationship with their patients over a period of years.</p> <p>B2 <i>"It will flag up automatically [Branch IT system] what happens in a year's time ... t would turn around and say that your MUR [Medicine Use Review] is due. It comes up automatically."</i></p>			
B3 Customer Interface / Interaction		8	25
Collier and Meyer (1998); Ding (2011); Johnston and Kong (2011); McCarthy et al. (2010); Payne et al. (2007); Prahalad and Ramawamy (2003, 2004); Roth and Menor (2003); Voss et al. (2008)			
<p>Branch offices are the main channel through which employees can engage and develop a dialogue with their patients. Scheduled Interventions provide an opportunity for a deeper relationship to develop.</p>			
<p>1. Scheduled interventions with the pharmacist are a key element in the organisations operational and communication strategy</p> <p>1a. Counter Assistants need to be able to communicate in an effective manner to ensure that eligible patients benefit from these interventions</p> <p>1b. Unscheduled interventions with the pharmacist are a key element in the organisations operational strategy to build a relationship with their patients</p> <p>2. Branch managers use a variety of strategies to manage the variability of patient demand. They recognise the presence of large numbers of customers influences how patients perceive the service encounter</p> <p>2a. The organisation also uses a relief team to fill gaps in staffing therefore maintaining the consistency of the service offering</p>			

Example of the relationship: The design of the branch layout helps to facilitate interactions with patients
 A6 *“So the idea is that we get people to actually congregate away from the sort of counter area and put seating in a certain location ... and we have a set flow of how we run our ranges, so near to the counter we put our medicines. There are some medicines that legally have to be kept behind the counter but then also there are other medicines that are out on self-select. We put them near [the dispensary] and the reason for that is because they are associated with the dispensary, but also if staff need to have a conversation about particular products, they do not have to go a far distance away from where they are sort of manning the tills if you like. They can just walk onto the shop floor; have a chat about the particular product that people are asking about ... more often than not people will ask more about their medicines than they will about a tube of toothpaste so the interactions are not as required really on the other ranges.”*

C3 Infrastructure / Interaction

12

23

Berry et al. (2006); Ding (2011); Ford et al. (2001); Shah et al. (2006); Voss et al. (2008)

The operating culture of the pharmacy focuses on the interaction that takes place between their front-end employees and their patients. This has influenced the design of their internal processes responsible for ensuring consistency and maximising the effectiveness of these encounters. The pharmacy provides advice on engaging and building relationships with patients during induction and follow up training. Standard Operating Processes also provide guidance to employees about how interactions with patients should be conducted. Employees for example are expected to follow a clear communication process during their consultations with patients.

1. The induction process for new employees includes modules on building relationships and rapport with patients
2. The leadership culture within the organisation recognises that the interaction and relationship the pharmacy team develops with their patients is important and is actively focused on reinforcing this
 - 2a. The pharmacy profession has a strong influence on the operating culture within the organisation
 - 2b. The organisational culture recognises the need to build external relationships with GPs, Practice Managers and other stakeholders
3. The organisation maintains service standards through Standard Operating Processes.

Example of the relationship: The organisation encourages branch teams and provides support when required to interact and build relationships with other healthcare professionals.

B3 *“we as a business would guide and give managers tools and direction to enable them to build those relationships ... With most managers we would expect them to have a relationship, to know the GPs and where possible and practical and if they`ve been invited, to attend practice meetings. We then give them support and guidance, so if you go to that meeting, here is a way of trying to influence, trying to get stuff on the agenda.”*

D3 Integration / Interaction

7

11

Caemmerer and Wilson (2010); Dasu and Chase (2010); Ford et al. (2001); Oliveira et al. (2002); Shah et al. (2006); Voss et al. (2008); Voss and Zomerdijk (2007)

The organisation regularly use customer feedback sessions to learn how the service offering and delivery system can be improved

The organisation facilitates and encourages upward communication from branch teams to identify opportunities to improve branch performance

1. The organisation learns from their relationship with patients which is used to improve how operational processes operate
2. The organisation facilitates upward communication so that opportunities identified at branch level can be fed back to national management and used to help improve individual branch performance
3. Employees are made aware of business issued via a national magazine and newsletters issues by area management. This information is reinforced during regular training sessions

Example of the relationship: The organisation learns from the feedback they receive through customer complaints which enable them to make improvements in service delivery.

A1. *“We don`t just look at how we resolve this complaint, we also look at how we can learn from it. So is there something we can learn, is there something we need to change. So the customers who do complain are only a small element and for each one that complains there`s probably another ten or twelve who have had a poor service that haven`t complained. So what we try and do is pull out common themes and say “Right this is an area, we need to do something with this” and it might be cascading it to the relevant team, it might be looking at our processes, there might be something local to that branch that is broken and fixing that to improve the patient experience.”*

3ii Interaction / Emotional Response		
Berry et al. (2006a); Dasu and Chase (2010); Ding (2011); Ding et al. (2010); Hoffman and Novak (1996); Grove and Fisk (1997); Pullman and Gross (2003); Voss and Zomerdijk (2007); Zomerdijk and Voss (2010)	20	36
The interaction that occurs with employees results in an emotional response from the patient		
<ol style="list-style-type: none"> 1. Witnessing a positive interaction between a patient and branch employee resulted in a positive impact on other patients' emotions <ol style="list-style-type: none"> 1a. Consultations that are badly executed resulted in a negative impact on patients' emotions 2. Lack of acknowledgement by branch employees during their interaction resulted in a negative impact on the patients' emotions 3. The consistency of the performance of the pharmacy has a positive impact on patients' emotions 4. The flexibility of the pharmacist in offering a solution to the patients' medical condition was remembered and had a positive impact on patients' emotions 		
Example of relationship: The interaction and dialogue that takes place with the organisations employees has the potential to influence how informants feel about the encounter. C16 "I know it sounds silly about being pleasant going in a chemist, but it makes a difference. I mean if you go in the local shops over there, "oh morning George or morning June", I mean it makes a difference doesn't it...It just makes you feel better. It makes you feel that they know you and they are quite happy to serve you and help if you wanted it"		
3iii Interaction / Perceived Control		
Dasu and Chase (2010); Ding et al. (2010); Collier and Sherrell (2010); Cook et al. (2002); Grewal et al. (2007); Guo et al. (2016); Hui and Bateson (1991); McMillan and Downes (2000); Zhu et al. (2007)	13	13
Interaction that occur with branch employees add to the patients' sense of control over the delivery process		
<ol style="list-style-type: none"> 1. The ability of the organisations employees to interact in a manner the patient can understand influences the degree of control the patient perceives (cognitive control) 		
Example of relationship: The dialogue that takes place with the pharmacist provides patients with an element of behavioural control over their participation in the delivery of the service. C23 "Oh it's critical, if you don't understand how you are supposed to use it, well it's critical that you know the dosage and usage and the instruction written on the packet are not always as clear as they might be. So it's quite helpful if the pharmacist, at least the first time you get it has a chat about how important it is. For example some medicines, if you are taking it daily, when you take it is not an issue, some it's actually quite important you take it first thing in the morning before you eat anything else. It's rather important that you know the difference."		
3iv Interaction / Perception of Time		
Bitran et al. (2008); Bitner (1992); Ding (2011); Ding et al., (2010); McCarthy et al. (2010); Shieh and Ling (2010); Yeung and Soman (2007)	13	20
The ability to access a pharmacist quickly and the duration of time provided during individual consultations were factors in patient's overall perception of their experience.		
<ol style="list-style-type: none"> 1. The ability to interact with branch employees without feeling rushed or pressured to complete without their concerns being fully addressed is an important element in patients perception of the experience 2. Other people in the service setting also influence a patients willingness to spend enough time with the pharmacist to fully addressed their medical concerns 3. The speed at which patients can get a diagnosis on a medical condition is an important element in their perception of the experience 		
Example of relationship: The consultation process is flexible enough to enable patients to fully discuss and gain the information they require regarding their medical concerns. C13 "Perfect, I didn't feel like I was taking up his time ... I felt that I got everything I wanted out of it ... I mean GPs, you've got ten minutes and the GP needs to get rid of you within that ten minutes. With the pharmacists, I don't know if he's got any times, but he didn't seem to, I didn't feel that I had just ten minutes of his time and I had to go you know, whereas the GP you know you have to get it all out quickly."		

Adaptability	Informants	References
B4 Customer Interface / Adaptability	13	30
Collier and Meyer (1998); Glushko and Tabas (2009); Gupta and Vajic (2000); Hartline and Ferrell (1996)		
<p>The New Medicine Service consultation and Medicine Use Review are key points of contact that take place between the organisations employees and their patients. These are specific interventions designed to ensure that the medication prescribed is working correctly enabling changes to the medication and administration process to be adjusted to maximise its effectiveness</p>		
<p>1. Key Interventions enable patients to adapt how they administer their medication and provides the pharmacist with an opportunity to improve the effectiveness of the medication prescribed</p> <p>1a. Scheduled interventions provide an opportunity for the pharmacist to recommend changes to the delivery process. Patients are provided with information that enables them to change how they administer their medication</p> <p>1b. The operating process allow employees time to adapt to the needs of the patients. A high degree of flexibility is required in the pharmacists' role to be able to accommodate patients' highly variable demands</p> <p>2. Branch employees are also an important source for recruiting patients for scheduled interventions</p> <p>2a. Counter assistants have been trained to conduct consultations with patients using industry standard questioning techniques</p> <p>2b. Counter assistants are empowered to make recommendations on some medical conditions. The patient is also provided with enough information to decide which non-prescription remedy is the most suitable to satisfy their medical needs.</p>		
<p>Example of the relationship: Key interventions with the Pharmacists are designed to provide patients with enough information so that they can adapt their behaviour to maximise the effectiveness of their medication, for example to make changes in their administration regime.</p> <p>B2 <i>"Certainly with the new medicine service and the medicines use review, we are there to advise them on how to take their medications properly, so the classic example is poor inhaler technique, so people aren't benefiting very much from their inhalers. So they come in to see us and we check their technique and say "actually your technique is really bad" which is why you are using this inhaler more than you should be, so we go through then proper inhaler technique, we've got lots of dummies and stuff like that to demonstrate with them and hopefully they go away better."</i></p>		
C4 Infrastructure / Adaptability	18	52
Chebat and Kollias (2000); Collier and Meyer (1998); Glushko and Tabas (2009); McCarthy, et al., (2010); Roth and Menor (2003); Sirianni et al. (2013); Tansk and Smith (2000); Zeithaml et al. (1988)		
<p>The pharmacy's operational culture encourages employees to adapt to the patients individual needs. A single service concept is provided to patients regardless of their medical condition although employees will adapt their approach to the patients' particular needs.</p>		
<p>1. The same approach to patients is taken regardless of their medical condition or potential profitability</p> <p>1a. The organisation however encourages employees to take the initiative, adapting their conversations to the needs of the patient</p> <p>1b. Employees are encouraged to think and act on behalf of the patient.</p> <p>1c. Employees are empowered with a degree of discretion in how they communicate with patients</p> <p>2. The organisations service offering includes a focus on patient interventions. Each intervention is a unique activity</p> <p>3. The organisation provides a detailed process for managing interventions with their patients. To manage this effectively however employees are empowered with an element of discretion in how these interventions are managed</p> <p>4. The professional status of pharmacy teams encourages employees to take responsibility for their own development</p> <p>5. Some elements of the delivery of the service can be adapted to meet the particular needs of the patient</p>		
<p>Example of the relationship: The leadership culture of the organisation encourages branch teams to take initiative and proactively react to their patients' needs.</p> <p>BA1 <i>"Yes, I think the fundamental with pharmacy which I think you would find is different to other kinds of retail businesses is that it's peoples medication that you are dealing with and in some cases you know they can't go without that. If it's something that they are dependent on for whatever reason, whether it's diabetes or asthma or anything like that, you can't just tell them that it will be in stock tomorrow, because that doesn't necessarily really apply ... there are sometimes when you've got to actually think "We need to do something about this straight away because this isn't going to be resolved otherwise". There would be an expectation on you and there would be a fall out for you if you didn't do that for people."</i></p>		

4ii Adaptability / Emotional Response	12	17
Chase and Dasu 2001; Cook et al. (2002); Lee (2010); Mills and Krantz (1979)		
The ability to access both their medication and specific information regarding their medical condition when required had a positive impact on the patients' emotions. The flexibility of employees' performance also had an influence on the patients emotions		
<ol style="list-style-type: none"> 1. The ability of the pharmacist to fully explain the medication prescribed had a positive impact on patients emotions 2. The flexibility of the delivery process had a positive impact on patients' emotions 2a. The ability of employees to adapt the service to meet the patients' needs had a positive impact on their emotions 3. The patients' ability to recognise and minimise the possible side effects of their medication had a positive impact on their emotions 4. The patients' ability to easily initiate the service when require had a positive impact on patients' emotions 		
Example of relationship: The personalised support provided by the pharmacist has an impact on the emotions felt by the informants. C15 <i>"Well I feel happy, you know that the pharmacist has taken his time to discuss my ongoing problems with me, my ongoing medication. So I go away happy you know, that somebody is taking an interest in the medication that I am receiving, which I find is good."</i>		
4iii Adaptability / Perceived Control	18	45
Dasu and Chase (2010); Hui and Bateson (1991); Grewal et al. (2007); van Rompay et al. (2008); Ding (2011)		
The service system provided the patient with a limited capacity to adapt the delivery of the service. The patient's perception of control was based on the elements of the delivery system over which they have an influence. The advice and information provided to patients was also a significant factor influencing their perception of control over their medical condition and in their ability to administer their medication effectively		
<ol style="list-style-type: none"> 1. Patients' cede large elements of the delivery of the service to others who have greater knowledge 2. Patients' are able to choose from a variety of organisations where and when to initiate the service i.e. they are provided with an element of decisional control 3. The patients ability to initiate the delivery process i.e. request repeat prescriptions when required influences the degree of control they perceive 4. Patients' have the choice of when to collect their medication; the delivery system therefore provides an element of behavioural control 5. Patients' are able to adapt some elements of the delivery system to suit their particular needs 6. The advice provided by the pharmacist enabled the patients' to adapt their behaviour i.e. the advice provided an element of behavioural control 7. The patients' ability to achieve their goals i.e. to maximise the effectiveness of their medication through the way it is administered influences the degree of control patients perceive 8. Patients' obtain information regarding their medical condition and the medicines prescribed to remedy it from a variety of different sources 9. The patients' ability to understand their medical condition and the remedy prescribed influences the degree of control they perceive 		
Example of relationship: The ability of the patient to choose where and how to initiate the service influences their perception of decisional control. In this example the informant has opted to order via the internet although other means are also made available e.g. telephone or direct visit to the surgery C17 <i>"what happens is you have a list of all of your medication ... you go into the particular page with your prescriptions and you tick the ones that you want. Then you actually send it. It then goes to the surgery, they pick it up in the morning and as long as it's with them by half past eight, it will be going to the pharmacy ... So you can then pick it up within twenty four hours, forty eight hours maximum. So it makes the whole thing easier."</i>		

Weaker support identified	Informants	References
1iv Focused Attention / Perception of Time	9	15
Baker and Cameron (1996); Chase and Dasu (2001); Csikszentmihalyi (2003); Healy et al. (2007); Hong et al. (2013); Novak et al. (2003); Shieh and Ling (2010)		
Example of relationship: The duration of time spent during periods of passive participation was in line with patients expectations. C23 <i>"Typically about two minutes before someone's finds what I'm therefore, they're might be one or two customers in front of me and normally less than five minutes before I've picked it up and I'm walking away. There have been one or two occasions when there's been a significant delay and I've come back."</i>		

1i Focused Attention / Memory Recall	4	4
New Relationship		
Example of relationship: The inability to achieve her objective left a lasting impression on the informants' memory of engaging with the delivery process. C27 <i>"sometimes I remember on a few of occasions they couldn't find it [prescription]. They seem to have so much stuff and I can remember on one occasion I went in and they swore blind that they hadn't got it ... I had to go over to the doctor ... and I must have done that about three times before they finally found it tucked away somewhere, which is slightly annoying, but these things happen."</i>		
2i Sensory Stimulation / Memory Recall	6	6
Berry et al. (2006a); Bitran et al. (2008); Kelley (1989); Morrin and Ratneswar, (2003); Oh et al. (2007); Pine and Gilmore (1998); Taylor and Thompson (1982); Zomerdijk and Voss (2010)		
Example of relationship: The performance of the pharmacist had a significant influence on the informants' recall of the significant events which occurred over the duration of their relationship with the pharmacy. C14 <i>"I needed to ... collect a fortnights worth of prescription [methadone] and because I wasn't prepared to leave Kat at the hospital and miss everything maybe [he birth of their baby], the doctor said they wouldn't do it and [the pharmacist], he went through to the doctors and said "look are you having a laugh, the poor guys in hospital waiting to see his son bought into the world and he's on the phone now panicking" I just phoned Tom and I was in a right fluster, panicking, you know and he went in and sorted it out."</i>		
2iii Sensory Stimulation / Perceived Control	6	7
Grewal et al. (2007)		
Example of relationship: The sensory clues generated through the dispensary being on open display provided the informants' with a degree of cognitive control over the outcome. C23 <i>"Yes, yes as I say I wouldn't want to be going into a small cramped space, handing over my prescription and then being left on my own for five minutes. There's also the point of course that even if there's nobody at the desk, you can see there's two or three people down there working, so you don't feel abandoned in the same way as you would if people just walked out of the room and left you there."</i>		
2iv Sensory Stimulation / Perception of Time	8	16
Hornik (1984); Baker and Cameron (1996)		
Example of relationship: The informants' ability to view the dispensary process also had an influence on their perception of the duration of time passively participating. C26 <i>"The more open, the better ... because if the patient can see that they are all busy and at it [the dispensing staff], you know, it gives them confidence that they are going to be served in a reasonable amount of time."</i>		
3i Interaction / Memory Recall	3	3
New Relationship		
Example of relationship: The dialogue that takes place during the interaction between the organisations employees and their patients can generate either a positive or negative lasting impression. C27 <i>"I also had a situation where there was a young man who worked behind the counter. He was not a pharmacist, he was just one of the sales people and I actually found he was asking a lot of quite personal questions about my mother's medication and why she needed it and I actually said to him "I don't think I really need to answer these questions". You know the fact is the doctors prescribed this for my mother and it wasn't up to him to decide whether she needs it or not. So I got a little bit cross ... I thought "this is so rude when it's none of your business"."</i>		
A4 Technology and Physical Support / Adaptability	1	2
Badgett et al. (2006); Kellogg and Nie (1995); Racherla et al. (2011)		
Example of the relationship: The organisations use of technology enables branch employees to proactively react to patients' needs B1 <i>"The new medicine service is based on a list of medications so it's for people who have recently been prescribed medication for Asthma, or COPD, [Chronic obstructive pulmonary disease], anti-coagulant and anti-platelet, something for blood pressure or something for diabetes. So the computer knows that these drugs are used to treat these things and it then flags up when this person has not been prescribed this in the past, prints you a label and you say "oh Mr Smith, is this item new to you" and he says "yes" and you say "let's just go and have a chat" and it's a lead in for the new medicine service."</i>		

D4 Integration / Adaptability	4	8
New Relationship		
<p>Example of the relationship: Regular communication between branch teams and their head-office colleagues is encouraged and systems developed to encourage feed back to improve operational performance</p> <p><i>B4"On the internet there`s like a feedback button and you just put anything that you want to on there really. If it isn`t a specific issue then you would probably go through whichever team you need to go to, you know whether it`s the pharmacy superintendent, which deal with legal issues or medication issues you go to them. If it`s like a management issue then you would probably go through [Regional Manager] and his sort of boss etcetera."</i></p> <p><i>"Right so there is an opportunity, if you guys here find something that isn`t working or you have an observation about something; there`s a method of communicating that up?"</i></p> <p><i>"Yes"</i></p>		
4i Adaptability / Memory	5	7
New Relationship		
<p>Example of relationship: The personalised advice provided by the pharmacist was a significant event which the informant was easily able to recall.</p> <p><i>C13 "he actually told me the differences between the drugs that I was on and the drugs that I went onto ... what they were actually doing to the cells, you know how it interacts with the cells in the body and for me because I like to know it was brilliant, it was fantastic. So I actually know what my Letrozole was actually doing to the cells in my body which is great."</i></p>		

University of Exeter Business School
Ethical Approval Form: Research Students

This form is to be completed by the research student. When completing the form be mindful that the purpose of the document is to clearly explain the **ethical considerations** of the research being undertaken.

Once completed, please submit the form **electronically and a signed hard copy** to Helen Bell at H.E.BelRaexeter.ac.uk. A copy of your approved Research Ethics Application Form together with accompanying documentation **must be bound into your PhD thesis**.

Part A: Background

Student name	Nick Low		
Supervisors names	Andi Smart; Harry Maddern		
Title of thesis	Service design for customer experience		
Date of entry	3/12/12	Status	FT/PT/Continuation Part Time
Start and estimated end date of the research	December 2012 – Dec 2013		
Aims and objectives of the research	To investigate how service processes are designed for customer experience and explore how the interactions that take place during the service encounter influences the customers' perception of their experience of using the service process.		
Please indicate any sources of funding for the research	N/A		

Part B: Ethical Considerations

Describe the methodology that will be applied in the project (no more than 250 words)	<p>A two phase, sequential mixed method research strategy will be adopted employing case study methodology as a basis for data collection to investigate the phenomenon of customer experience.</p> <p>The first phase will be a qualitative exploration of customer experience. Initial personal observations of the service encounter across a number of branches will be carried out to gain background information and assess the level of consistency of service clues presented by the case organisation. Data will be then be collected from two separate sources, from the employees of the organisation and from their customers.</p> <p>Semi structured focused interviews with employees will be conducted to understand how the service process is designed for customer experience. The volume of potential information and time constraints of respondents will mean that the interview topics will be subdivided into groups aimed at a specific set of respondents, namely front end implementers, their</p>
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	<p>supervisors and those responsible for the overall design of the service encounter. 1 to 1 focused Interviews with customers will then be conducted to understand how they perceive the experience of using the service process.</p> <p>The second quantitative phase of the strategy will use the themes identified to develop and test a survey instrument of fixed questions. This will then be used to survey a larger sample of randomly chosen customers to help further interpret the qualitative findings.</p>
<p>Describe the method by which you will recruit participants and gain their informed consent. If written consent will not be obtained, this must be justified.</p> <p><i>[Note: Please attach a copy of any Information Statements and Consent Forms used, including translation if research is to be conducted with non-English speakers]</i></p>	<p>The organisations employees and customers involved in 1 to 1 focused Interviews will be selected in advance and their informed written consent will be obtained prior to their participation in the project. (Consent Form enclosed)</p> <p>In the larger survey, customers will be approached in the organisations branch offices after they have completed their transaction. The research aims and process will be explained briefly to the customer and they will then be asked if they would be willing to participate in the survey. Customers would not be asked any personal details and their contribution would be limited to answering a number of specific survey questions. In this instance it is proposed that written consent will not be obtained. (Verbatim Consent note enclosed)</p>
<p>Will there be any possible harm that your project may cause to participants (e.g. psychological distress or repercussions of a legal, political or economic nature)? What precautions will be taken to minimise the risk of harm to participants?</p>	<p>No risk of harm to participants is envisaged</p>
<p>How will you ensure the security of the data collected? What will happen to the data at the end of the project, (if retained, where and how long for)?</p> <p><i>[Note: If the project involves obtaining or processing personal data relating to living individuals, (e.g. by recording interviews with subjects even if the findings will subsequently be made anonymous), you will need to ensure that the provisions of the Data Protection Act are complied with. In particular you will need to seek advice to ensure that the subjects provide sufficient consent and that the personal data will be properly stored, for an appropriate period of time.]</i></p>	<p>No individual personal data will be collected</p>

Part C; Ethical Assessment

Please complete the following questions in relation to your research project.

Will participants' rights, safety, dignity and well-being be actively respected?	Yes		
Will you describe the main details of the research process to participants in advance, so that they are informed about what to expect?	Yes		
Will you tell participants that their participation is voluntary?	Yes		
Will you tell participants that they may withdraw from the research at any time and for any reason?	Yes		
Will confidentiality be appropriately maintained at all stages of the project, including data collection, storage, analysis and reporting?	Yes		
Will any highly personal, private or confidential information be sought from participants?		No	
Will participants be involved whose ability to give informed consent may be limited (e.g. children)?		No	
Will the project raise any issues concerning researcher safety?		No	
Are there conflicts of interest caused by the source of funding?		No	

Please provide any additional information which may be used to assess your application in the space below.

INTERVIEW CONSENT FORM

Thank you for agreeing to be interviewed for this project.

The aim of this study is to investigate how service organisations are designed for customer experience and explore how the interactions that take place influence the customers' perception of the experience.

I wish to confirm that:

- Interviews are confidential and anonymised so participants cannot be identified individually from the data. Where interviews are recorded and/or transcribed they will be coded in order to protect the identity of respondents. All files will be stored securely in accordance with the UK Data Protection Act.
- Any quotations and/or examples used in research outputs (such as reports, conference papers, presentations, etc.) will remain anonymous.

Participation in this research is entirely voluntary. Participants are free to refuse to answer any question or terminate the interview at any point.

.....
Participant Signature

.....
Print Name

.....
Date

.....
Researcher Signature

.....
Print Name

.....
Date

VERBATIM CONSENT NOTE

Thank you for agreeing to be interviewed for this project.

The aim of this study is to explore how customers perceive the experience of using a particular service.

I wish to confirm that:

- Interviews are confidential and anonymous and participants cannot be identified individually from the data.

Participation in this research is entirely voluntary.

- Participants are free to refuse to answer any question or terminate the interview at any point.


All files will be stored securely in accordance with the UK Data Protection Act.

Part D: Supervisor's Declaration

As the supervisor for this research I can confirm that I believe that all research ethics issues have been considered in accordance with the University Ethics Policy and relevant research ethics guidelines.

Name: Prof. Andi Smart (Primary Supervisor)

Signature:

A handwritten signature in black ink, appearing to read 'A. Smart', is written over a background of a dense grid of small black dots. The signature is cursive and somewhat stylized.

Date: 3-12-12

Part E: Ethical Approval

<p>Comments of Research Ethics Officer and PGR Management Board.</p> <p><i>[Note: Have potential risks have been adequately considered and minimised in the research? Does the significance of the study warrant these risks being taken? Are there any other precautions you would recommend?]</i></p>	

This project has been reviewed according to School procedures and has now been approved.

Name: V. P. Wimalaodiri

(Research Ethics Officer)

Signature: 

Date: 06/02/13

University of Exeter Business School
Ethical Approval Form: Research Students

This form is to be completed by the research student. When completing the form be mindful that the purpose of the document is to clearly explain the **ethical considerations** of the research being undertaken.

Once completed, please submit the form **electronically and a signed hard copy** to Helen Bell at H.E.Bellaexeter.ac.uk. A copy of your approved Research Ethics Application Form together with accompanying documentation **must be bound into your PhD thesis**.

Part A: Background

Student name	I Nick Low		
Supervisors names	Andi Smart; Harry Maddern		
Title of thesis	Service design for customer experience		
Date of entry	28/03/14	Status	1 FT/PT/Continuation Part Time
Start and estimated end date of the research	May 2014 – Dec 2014		
Aims and objectives of the research	To investigate how service processes are designed for customer experience and explore how the interactions that take place during the service encounter influences the customers' perception of their experience of using the service process.		
Please indicate any sources of funding for the research	N/A		

Part B: Ethical Considerations

Describe the methodology that will be applied in the project (no more than 250 words)	<p>A case study research strategy will be employed as a basis for data collection to investigate the phenomenon of customer experience. Initial personal observations of the service encounter across a number of branches will be carried out to gain background information and assess their level of operational consistency. Data will be then be collected through semi structured interviews with the organisations employees and from their customers.</p> <p>Interviews with employees will be conducted to understand how the service process is designed for customer experience. The interview topics will be subdivided into groups, focusing on three sets of specific job roles, namely front end implementers, their supervisors and those responsible for the overall design of the service delivery process. Participants will be selected in advance and given an overview of the interview process. Interviews will be recorded and typed up at a later date. Similarly interviews with customers will be conducted to understand how they perceive the experience of using the service process.</p>
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	<p>Secondary data will also be sought (Mystery Shopper and Customer Satisfaction surveys) to validate the information provided through the interviews</p>
<p>Describe the method by which you will recruit participants and gain their informed consent. If written consent will not be obtained, this must be justified.</p> <p><i>[Note; Please attach a copy of any Information Statements and Consent Forms used, including translation if research is to be conducted with non-English speakers]</i></p>	<p>The organisations employees and customers involved in 1 to 1 focused Interviews will be selected in advance and their informed written consent will be obtained prior to their participation in the project. (Consent Form enclosed)</p>
<p>Will there be any possible harm that your project may cause to participants (e.g. psychological distress or repercussions of a legal, political or economic nature)? What precautions will be taken to minimise the risk of harm to participants?</p>	<p>No risk of harm to participants is envisaged</p>
<p>How will you ensure the security of the data collected? What will happen to the data at the end of the project, (if retained, where and how long for)?</p> <p><i>(Note: If the project involves obtaining or processing personal data relating to living individuals, (e.g. by recording interviews with subjects even if the findings will subsequently be made anonymous), you will need to ensure that the provisions of the Data Protection Act are complied with. In particular you will need to seek advice to ensure that the subjects provide sufficient consent and that the personal data will be properly stored, for an appropriate period of time.]</i></p>	<p>No individual personal data will be collected. Data will be destroyed when PhD study completed</p>

Please complete the following questions in relation to your research project.

	yes	no	n/a
Will participants' rights, safety, dignity and well-being be actively respected?	Yes		
Will you describe the main details of the research process to participants in advance, so that they are informed about what to expect?	Yes		
Will you tell participants that their participation is voluntary?	Yes		
Will you tell participants that they may withdraw from the research at any time and for any reason?	Yes		
Will confidentiality be appropriately maintained at all stages of the project, including data collection, storage, analysis and reporting?	Yes		
Will any highly personal, private or confidential information be sought from participants?		No	
Will participants be involved whose ability to give informed consent may be limited (e.g. children)?		No	
Will the project raise any issues concerning researcher safety?		No	
Are there conflicts of interest caused by the source of funding?		No	

Please provide any additional information which may be used to assess your application in the space below.

INTERVIEW CONSENT FORM

Thank you for agreeing to be interviewed for this project.

The aim of this study is to investigate how service organisations are designed for customer experience and explore how the interactions that take place influence the customers' perception of the experience. I

wish to confirm that:

Interviews are confidential and anonymised so participants cannot be identified individually from the data.

Where interviews are recorded and/or transcribed they will be coded in order to protect the identity of respondents. All files will be stored securely in accordance with the UK Data Protection Act.

Any quotations and/or examples used in research outputs (such as reports, conference papers, presentations, etc.) will remain anonymous.

Participation in this research is entirely voluntary. Participants are free to refuse to answer any question or terminate the interview at any point.

.....
Participant Signature

.....
Print Name

.....
Date

.....
Researcher Signature

.....
Print Name

.....
Date

Part D: Supervisor's Declaration

As the supervisor for this research I can confirm that I believe that all research ethics issues have been considered in accordance with the University Ethics Policy and relevant research ethics guidelines.

Name: Prof. And! Smart

(Primary Supervisor)

Signature:

Date:

Part E: Ethical Approval

**Comments of Research Ethics Officer
and PGR Management Board.**

[Note: Have potential risks have been adequately considered and minimised in the research? Does the significance of the study warrant these risks being taken? Are there any other precautions you would recommend?]

This project has been reviewed according to School procedures and has now been approved.

Name: *V. Wimalawansa*

(Research Ethics Officer)

Signature: *[Handwritten Signature]*

Date: *13.05.2014*

Appendix 13 Example of transcribed interview

Meeting 08/03/13 - Service Supervisor (Branch Manager) Plymouth (Fascia 2)

Present:

N.L. – Nick Low

B3 – Service Supervisor

N.L. The first area I'd like to explore is the different types of customer groups that actually use the bank here, so can you describe the types of customers groups that would use the banks services

B3. Traditionally, obviously the name above the door is [Placement bank]; we have a traditional set of old school building society customers. So those are people who are, that tend to be aligned to a savings and investment style of service, so you are talking about people who are quite traditional in their outlook in so far as holding pass books rather than cards and statements, people who are looking for a very personal service as oppose to a remote service. We've evolved over the last eighteen months, two years to actually start educating more of our customers that we are now a bank rather than a building society and with the new services we've got coming on line we've now got people coming in who are now more use to using the kind of banking style services. So at the minute it's a little bit of a mix between a very traditional base of ... you would consider it to be middle age plus, sort of forty, fifty years and above to a more diverse cross section of kind of working people, general kind of transactions, people who are looking to use the bank as a bank rather than as just a place to store their savings.

N.L. So those, traditional building society type of customers, what would their level of risk be, would there be a common factor amongst that group.

B3. In my experience, yes and in my experience, it would be very cautious. We very rarely, even with the investment side of the business, in my experience over the years we rarely find people who we consider adventurous in terms of their attitude to risk. More often than not you're finding people who are airing towards the side of the deposit base risk or collective investments at the very low end of the spectrum. We don't get people coming in trying to put money on a back of a horse. It's very much this is my nest egg which I've saved for years, I want to trust you to look after it and I don't want to lose the money. It's that kind of person.

N.L. Yes, and I suppose from within that group of customers what would they value out of the service you provide? What's the value that they get out of using the bank?

B3 It's very much a trust that it's being looked after. So the value they get out of it will be stability, growth without risk, and knowing that they've got somebody to talk to if it's not working for them or they need to make changes, that kind of thing, it's that very personal touch. Customers know when the staff changes, does that make sense? So like you can walk into any other bank that you might use on the high street, call them the big four, call them what you will. If you walk in there and it's not the kind of place that you would use regularly because most of the functions you have on your bank account are remote, cash points and stick it in a shop, then you wouldn't necessarily have that personal face to face interaction and have that relationship. Where as in here, we know our customers by name, they know us.

N.L. So that's quite important for them.

B3 It's important for those traditional banking customers, it's not so important for the people who use us a banking provider.

N.L. O.K.

B3. They need a function and a facility, rather than nice people.

N.L. O.K. so let's take that other constituent then, within that group of customers are there any other similarities.

B3. Yes, what in terms of their traits, I guess everyone is looking for an efficient service, ultimately, they want everything done right first time at first touch point, but they also want to be able to deal with everything. Here they don't want to be palmed off to call centres or they don't want to be palmed of to the internet, they want everything to be able to deal with here and they want it to be dealt with now with someone. More often than not we find that across the traditional group as well as the banking customers, because the people who are coming in here to open their bank accounts are people that, by their nature are not the ones calling up to open on line or on line call it up to open it via the telephone going direct, they want the personal touch.

N.L. Right, so they are less likely to do their banking on line

B3. They'd use the facility because we promote the facility for their convenience, but they would always expect to be able to come in here. If

something goes wrong on line, they don't want to be going through the contact centres to do it, they want to come in here and have us do it for them.

N.L. So do they know that then? When they open the account is that something that....

B3. We very much ... when we open an account for someone in branch, we very much try to create a relationship with that customer. So we have for example a contact program, the business calls it the customer tracks program, so once that customer has opened a bank account with us we then manage the relationship thorough, kind of the early stages if you like, just to make sure obviously the facility has been set up correctly, they've got the account that they want, and then further on down the line are they actually using the account and understand the facilities they've got and how it can benefit them. And then what we're looking to do is develop that, whereas we use to for our and still do for our traditional savings customers do a six month or annual review and we proactively call up those people and they discuss their accounts with us just to make sure that they are still getting the right thing, we're trying to bring that on line with our banking customers as well. Certainly, we've got customers who are paying for their accounts and it's really important for us to understand if they are benefiting from that, so it's kind of a review basis to make sure they are still benefiting from the account.

N.L. O.K. So within that constituent are there any sub groups that you could identify.

B3. Well I guess within any financial institution you will always see people in various life-stages aren't you. You've got the people who are just sort of ... you know they've had their accounts with us since they were babies, that their Gran opened up for them and now they've developed through to fully fledged banking customers. You've got people who are I guess financially excluded, so they can't find financial products for them anywhere else and as a bank we have a raft of products we can support them with. We've got workers, the people who are paying their way through with their mortgages making ends meet and you've got the retired people at the other end of the spectrum who are trying to make the most out of the money they've got.

N.L. You mentioned about the traditional or retired people, those other groups that you've mentioned are there any key points of value that they would get out of this particular branch ... that is specific to [Placement] banking?

B3. I think it is the personal face to face relationship. You'll get customers within all of those subsets that'll come in and expect to see a specific advisor, so to give you an example, Ian who's been here for twenty years, they won't come in and see anyone else, they will come in and see Ian. And the people who come in and see Kath, who's also been here like twenty years, they expect to come in and speak to her and she knows them, and it's real personal. So it's very much a relationship built on trust that either of them, or any of us are going to do the right thing.

N.L. So those different groups, or sub groups in effect are treated exactly the same in terms of the way there're managed.

B3. Yes, we would like to think that the way that the relationship is managed is the same, the way that the relationship is, if you like born is the same, I guess what differs is how the customer wants to administer that relationship, because some people don't want it, they've got their account thanks very much, hands off, but actually some people like to be nurtured through that, they like to be looked after, they don't necessarily understand it. So that those are the people who want us to look after them and make decisions for them.

N.L. And within each group there'd be a mixture of those different types.

B3. Yes defiantly, there's no set thread of people within any of those groups that would be one or the other.

N.L. O.K. Thank you. Is there a mission statement that the bank has, from Head Office has issued that says this is what we our service to look like?

B3. I guess at the moment the mission is ... the tag line if you like is to become the compelling alternative. So what they're striving for us to achieve is that people will choose to use our services based on who we are and what we do and how we do it, rather than we've got the ultimate best products on the market and therefore you'll flood to us. So it's a proposition based on service and trust rather than wow we're got a fifteen percent fixed rate bond so they queue down the street. So people are compelled to come to us and the other thing which we are striving for is to develop customer advocacy so again part and parcel of the [Placement bank] value is making sure that our members and our customers are advocating the service that they are receiving from us. So we will always try to proactively source our own business, but it's a fantastic position to be in if customers are going out and bringing business to us,

because they've had a great service, they've got the best thing to meet their needs.

N.L. So how strongly is that message that comes down from the Head Office, how strongly is integrated into the way things are done within then bank?

B3. Quite well integrated I think, in terms of being the compelling alternative, I guess that's always been the goal, but it's something that's being openly talked about, in terms of how it influences our customer promise and how it influences our strategy and the way we launch products and similar services. In terms of advocacy it's very much a work in progress, so we're now building in, within this branch for example, we're going to be openly asking customers how they found the service, we're going to be openly asking them whether or not they know anyone who might benefit from the service in the same way that they have, so we're actively going to be asking them to actually, ... if it's been good for you, well tell your friends about us because we want to be able to help them as well, so trying to grow the business that way. It's a lot more organic than throwing a big five percent worm out and hoping people bite on to it.

N.L. O.K. Thank you. The next area I'm interested in is the physical design of the branch. So I wondered whether there was anything specific in terms of the way that the branch is been designed that influences the customer experience.

B3. In a nut shell, no. This branch specifically has been born out of a number of changes over the years where we were originally Bristol and West, at the other end of town was the [Placement bank] building society and this was the site they decided to use. Given the number of advisors and people working on one site as opposed to two, they remodelled this place to look as it looks now, and it hasn't changed since. So this we've moved forward but we haven't had any structural design changes in so far as how the branch is laid out. Is it conducive at the moment in my opinion to be the best laid out branch to deal with the banking operation No and I don't think there's any one in our directorship that would disagree with that. It doesn't provide a brilliant customer flow, probably the best thing we have got is a host desk which is in customer sight and obviously that person can then direct, but other than that it's a funnel of offices, and the counter positions which would be the place which is always manned is out of sight as you walk through the door.

N.L. O.K. so in an ideal world, what would be the ideal configuration of a [Placement bank] branch.

B3. For me the ideal configuration is a well signposted branch. So as you walk through the door, you should see your goal, you should know where you're going to be ending up. If I'm looking to transact, there should be a counter in front of you which I can aim towards, be there a queuing system built in to it whatever, when I walk in I expect to see where I've got to go to do what I want to do. Equally there needs to be that host position in order to direct people to the other kind of services, because what I don't want to do is as a customer walk into a branch, queue up for fifteen minutes whilst someone paying in fifty quids worth of two pence pieces, to say I've got an appointment booked with someone ten minutes ago, and we find that, if people are busy in offices, taken up with customers and the counters busy, you do find that people are waiting. That's a very simple thing where they potentially could be signposted somewhere else.

N.L. The open style of the counter, as opposed to a fixed fortress style, what would you say in terms of the experience the customer has, is there anything you could say about that.

B3. We've always ... it harks back to a very traditional building society style design and it was a conscious decision made at the time. [Placement bank] made a conscious decision to have that rather than have screens because they wanted a more personal service. The little old ladies with their Pass Books would be coming in, didn't want to be talking through two inches of bullet proof glass through a speaker. It was a very tactile experience, so in most branches the levels were set where actually the general advisor could actually lean over or react or interact with the person on the other side. So it is a lot different to walking in and being faced with a sheet of Perspex and trying to communicate with the person by shouting at them on the other side but with that, having seen models in other banks, the one thing that it does do is, it does pacify customers.

N.L. What the open style?

B3. The open style, so it ... in so far as and I don't know the reason behind it, but once you have the glass in between you and that person actually the barrier almost creates a behaviour in the customer where they're happy to be, if you like, more abusive should something not be going their way. Once that glass is removed you actually got your face to face with someone, you do tend to find that people whilst they do get aggressive on occasions, are a lot easier to pacify. I don't know why that is.

N.L. That's interesting, so overall the open style would influence the overall experience of the customer.

B3. I think it's more relaxed, I think it's a much more relaxed style of dealing with customers because it's a more personal style. Purely from a psychological point of view, when you walk into somewhere and you have to talk glass immediately you're alienated from that person, the experience, there's something in between that connection.

N.L. O.K. so there's a balance, somewhere in between the relationship you form with the customer and the security of the branch.

B3. And that's it, and that's the other issue, we have obviously other protocols that we have in place in order to protect what we're doing, in terms of assets, in terms of people, but ultimately you have got a situation where, if you like you've got the cash accessible, in an open position should people deem it upon themselves to want to go in an attack. That can happen

N.L. O.K. in terms of the design of the environment, anything else that you can think of

B3. No not really, as I said the way this branch particularly funnels is wrong, it's not conducive, it's not clearly laid out, the counters hidden when you come in and the banking hall, for instance we call it a semi private desk, the little desk just out there where you were sitting when you came in. It's not private, it's not even semi private. It's a desk, so yes there are ways it could be improved certainly.

N.L. O.K. in terms of the customer and how they get involved with what they have to do here, are there any ways in which the branch makes it easier for the customer to do what they need to do to manage their account?

B3. What physical access?

N.L. Yes, those sorts of things

B3. I can't think of anything out of the ordinary, you mean in terms of how they get into the branch or how they physically operate the accounts.

N.L. Yes, those sorts of things.

B3. Well, obviously we attempt to get everything on a level where anyone is able to access the branch, so we're step free and the counter is at a tiered level. We'll always try and accommodate people who can't reach the counter or able to physically get to the counter. We really take a common-sense approach to assist people to make things as easy as possible to transact.

N.L. In terms of when they are in here, are there any distractions that you have to manage?

B3. Yes, like other customers, again given the nature of how the banking hall is laid out, people are going to be queuing past the banking hall where people are potentially just browsing for information or looking for help, who's who, we don't know because there's no queuing structure, there's no queuing system. Equally because of the way it's laid out there's minimal privacy for people that are transacting at the counter, which going back to your question about subsets of people, you've got a definite bank of people, no particular age group or anything, but a bank of people who want to do everything at the counter. They do not want to sit down in an office with someone because they see it as a threatening situation perhaps or they think they are potentially going to be sold something they don't want because of an experience they've had before somewhere else, so everything will get done at the counter. That then creates an issue for the person behind who wants to take out twenty quid. So the difficulty we have, I suppose in terms of making it accessible is that person understanding that certain things can't be done there for those reasons but then you haven't always got someone physically able otherwise to take that person and deal with what they want.

N.L. So how do you manage that situation?

B3. The only way we can manage it is to have a discussion with the customer about why we can't do it, give them the alternatives i.e. waiting, coming back, and making an appointment, until someone is free to do it in a more private area for them. But ultimately if they decline all of the offers that we make for alternative then we do our best to accommodate them at the counter. Unfortunately, then that can be then at the disadvantage of other people waiting at the counter

N.L. O.K. Is there anything specifically that you do within the branch to engage, to gain customer engagement, to build customer engagement with the bank.

B3. Yes, we're tied up with a charity, the carers trust, we always have a charity which we're dealing with year on year, so we're constantly having open days and fund-raising stuff to try to engage customers with that. We promote community funding and certainly now coming up that is unique to Plymouth which is [Placement bank] community funding where any community organisation can apply for funding for this particular type of grant, our customers

then over the next few months will be allowed to vote for the one they want to get the funding, so it kind of links the community with ourselves and obviously promotes membership of the [Placement bank] with the customers we see.

N.L. Anything else in terms of outside the [Placement bank] brand that you would do?

B3. We try and work on a sort of know your customer basis, not just in terms of understanding their sort of requirements, but being as personal as we can with them at a level they want us to be personal. Not everyone wants to be. You will always find people week after week after week, you've got the same customers coming in and they'll randomly bring in flowers and biscuits and chocolates and any number of things because they've got a relationship with the people that they're dealing with.

N.L. Is that's something that's driven by you, or driven by the area that you work within or something wider from the organisation.

B3. I think, it's difficult to say to be honest, because my personal philosophy about how we deal with customers is probably quite in line with how the [Placement bank] wants us to deal with customers anyway. So bearing in mind I've been in this branch since the end of 2008, it would be very difficult for my team not to be influenced by my management style and how I want them to deal with things, so I'd like to think that actually the way that we deal and how we deal with people is driven by myself and I very much lead by example.

N.L. Let's put it a different way then, it's driven by you but is there an overarching culture within the bank that that is the sort of behaviour that they would want from branch managers.

B3. Yes defiantly, I guess talking about the strategy behind customer advocacy and the customer promise, which is very responsible, personal. It's how the business wants us to work. So all these guys will have objectives and they will have key performance indicators so they can be numerically calculated against what we're doing with customers on a day to day basis, but ultimately we try to work on the basis that you do to the customer how you would like to be serviced, treated yourself. So I guess if you take Heather Lauder, who's the head honcho, director of colleague customer engagement her words "I want you to serve the customers the same way I'd like you to serve my mum if she came in and was being served by you". Would I be comfortable with how you're dealing with her?

N.L. That's interesting.

B3. That's the ethos that's she's perpetrating throughout the organisation.

N.L. Thank you, you mentioned about distractions for customers are there any other problems that you have in providing a good service.

B3. Barriers do you mean?

N.L. Yes.

B3. Phones, we are as part of the personal touch I guess, whereas most other banks will have a call centre we're direct, so you don't get to call a branch, you can call us anytime you want during working hours. So balancing the priority between who's in front of you and who's on the other end of the phone is a constant difficulty. We tend to find people on the end of a phone calling us up can be seen as less important than the persons how's in front of us, but they're customers all the same, it's just that they're interacting with us in a different way. Because its ring, ring, ring, ring it's a distraction rather than a call to action, does that make sense.

N.L. Right, it's a distraction to the customer that's in the branch.

B3. It's a distraction to the customer, but it's a distraction to ourselves as well. If I'm with a customer and I'm talking and all I can hear is the phone ringing because actually there's a queue of people and everyone's busy, I'm thinking somebody needs to be answering that call. The customers thinking nobody's answering that call, what if I was calling.

N.L. So how do you get around that?

B3. With great difficulty we try to operate a three ring policy, so someone picks up and at the very least takes a message for a call back, but individuals have their own personal thoughts and feelings about how that is and going back to how would you like to be treated, it's very much down to the person who is sitting next to that phone who says if I was dealing with you face to face now and if I'm the most important person to you why are you picking up the phone and talking to someone else and I'm inclined to agree with them.

N.L. So that's a dilemma that you have to constantly manage.

B3. Yes

N.L. O.K. and your customers to this branch have got direct access to people within the branch. How often do they take advantage of that, in terms of ringing you rather than a call centre?

B3. It depends on the customer. You get customers who all they do is deal with us by phone, not exactly transact, but look for information and we have to try and be as flexible as possible with people who are slightly more incapacitated and aren't able to get in, so more elderly customers and it depends what is going on at the time with the business, have we launched a product, have we got some kind of promotion going on as to how busy that is.

N.L. O.K. so we talked about the phone, any other distractions or any other problems that have in providing the service.

B3. No, not really, only not enough hours in the day to do what people want us to do, I think that's the same in any walk of life.

N.L. Yes, O.K. The next area I'd like to understand is a little bit more about how the support processes that you provide to employees are delivered, so can you describe how colleagues are recruited and details of their induction program.

B3. Yes, recruitment starts at ... I'll take you through the whole process. If I have a vacancy arising say someone is due to leave or hands in their notice, we operate a recruitment authority report form, I complete a rationale behind why I want to replace that person, what's the business requirement for it, and then that gets moved up the line to the people that manage those budgets to make a decision and tell me whether or not we're going to re-recruit into that position. Once that's done we have a central recruitment department within our people side which then set up adverts on line. If necessary, very rarely these days we go to agencies for the specialist roles perhaps. People then apply, they get shortlisted by the telephone recruitment guys at head-office who will do competency based interviews over the phone and then we get our own shortlist for people to interview. We will then interview with a minimum bank of two people, so normally two people managers, line managers. We then interview with a prescriptive set of competency base questions which for good or ill are read verbatim and then essentially, we score based on appropriate responses to the behavioural indicators and then we bench mark them and if they are shortlisted they are bench marked over a certain number, then if they hit a bench mark number they go into the mix for selection. Once they hit that bench mark, they're recruitable, so for instance it's not about whether I necessarily like the person, it's not about if I think that person was dressed in what I thought was appropriate, it's a case of do they deliver the behavioural indicators that would make them a good employee as far as the [Placement bank] is concerned. So it

takes my personal opinion out of it. So I'll give you an example if I say to head office, I've got three people I've interviewed, the first two didn't benchmark because of various indicators, the third one did bench mark, they scored alright with the questions that we asked them, but actually I wasn't quite sure, I would be shot down in flames because actually it's my personal opinion, a personal reason which they say potentially could be discriminatory.

N.L. So you then if they reach the benchmark, and you've got a vacancy, they're recruited.

B3. O.K. and that would be the same if we do, we do interview workshops as well, so for example if there were three vacancies for instance in our area at once, we'd have a pool of people to interview in one place and the two recruiting managers at that point would then bench mark for the rest of the guys. So you could be in Truro, I could be interviewing and I would select Joe Blogs to be your employee because they benchmarked. You might have never met them before, you don't even know what they look like, how they behave, how they act, whether they've got three heads, four arms and fifteen fingers they're going to be walking through your branch soon as an employee.

N.L. O.K. so there's a certain level of consistency at least with the people that are taken on. What would their induction look like?

B3. The induction process starts with a month of referencing, so credit checks, and all the rest of it and once they're in branch they get an induction process which is around an introduction to the bank, you would have essentially a three month, kind of initial process which goes from mandatory training, the regulatory things you have to know to work in the bank, moving on to skills and products and then systems and then essentially you would go on a welcome event up in Manchester where someone from the directorate would come and talk to you as well and talk to you about the values and customer promise and what it means to be a member of [Placement bank]. You come back for a week, couple of weeks and then you'd go on what we call a three-day skills workshop and that's where we talk to you about how to actually deal with customers. So being a commercial organisation obviously we need to make money, to make money we need to talk to customers in an appropriate way about the services and products we offer, and that's what they get. So they then come back into the branch and they have a set number of observations by myself, interactions with

customers to make sure they are doing things right and they do understand the processes before they go live.

N.L. So they have a three-day program, how far into their employment is that three-day program.

B3. Normally within the first month.

N.L. I see, so the first two or three weeks are getting to know the place.

B3. Yes work shadowing; observing the advisor to find out what we do, you maybe go into other branches to see how they're set up. You would normally get people set up on the system for example, Nicks new, he's only been here a month, so he's now confident to do basic transaction accounts but for the first couple of weeks he wouldn't be able to do that, he'd have somebody sat on his shoulder.

N.L. And then after that three-day meeting, what happens then?

B3. You get a sign off period over three months, six months, twelve months, where you would have a fixed set of observations of interactions with customers where you have to hit certain marks, what the business wants you to deliver in a customer interaction in order to get to a competent status. So you would go through induction, initial sign off, and then you would get to a point where what we would consider you to be maintaining competence.

N.L. And that observation you carry out is that based on the same criteria as you do for everybody else?

B3. Yes

N.L. Same form?

B3. Same form

N.L. O.K. so how long would you say their induction period lasts then?

B3. It depends on the individual, it depends on their previous experience, it can depend on their age.

N.L. O.K. so they're in their induction periods until they are competent?

B3. Correct, the business puts into place end time periods, so you should have done this by three months, you should have achieved this by six months, you should be at this stage by twelve months, but it does very much depend on the individual. If you've got somebody who is very technically competent, so has got a really good affinity with systems, not just understands computers and has got a lot of experience with them, well actually, the knowledge and skills based part of their induction could be days rather than weeks because they just

understand it. For someone who hasn't had that much experience with computers or hasn't had any industry experience that could take a lot longer. So while we aim to get to an end goal within the time periods that the business expects us to get those people to that end goal, within those parameters people could be a hell of a lot quicker than we would necessarily expect.

N.L. O.K. so we get to a point they're signed off as competent, what further training would they receive over the course of their career with the bank.

B3. Most of it depends on the level you are at essentially. If you're a General Advisor then most of the training and development you would get is very much in house in the branch, so we would have weekly training sessions. Every branch has at least an hour a week, a weekly training session where we would debrief teams on things that have happened, not just in the branch, the industry but also for the organisation. So central communications for example, but also any sort of product changes and technical changes. Every month they have mandatory training, so that regulatory training, things like data protection, information security, risk management etcetera and also they would have coaching and development plans in place for either skill or behavioural shortfalls at any moment in time and they could be long term or very much on the spot.

N.L. So those development plans, do you draw those up?

B3. Yes

N.L. And again that process is part of a companywide process?

B3. Yes

N.L. It's not just something that you have introduced?

B3. No, it's very much a companywide process.

N.L. And within that development process you mention about behavioural skills, are they set against a company bench mark?

B3. Yes, they're call role profiles, for any of the roles will indicate what we're expecting out of people, but equally there is an amount of common sense involved as well. I've been a manager long enough to be able to use my discretion in order to determine whether or not they're dealing or behaving in a way that is appropriate to the way we want the branch run. The thing with skill gaps potentially at the moment, a good example actually is that we're integrating lots of new systems at the moment, lots of new products and processes, so we've got to make sure the guys that are on the front line and deal with customers face to face every day, they are confident enough to be

able to deal with those. That could be buddying up with someone who's experienced, work shadowing. It could be sitting on the shoulder and go through the process, it could be one on one training, it could be CBTs, it could be any number of different ways that, that could be done.

N.L. O.K. within the observation and development plan what sort of emphasis would there be on relationship building?

B3. It depends on what you're working on. If you are dealing specifically around customer interaction, then obviously that's going to form part of what you are looking at, but really customer relationships is going to pretty much sit underneath everything your looking to achieve. If you're coaching for something that isn't about developing coaching relationships or impacting on customer relationships rather, then kind of what are you doing it for. Does that make sense?

N.L. Yes, O.K. and the observations would drive that development plan?

B3. Observations can drive it, specifically observations would drive it for a customer relationship advisor, where they are potentially at risk of breaking regulatory processes, but more often than not my guys will come to me and say I'm struggling or I need some help with this or I'm not sure about this how would you deal with that and we would deal with it that way. The observations for these guys would be mandatory for me to observe them at least once a quarter, minimum to ensure that they are actually dealing with people in a suitable fashion, so within the regulatory frame work and within the way the company wants them to operate. Out of that may come issues where they are shortfalling on those specifically or it might be that actually some of the behaviours you would expect out of a competent advisor have slipped over the time and you'd address those as well.

N.L. Yes, I understand. So the observations, is that driven by the FSA or is that just part of the company way of doing things?

B3. Both, if you are in a customer facing environment you would expect to have a training and competence scheme, T&C scheme, and within that scheme you would expect, the FSA would expect us to have staged development with people and to be addressing issues with people. So not only do we have a regulatory framework that we have got to sit within, and we are audited against that, so if an auditor walked into my branch he would expect to go through my personnel files and expect to see we are having monthly reviews with them to

sure they are dealing appropriately and on track against their role profile. They would expect to see that we've done observations on those regulatory things, so do we know that they are dealing with data protection adequate, do we know that they are not offering advice where they shouldn't be. All those things need to be documented. So you've got minimum standards and I guess the good managers out there are going over and above the standards.

N.L. O.K. thank you. So within that whole training program is there anything there that is specifically designed to enhance customer experience.

B3. Pretty much all of the observations around sort of customer interactions are driven with that underneath it, I guess the only thing is they can be quite mechanical, because we have to hit certain touch points from a regulatory point of view. The two things don't necessarily go hand in hand. Customers don't know what the FSA expects us to do as a business, they just want us to treat them like human beings, which whether we like it or not we can't necessarily do everything they want us to do, how they want us to do it because we're not allowed to do it that way. So when you start talking to the customer about actually I can't do that for you because I'd be breaking the law, even though to them it's the most simple common sense thing you could possibly imagine, that's where sometimes it breaks down. And those kinds of things are unavoidable, so I can give you an example, I had a prospective customer the other day on the phone who wanted to open an account with ourselves who didn't want to supply me with identification because actually she's over seventy years old. She knows who she is, she's lived where she's lived for seventy years and why wouldn't I just take her word for it. We still get that.

N.L. It creates a problem.

B3. Well unfortunately there are a batch of customers in every organisation not just us, who because they have money to invest, feel they should be treated as the most important thing to you at that moment in time. Whether they are or whether they aren't is irrelevant, it's whether we can or whether we can't which is the important thing, which they don't necessarily tie the two things together.

N.L. Thank you. In terms of the organisation then, is there a standard that the organisation expects a General Assistant to interact with the customer. Is there a standard process that they are expected to follow?

B3. Yes, but it does depend on the interaction. So to give you an example if one of my guys is making an appointment for an advisor, so a customer relationship

review for example they would promote products and services to try to enhance the relationship they have with us, make them better off financially. To do that, we'd sit down and review the situation. There is a set process that the business expects a General Advisor or anyone in the branch to follow in order to do that appropriately. So ensuring we capture adequate information, to make sure the customer experience is as smooth as possible, so if you've made an appointment today, you'd come in tomorrow and actually the person in the office knows nothing about it, so how the diary system is used, what information we should be asking upfront of the customers. So i.e. credit worthiness, are you bankrupt at the moment, because if you are there's really no point in coming to see us because we can't do anything for you. So it's making sure we manage that relationship well enough so that there not wasting trips and journeys and to know what to expect out of the appointments as well. So if I come in because I want to talk to you about x but actually when I get in front of the advisor their process, to do the best job for you is to spend an hour with you talking about things you might not necessarily understand you were coming in for that's not a good position to be in. So the appointments have to be set up appropriately and yes there is a definite format for that. There is also a different format if the customer actually is like "no I don't want to see anyone, I want to do something with you over the counter and I want to do it now". Then we have what we call an execution only process. There again, very specified stages that they have to do.

N.L. O.K. so is there anything that, if it is a customer review, in the way the business says I should act towards the customer.

B3. Yes, while there is definite room for personality and definite room for moving for what the customer wants to achieve, the format and structure of the review has to be consistent. You should be able to walk into this branch and get the same experience with an advisor as if you walked into St Austell branch. So not only from the regulatory point of view but from the structural point of view the inputs and the outputs should be the same. So I should expect to walk in and be given a card, I should expect to walk in and be given an engagement letter which actually says what we are going to do for you and whether you want us to do that. Those things should be consistent. You should be expected to be asked if there is anybody else you would like to attend with you. All of the scripts that need to be read from a regulatory point of view should be the same.

The review process depending on what the customer is looking for should be the same, but within that, that's where it starts to get a bit more personal for the customer, and that's where you get an opportunity to expand, when you're their exploring personal situation.

N.L. O.K. do you give any guide lines to you advisors as to how to explore, how to play that conversation out.

B3. There are caveats within our review process which would look for specific information, but that itself is down to the personal sales skills, coaching and development from myself, from other colleagues and if you were a Customer Relationship Advisor, your sales skills course would be different to a General Advisors, they would help you exploring opening up customers.

N.L. O.K. and that's all supported by you coaching and observing what they are doing?

B3. Yes.

N.L. Fine, how is good customer service rewarded within the bank. For employees, how is it rewarded?

B3. We have a quarterly incentive scheme which is based on customer quality. So we don't have any sales targets, and we're not rewarded for financial outputs and the reason the business made that decision is that it potentially drives the wrong behaviour, for example if to earn a bonus you have to sell eight Visa cards, are you doing it for the best interests of the customer or your best interests. So we've taken it out of the equation because it's actually not fair to the customer to be doing that. So what we have is customer quality and risk quality. Customer quality will be based on customer satisfaction scores, so our head-office will make random phone calls to customers we transact with, and basically ask them about how they feel about it and we'll have an index score. We have mystery shops, so people are employed by the organisation to come in and go through an entire process with us and we'd get scored on that and that's where it ties in with the processes these guys have to follow in terms of hitting touch points

N.L. Yes, the mystery shopper would base their assessment on those standards that are expected.

B3. Yes and it's quite interesting, obviously as a manager if my guys know that I'm sitting in, well they're going to hit those touch points aren't they because they know I'm going to be ticking a little box to say they're doing it. They don't

know with the mystery shoppers, so it encourages them to consistently apply those standards which is good. Then we have the risk side of the business which would be again linked to customer service is what we call AML errors.

N.L. Sorry AML?

B3. Anti-money laundering errors, so if we have opened an account for you have we taken appropriate identification to cover the know your customer requirements for the FSA, links into customer service in so far as if it's wrong, then you're going to end up making a hundred trips back in, or your account might not be opened correctly and so on and so forth. As well as them we have sales quality. So if one of my guys sells an account which you have to pay for, I check one hundred percent of those cases which have been written up by us. I would look at the review that's taken place with the customer and I would go through each section to determine the benefits to the customer has been adequately addressed. So actually, based on what the customer has told us, does the product meet the needs of the customer, and if it doesn't we would insist on the advisor to re-contacting the customer or me re-contacting the customer in order to ascertain further information. So I would check it, and then essentially it would get submitted to a sales quality team in head office who would also check it and again if they don't agree it's appropriate for the customer they would come back through us, through the channel in order to re-contact the customer. So it's quite tightly managed. You can't walk out of here with something that is not appropriate.

N.L. Right, so those are important quality measures, but how is it rewarded?

B3. Yes, because we're indexed on those, there are certain bench marks we have to achieve and basically if you achieve them, you'll get a pot payment perhaps, which will be based on you hours of work, but it will be standard across the board.

N.L. So the marks are branch marks, so if you achieve that level then everyone within the branch would get a payment.

B3. An allocation, yes. So I would get the same as the general advisor who would get the same as the CRA. So whatever it might be the company deems is appropriate at that point.

N.L. So that's a financial measure I guess, are there any other ways of rewarding good customer service?

B3. Basically, we have central newsletters, we have area newsletters where we talk about things, we get feedback from customers directly with letters, phone calls etcetera, then we talk about it in the branch, but is there anything which is specifically there to recognise that, other than the slap on the back that you would get from me or from manager or directorship, then there wouldn't be anything else that would necessarily reward that.

N.L. How much discretion do employees, are employees allowed in terms of making decisions in favour of the customer?

B3. Quite a lot of discretion, it really depends on the situation. So if you're determining by the discretion by how you deal with a complaint, then the discretions quite wide. These guys can compensate, I can compensate at a higher level, but basically what we say goes. So whether or not head-office agrees if it's a valid complaint or not, if I believe it's a valid complaint, then I can recognise it as such and compensate as such. In terms of process discretion, not that much because, there are set ways in which things have to be done.

N.L. Right

B3. So personally I will always try to find the route of least resistance to help a customer get to the position they want to be in a way which is conducive to them being satisfied with the interaction. If I have to follow a certain process which doesn't, isn't conducive to that, that is what it is. We can't, there are things we have to do in a certain way. The difficulties we have at the moment is are head-office functions which we have to deal with for a number of our processes are a little bit out of kilter with [Placement bank] branches still being on board. So we still phone up now and they don't know who [Placement bank] is. Which is concerning. Sometimes we have to take matters into our own hands. So to give you an example of very recent of me using my managerial discretion is, we changed the process two weeks ago about how we deal with opening fixed term deposits in branch and each channel of the business had a set process they had to follow, so our online department had a set process, if you have a bank account with the [Placement bank] there was a different process and if you were a [Placement bank] customer with no bank account there was a different process again. It's quite confusing. In my view it should be one channel, one process, you should be able to interact with us how you want to interact with us, it shouldn't make any difference. How you choose to do that, the outcome should be the same. And as an example of how that can go wrong,

a customer who is an online [Placement bank] account customer applied through the [Placement bank] on line channel because she had [Placement bank] savings accounts because she didn't know she had to follow a set process, why would she, who then told her to bring in certain stuff to us which then, our process said we couldn't action because of the other caveats. And so she came in and said "well why can't I do it here. I've got a cheque, I've got an account with you" and we're saying we have to do it this way because you've got a bank account we can't just do it the other way. She'll say "I've always done it this way in the past" you can't do it today, so in the end rather than have a stand up argument with the customer about what they could or couldn't do when they're standing with a cheque in one hand and an application form, you've always got numerous products ties with....just open the account the way that we've been able to open accounts for years and no one swang through the doors, like you know ropes and machine guns telling me to do otherwise, it's just sometimes you have to basically make a decision.

N.L. So that decision would be based on you experience.

B3. Based on my experience, but also based on if I were standing on the other side of the counter what the hell would I be thinking.

N.L. Just interestingly those different channels you mentioned, are they driven by different individuals or is there one team that would bring that all together that would then go out to...

B3. It would be our channel marketing department that would bring them together, are they together ... no

N.L. So you'd have a custodian I guess in head-office that deals with each different aspect of banking and they would be separate people that wouldn't be reporting to a central team leader in effect. They'd be all separate departments running different functions.

B3. Yes, they would and I guess one of the problems we have at the moment if anything is that there are still massive amounts of the organisation which are operating as different elements and what the company is try to do is get us into a one brand situation. We have unique processes. So the way we open fixed rate bonds for customers even though they are the same product is completely different to the way our colleagues down the road open an account for their customers. The end is the same, the process is completely different. They're now trying to align those processes.

N.L. That obviously influences the way in which customers are serviced and get their products.

B3. Yes

N.L. O.K. and in terms of the end product that a customer would be purchasing, the interest rate, the bond rate, those sorts of things. I'm assuming that there isn't a great deal of discretion on that. That's whatever the product is, its fixed.

B3. Correct, yes there is zero discretion on product proposition. The days of the bank manager being able to get his note book out and give you the APR that he thinks you should have, they were dead in the sixties.

N.L. O.K. and how easy would it be for a customer to adapt or customise the service that they've got to meet their specific needs. Is there anything a customer can do?

B3. Only in terms of the route that they can operate, so the channel by which they choose to operate. So they may be open the account in the branch with us, they can then operate their account via head office or any other branch in the network and again it depends on the facilities incorporated within the accounts they open, but what we try and do first touch is to get the right account open for them so they get to use the facilities they want in the way they want to use them.

N.L. Are they advised of the different elements that the bank offers and some of the branches.

B3. Whenever we open an account for a customer, we'll always go through the channels which they can operate it.

N.L. Right, so that flexibility, they're made aware of that.

B3. Yes, whether they choose to use it or not is obviously up to them. What we don't do is advise customers on the most appropriate product for them, we've got one person in the branch who can offer advice and that's the financial planning manager next door. My customer relationship advisors, they can offer advise on how to best manage the relationship with us, what they can't do, they can't advice on specific products.

N.L. Right so the customer would customise their own end product based on a set of suggestions that the advisor can provide.

B3. What you would do is you would sit down with us, you would go through a review of your need areas and we would highlight areas. It's helping the customer highlight areas of importance. So areas we can actually help with.

N.L. Right.

B3. We would then summarise that to the customer. "What you have told me that is important to you is. You've told me what is important is X, Y or Z, your goal is to get blah, blah, blah out of your money, based on what we have agreed and what we have discussed the products we have got are this, this and this. This one does that, that one does that, which one of these do you think would be the most appropriate to meet your needs.

N.L. O.K. now you mentioned mystery shopper and you mentioned the telephone survey, are there any other measures that you're measured on, or that measure customer experience, customer service that the bank follows?

B3. Only really the complaints process which is as good a measure as any, we try to document any level of customer dissatisfaction, whether we can resolve it or do anything about it, is another matter altogether, but if someone's not happy about something we do feed it back to head office through a dissatisfaction form.

N.L. And do you get feedback on the level of complaints?

B3. Yes again it depends on the nature of the complaint or the nature of the dissatisfaction, but it all feeds into our customer feedback centre at head-office, so you would assume certainly if there were trends in the level of complaints, the type of complaints that were being made across the business, then that will obviously would be escalated.

Appendix 14 Screenshot of hierarchical coding template (Pharmacy Customers)

Analysis of organisations customers (NVivo 11).nvp - NVivo Starter

FILE HOME CREATE DATA ANALYZE QUERY EXPLORE LAYOUT VIEW

Nodes Look for Search In Nodes Find Now Clear

Nodes

- 1. Relationships - Focus
- 2 Relationships - Sensory
- 3. Relationships - Adapta
- 4. Relationships - Interact
- Customers
- Cases

Sources

Nodes

Classifications

Collections

Queries

Folders

NML 241 Items

Name	Sources	Reference	Created On	Created By	Modified On	Modified B	
1. Focused Attention	31	438	15/12/2014 0	NML	27/07/2016 12:5	NML	Yellow
1. Primary goals for using the pharmacy (What is important to the Patient)	30	164	05/01/2015 1	NML	12/11/2016 10:1	NML	Orange
a. Ability to access a pharmacist- to facilitate; gateway to achievement of goals	8	13	05/01/2015 1	NML	12/11/2016 10:2	NML	Yellow
b. Easy to do business with	23	61	12/12/2015 1	NML	27/07/2016 11:4	NML	Orange
i. Convenience	17	30	15/12/2014 0	NML	12/11/2016 10:1	NML	Yellow
ii. Quick, easy and efficient service	13	25	15/12/2014 1	NML	12/11/2016 10:1	NML	Orange
iii. The current service level is not easy to do business with	3	4	12/12/2015 1	NML	12/11/2016 10:2	NML	Orange
iv. Supermarket prices tend to be cheaper	1	2	15/12/2014 1	NML	12/11/2016 10:1	NML	Orange
c. Providing solutions to problems (Support and Advice)-Rectifying knowledge imbalan	5	7	17/12/2014 1	NML	12/11/2016 10:2	NML	Yellow
d. Consistency and Reliability	30	63	13/01/2015 0	NML	27/07/2016 12:1	NML	Orange
i. Accuracy of prescription made up	24	37	27/07/2016 1	NML	12/11/2016 10:1	NML	Orange
1. Accuracy	14	20	15/12/2014 1	NML	25/08/2016 16:0	NML	Orange
2. Checking-Active participation	9	11	17/12/2014 1	NML	27/07/2016 12:0	NML	Orange
3. Don't check- Generally either have done or occasionally do (demonstrates a	6	6	05/01/2015 1	NML	25/08/2016 16:1	NML	Orange
ii. Availability- The impact of owings	12	17	18/12/2014 1	NML	12/11/2016 10:2	NML	Orange
iii. Consistency	6	9	18/12/2014 0	NML	12/11/2016 10:1	NML	Yellow
e. Privacy is important during consultations	7	13	16/03/2015 0	NML	12/11/2016 10:1	NML	Orange
i. Approachable- confidential	2	4	16/12/2014 0	NML	12/11/2016 10:1	NML	Yellow
ii. Privacy in discussions- Discretion in how things are discussed	7	9	05/01/2015 1	NML	12/11/2016 10:1	NML	Orange
f. Urgency and importance of activity	6	7	17/12/2014 1	NML	01/11/2016 17:1	NML	Yellow
2. Distractions - Factors which prevent customer from acieving their goals	27	159	15/12/2014 0	NML	01/11/2016 17:1	NML	Yellow
a. Setting-the space in which the service is delivered	21	31	12/12/2015 1	NML	12/11/2016 10:4	NML	Yellow
i. Consultation room not sound proof	1	1	18/03/2015 1	NML	12/11/2016 10:5	NML	Yellow

14:18
15/11/2017

Analysis of organisations customers (NVivo 11).nvp - NVivo Starter

FILE HOME CREATE DATA ANALYZE QUERY EXPLORE LAYOUT VIEW

Nodes Look for Search In Nodes Find Now Clear

Nodes

- 1. Relationships - Focus
- 2 Relationships - Sensory
- 3. Relationships - Adapta
- 4. Relationships - Interact
- Customers
- Cases

Nodes

Name	Sources	Reference	Created On	Created By	Modified On	Modified B	
2. Distractions - Factors which prevent customer from acieving their goals	27	159	15/12/2014 0	NML	01/11/2016 17:1	NML	●
a. Setting-the space in which the service is delivered	21	31	12/12/2015 1	NML	12/11/2016 10:4	NML	●
i. Consultation room not sound proof	1	1	18/03/2015 1	NML	12/11/2016 10:5	NML	●
ii. Personal space at counter	1	2	18/03/2015 1	NML	12/11/2016 10:5	NML	●
iii. The impact of the physical space - Branches to small	20	28	15/12/2014 1	NML	12/11/2016 10:4	NML	●
b. Proximity of other customers	17	40	05/01/2015 1	NML	27/07/2016 12:2	NML	●
i. Conversations being overheard by other customers	4	11	17/12/2014 1	NML	04/04/2017 17:1	NML	●
1. Example	1	1	18/03/2015 0	NML	12/11/2016 10:3	NML	●
ii. Reticence to discuss medical condition with pharmacist-Not wanting to hold up o	7	9	17/12/2014 0	NML	12/11/2016 10:5	NML	●
iii. Listening to others conversations	5	6	18/03/2015 1	NML	12/11/2016 10:3	NML	●
iv. Presence and performance of methadone users	5	8	16/12/2014 1	NML	12/11/2016 13:0	NML	●
v. General impact of large numbers of customers	6	6	15/12/2014 1	NML	12/11/2016 10:3	NML	●
c. Speed of delivery	15	60	12/12/2015 1	NML	27/07/2016 12:4	NML	●
i. Employees actions	1	2	22/03/2015 1	NML	12/11/2016 10:3	NML	●
ii. Muddled operation	5	20	22/03/2015 1	NML	12/11/2016 10:3	NML	●
iii. Not separating prescription queues from other transactions	4	7	22/03/2015 1	NML	12/11/2016 10:5	NML	●
iv. Slow dispensing waiting time-large numbers waiting for prescriptions	11	19	15/12/2014 0	NML	12/11/2016 10:3	NML	●
v. The ability to be able to see into the dispensary adds to the sense of frustration	2	4	22/03/2015 1	NML	18/03/2017 13:3	NML	●
vi. Difficulty getting around the branch due to the large number of patients waiting	5	8	15/12/2014 1	NML	12/11/2016 10:4	NML	●
d. Being able to understand what is being said	18	28	06/01/2015 1	NML	12/11/2016 10:5	NML	●
i. Not understand what was being said (Impact on) Emotions	3	3	20/03/2015 1	NML	12/11/2016 10:4	NML	●
ii. Understandable accent	17	19	16/12/2014 0	NML	12/11/2016 10:4	NML	●
iii. Understandable language	6	6	16/12/2014 0	NML	12/11/2016 10:4	NML	●

Sources

Nodes

Classifications

Collections

Queries

Folders

NML 241 Items

100%

14:19
15/11/2017

- Analysis of organisations customers (NVivo 11).nvp - NVivo Starter

FILE HOME CREATE DATA ANALYZE QUERY EXPLORE LAYOUT VIEW

Nodes Look for Search In Nodes Find Now Clear

Nodes

- 1. Relationships - Focus
- 2 Relationships - Sensory
- 3. Relationships - Adapta
- 4. Relationships - Interact
- Customers
- Cases

Nodes

Name	Sources	Reference	Created On	Created By	Modified On	Modified B
3. Delivery system provides customers with sufficient knowledge to maintain control	26	115	06/01/2015 1	NML	28/11/2016 11:5	NML
a. Advice	26	92	07/01/2015 1	NML	12/11/2016 17:1	NML
i. Advice from the Pharmacist-general	26	86	15/12/2014 1	NML	12/11/2016 17:1	NML
ii Counter staff	5	6	15/12/2015 2	NML	12/11/2016 17:1	NML
b. Dealing with the impact of side effects	7	9	15/12/2014 1	NML	12/11/2016 17:1	NML
c. Branch leaflets	10	14	25/08/2016 1	NML	12/11/2016 17:1	NML
i. Learning from branch leaflets	8	10	17/12/2014 0	NML	12/11/2016 17:1	NML
ii. No	4	4	15/12/2015 2	NML	12/11/2016 17:1	NML
2. Sensory Stimulation	31	330	15/12/2014 0	NML	12/11/2016 14:5	NML
1. Humanic clue - The apperance and behaviour of employees	30	172	18/03/2015 1	NML	29/07/2016 13:3	NML
a. Appearance of employees - visual clue	6	7	05/01/2015 1	NML	29/11/2016 11:2	NML
b. Behaviour of employees	30	158	20/03/2015 2	NML	29/07/2016 13:1	NML
i. Acknowledgement	15	25	15/12/2014 1	NML	12/11/2016 12:1	NML
ii. Helpful - providing a solution	4	6	15/12/2014 1	NML	12/11/2016 12:1	NML
iii. Respect	4	5	18/03/2015 1	NML	12/11/2016 12:1	NML
iv. Polite - Courteous	9	12	15/12/2014 1	NML	12/11/2016 12:1	NML
1. Lack of	1	1	23/03/2015 1	NML	29/07/2016 13:0	NML
v. Building rapport	25	44	12/12/2015 1	NML	12/11/2016 12:1	NML
1. Friendly, pleasant, welcoming	22	38	23/03/2015 1	NML	25/08/2016 16:1	NML
2. Lack of	5	6	23/03/2015 1	NML	29/07/2016 13:0	NML
vi. Attending to the customers best interest	8	15	17/12/2014 0	NML	12/11/2016 12:1	NML
vii. Relationship building	11	20	12/12/2015 1	NML	12/11/2016 12:2	NML
1. Approachable (knowing the patient)	8	15	17/12/2014 1	NML	25/08/2016 16:0	NML

Sources

Nodes

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- 1. Relationships - Focus
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- 3. Relationships - Adapta
- 4. Relationships - Interact
- Customers
- Cases

Nodes

Name	Sources	Reference	Created On	Created By	Modified On	Modified B	
<ul style="list-style-type: none"> vii. Relationship building <ul style="list-style-type: none"> 1. Approachable (knowing the patient) 2. Lack of 3. Lack of due to staff changing viii. Listening viii. Acting in a professional manner x. Feeling cared for 	11	20	12/12/2015 1	NML	12/11/2016 12:2	NML	●
<ul style="list-style-type: none"> c. Conversation wth other customers 	5	7	12/12/2015 1	NML	29/07/2016 12:5	NML	●
2. Mechanic clues - Factors which influnce how the setting is perceived	29	158	18/03/2015 1	NML	29/07/2016 13:4	NML	●
<ul style="list-style-type: none"> a. Visual clues <ul style="list-style-type: none"> i. Cleanliness ii. Clutter iii. Visibility of dispensing operation <ul style="list-style-type: none"> 1. Being able to see isn't important 2. Being able to see what back office staff are doing is important <ul style="list-style-type: none"> 1. Good 3. Being able to see creates a poor impression iv. Customer seating is a requirement of branch design v. Retail Layout vi. Impact of leaflets and store information <ul style="list-style-type: none"> 1. Positive impact of leaflets and store information 2. Minimal impact of instore communication 3. Functional clue - awareness of price 	28	133	12/11/2016 1	NML	12/11/2016 12:5	NML	

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- 3. Relationships - Adapta
- 4. Relationships - Interact
- Customers
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Nodes

Name	Sources	Reference	Created On	Created By	Modified On	Modified B
3. Functional clue - awareness of price	4	4	15/12/2014 1	NML	25/08/2016 16:1	NML
vii. The impact of the physical space - Branches to small	21	30	12/11/2016 1	NML	12/11/2016 12:4	NML
viii. Presence and performance of methadone users	5	8	12/11/2016 1	NML	12/11/2016 13:0	NML
b. Auditory clues	7	10	12/11/2016 1	NML	12/11/2016 13:0	NML
i. Design of consultation room	1	1	12/11/2016 1	NML	12/11/2016 12:5	NML
ii. Proximity of other customers meaning conversations are easily overheard	6	9	12/11/2016 1	NML	12/11/2016 13:0	NML
c. Physical environment has minimal impact	14	15	15/12/2014 1	NML	12/11/2016 13:0	NML
3. Interaction-the ability to communicate	31	201	15/12/2014 0	NML	14/08/2016 12:1	NML
1. The ease at which customers can interact with employees	31	176	01/11/2016 1	NML	12/11/2016 14:1	NML
a. The ability to interaction with counter staff	23	63	16/12/2015 2	NML	12/11/2016 14:2	NML
i. Interaction with counter staff-some significant	19	47	15/12/2014 1	NML	12/11/2016 14:1	NML
ii. Inconsistency	2	2	22/03/2015 1	NML	12/11/2016 14:1	NML
iii. Bad	9	14	07/01/2015 1	NML	12/11/2016 14:1	NML
b. The ability to interaction with pharmacist	25	65	16/12/2015 2	NML	12/11/2016 14:3	NML
i. Positive interaction with pharmacist	5	6	15/12/2014 1	NML	12/11/2016 14:2	NML
ii. Being able to understand what is being said	21	41	17/12/2015 1	NML	12/11/2016 14:1	NML
1. Understandable accent	17	19	17/12/2015 1	NML	25/08/2016 16:0	NML
e. Evidence of interaction with other customers	3	3	17/12/2014 0	NML	12/11/2016 14:2	NML
2. Understandable language	19	22	17/12/2015 1	NML	25/08/2016 17:3	NML
iii. Providing patients with sufficient time	6	9	18/03/2015 2	NML	12/11/2016 14:2	NML
iv. iv. Pharmacist following up on the effectiveness of prescribed medication	6	6	20/03/2015 2	NML	12/12/2016 16:1	NL
v. Awareness of a lack of interaction with pharmacist because of workload or staff tu	3	3	16/12/2015 2	NML	12/11/2016 14:2	NML

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- 4. Relationships - Interact
- Customers
- Cases

Name	Sources	Reference	Created On	Created By	Modified On	Modified B	
v. Awareness of a lack of interaction with pharmacist because of workload or staff tu	3	3	16/12/2015 2	NML	12/11/2016 14:2	NML	●
c. Consultation Room facilitates conversation	3	5	15/12/2014 1	NML	12/11/2016 14:2	NML	●
d. The level of support provided by the pharmacist	8	18	07/01/2015 1	NML	12/11/2016 14:3	NML	●
f. Interaction with other professionals	17	25	15/12/2014 1	NML	12/11/2016 14:2	NML	●
2. The general responsiveness of the organisation	4	6	12/11/2016 1	NML	12/11/2016 14:4	NML	
a. Ability to make direct contact with the branch	4	6	18/12/2014 1	NML	12/11/2016 14:3	NML	●
3. Minimal indirect contact with the organisation	16	19	12/11/2016 1	NML	12/11/2016 14:4	NML	
a. Minimal indirect contact with the organisation	12	14	15/12/2014 1	NML	12/11/2016 14:4	NML	●
b. Minimal contact through website or text facilities	5	5	12/11/2016 1	NML	12/11/2016 14:4	NML	
4. Adaptability	31	279	15/12/2014 0	NML	25/08/2016 17:5	NML	●
1. Enabling the customer to participate in the delivery of the service (Their actions)	30	202	06/01/2015 1	NML	01/11/2016 17:3	NML	●
a. Choice	18	49	15/12/2014 1	NML	25/08/2016 16:0	NML	●
i. Ceding responsibility to the pharmacy	12	24	15/12/2014 1	NML	12/11/2016 17:0	NML	●
ii. Which pharmacist to use	5	6	22/03/2015 1	NML	12/11/2016 17:0	NML	●
iii. Choice to delegate parts that the customer can participate in back to the organis	4	4	06/01/2015 1	NML	18/03/2017 13:3	NML	●
iv. Pharmacist provides an alternative source of information	7	9	22/03/2015 1	NML	28/01/2017 07:5	NML	●
1. To accept advice	1	1	22/03/2015 1	NML	25/08/2016 16:0	NML	●
v. Lack of choice	3	4	06/01/2015 1	NML	12/11/2016 17:0	NML	●
vi. To change behaviour	1	1	22/03/2015 1	NML	12/11/2016 17:0	NML	●
vii. In deciding prescription	1	1	25/08/2016 1	NML	12/11/2016 17:0	NML	●
b. Customer adapting the processes	26	84	17/12/2014 1	NML	25/08/2016 16:3	NML	●
i. Patients are aware of the need to manage the reordering of their medication	10	13	15/12/2014 1	NML	12/11/2016 17:0	NML	●
ii. Choice in how repeat prescriptions are placed	22	38	15/12/2014 1	NML	12/11/2016 17:0	NML	●

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- 4. Relationships - Interact
- Customers
- Cases

Nodes

Name	Sources	Reference	Created On	Created By	Modified On	Modified B
ii. Choice in how repeat prescriptions are placed	22	38	15/12/2014 1	NML	12/11/2016 17:0	NML
iii. Choice in when to collect medication	15	26	22/03/2015 1	NML	12/11/2016 17:0	NML
1. Home delivery	2	2	06/01/2015 1	NML	25/08/2016 16:3	NML
iv. Choice in how medication is administered	7	7	15/12/2014 1	NML	12/11/2016 17:0	NML
1. How medication is dispensed-Dosset Box	2	2	22/03/2015 1	NML	25/08/2016 16:3	NML
c. The patient recognises the need to take ownership for rectifying their medical conditi	6	6	18/12/2014 0	NML	25/08/2016 16:4	NML
d. Taking responsibility to understand medication	22	53	06/01/2015 1	NML	29/11/2016 12:4	NML
i. Gaining information predominatly through their doctor	8	9	06/01/2015 1	NML	12/11/2016 17:0	NML
ii. Using the internet to gain information	18	25	25/08/2016 1	NML	12/11/2016 17:1	NML
1. Yes	7	10	15/12/2015 2	NML	25/08/2016 17:0	NML
2. No	12	15	15/12/2014 1	NML	25/08/2016 17:0	NML
iii. Leaflets with medication	16	18	06/01/2015 1	NML	12/11/2016 17:1	NML
iv. Raising awareness	1	1	16/12/2015 2	NML	12/11/2016 17:1	NML
e. Solving a medical problem without prescription medicine	9	10	16/12/2014 0	NML	29/11/2016 12:4	NML
2. The willingness of the organisation to respond	21	77	06/01/2015 1	NML	25/08/2016 17:1	NML
a. The organisation is willing to adapt the delivery process to suit the customers' individ	10	19	15/12/2014 1	NML	29/11/2016 12:5	NML
i. The ability to obtain emergency prescription	2	2	14/01/2015 1	NML	12/11/2016 17:1	NML
b. Providing a choice in how medication is administered	1	1	25/08/2016 1	NML	12/11/2016 17:0	NML
c. Employees are knowledgeable and used highly adpative scripted processes	18	57	29/11/2016 1	NML	29/11/2016 16:5	NML
i. Advice	18	48	29/11/2016 1	NML	27/01/2017 15:3	NML
1. Advice from the Pharmacist-general	18	45	29/11/2016 1	NML	27/01/2017 15:4	NML
2. Counter staff	3	3	29/11/2016 1	NML	27/01/2017 15:4	NML

Sources

Nodes

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