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Measuring customer experience in operator's retail store and on web page

Master's Thesis
Espoo, November 18, 2014

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ABSTRACT OF MASTER'S THESIS

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This master's thesis consists of literature review and research part. Customer experience and two customer experience metrics will be discussed in literature review. The chosen metrics are Net Promoter Score (NPS) and Customer Effort Score (CES). Consumer behavior and consumer buying behavior will be reviewed beside customer experience.

In the research part factors related to customer's customer experience in operator's store and web page will be examined. The research was made for TeliaSonera but Elisa and DNA participated in the data collection. Qualitative data was collected with a web survey that was shared to the customers via social media.

The results were analyzed by hand and as a whole and in addition to that the data was filtered to several different data sets for a closer analysis. The data sets were filtered by gender, age and operator. The results revealed how men and women, and customers in different age groups are in contact with their operator and how is the customer experience for them in store and on web page. The different operators were compared to find out how their customers' behavior differs.

All the three big operators in Finland scored similarly in customer satisfaction but the results varied a little in terms of the contact channels and NPS -scores. Overall operators' customers are satisfied about how their operators work and the customer experience is always mainly positive or extremely positive.

Keywords:	Customer Experience, Net Promoter Score, Customer Effort Score, Human Behavior, Consumer Behavior, Buying Behavior, Web Survey, Social Media, Qualitative Research
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Tämä diplomityö koostuu kirjallisuuskatsaus- ja tutkimusosiosta. Kirjallisuuskatsauksessa tutustutaan asiakaskokemukseen yleisesti sekä kahden mittarin avulla. Valitut mittarit ovat Net Promoter Score (NPS) ja Customer Effort Score (CES). Asiakaskokemuksen lisäksi työssä tutustutaan kuluttajan käyttäytymiseen ja ostokäyttäytymiseen.

Tutkimusosiossa oli tarkoitusena selvittää mitkä asiat vaikuttavat asiakkaan asiakaskokemukseen operaattorin myymälässä ja verkkosivuilla. Tutkimus tehtiin TeliaSoneralle, mutta myös Elisa ja DNA osallistuivat datan keräämiseen. Kvalitatiivinen data kerättiin verkkokyselyn avulla ja se jaettiin asiakkaille sosiaalisen median kautta.

Tulokset analysoitiin käsin ja niitä tarkasteltiin kokonaisuutena, minkä lisäksi erillisiä datasettejä luotiin tarkempaa tarkastelua varten. Datasetit oli rakennettu sukupuolen, iän ja operaattorin mukaan. Tuloksista saatiin selville miten miehet ja naiset, sekä eri ikäiset ihmiset ovat tekemisissä operaattoreiden kanssa ja miten he näkevät asiakaskokemuksen myymälässä ja verkkosivuilla. Lopuksi operaattoreita vertailtiin keskenään ja selvitettiin miten eri operaattoreiden asiakkaiden käyttäytyminen eroaa.

Kaikki Suomen kolme suurinta operaattoria olivat samalla viivalla asiakastyytyväisyyden osalta, mutta tulokset vaihtelivat hieman muun muassa asiointikanavien ja NPS-tulosten osalta. Yleisesti Suomessa operaattoreiden asiakkaat ovat tyytyväisiä operaattoreiden toimintaan ja asiakaskokemus on pääosin aina positiivinen tai erittäin positiivinen.

Asiasanat:	Asiakaskokemus, Net Promoter Score, Customer Effort Score, Ihmisen käyttäytyminen, Kuluttajan käyttäytyminen, Ostokäyttäytyminen, Verkkokysely, Sosiaalinen media, Kvalitatiivinen analyysi
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Jesse Enqvist

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Chapter 1

Introduction

This study is focused in finding out what are the main drivers for operators' customers to visit their operator's retail stores and web pages, and how important that customer experience is for the customer. Another goal is to create several customer profiles based on different factors to better understand which factors are related to the decision making process when choosing a contact channel. The last research objective is to find out whether the customers tend to use multiple contact channels simultaneously and how this affects the customer experience.

The study is divided to several chapters. The introduction part starts with background information about how much data humans currently produce and how the amount of data is estimated to evolve in the future. People's use of mobile devices and services now and in the future will be discussed. After that the research questions, the scope of the study and limitations are presented. The second and third chapters are the literature review part of the study and include the following topics: customer experience, customer behavior, and consumer buying behavior. The fourth chapter examines the data collection, the chosen collection method and how the planning and execution of the data collection were performed. The fifth chapter covers the analysis part of the study that includes the results from the survey and different data sets that were generated from the survey data. The sixth chapter summarizes the results of the analysis part. The last chapter discusses the future perspectives that include problems that aroused during the study as well as what to study in the future.

1.1 Background information

Humans have always been collecting different things, such as food or materials. In today's modern world humans are collecting data among other things. Humans have been producing a vast amount of information during the recent years. Previously that collected information could not be used or stored efficiently and was therefore discarded. Today's data warehouses can store a massive amount of data that can be analyzed to gain knowledge. [Hair et al., 2010]

The amount of data produced today is significant. Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update for years 2013 to 2018 gives information about the amounts of data produced in 2013 as well as estimates about the near future. Global monthly mobile data traffic was approximately 1.5 exabytes which is almost double the amount when compared to 2012. For the operators the important number is the amount of new mobile devices and connections added in 2013, which is approximately 526 million worldwide. Smartphones accounted for 77 percent of this growth, which is about 406 million. [Cisco Systems Inc., 2014]

Gartner has gathered more data regarding global smartphone sales in 2013, which were around 968 million devices. This amount of devices is up by roughly 42.3 percent from 2012. For the first time smartphone sales surpassed feature phone sales globally. [Gartner, 2014a] Gartner's figure is over twice as big when compared to Cisco's figure, which can be reasoned that people are more willing to upgrade their existing devices without a need of getting a new subscription with every newly purchased device.

Cisco lists that while smartphones signify for 27 percent of all mobile handsets globally, they are responsible for 95 percent of the handset traffic. In terms of these numbers, there is a massive room for growth for the smartphones. The increasing smartphone sales can be seen as a future trend that continues to grow. The average mobile connection speeds measured in bits per second are doubling every year, as is the average data usage of smartphones. Over 50 percent of this data is generated by mobile video consumption. Today only 2.9 percent of the mobile connections are connected via 4G-networks but those connections are already generating 30 percent of the network traffic. These amounts of increased mobile data traffic sound enormous, but about 45 percent of it was offloaded to fixed networks such as Wi-Fi. [Cisco Systems Inc., 2014]

Beside smartphones another mobile device is getting more popular with quite a pace and that is a tablet. Cisco notes that in 2013 the number of tablets with a mobile Internet connection more than doubled their user base at 92 million units, and consumed almost three times the amount of data monthly when compared to smartphones. [Cisco Systems Inc., 2014] Gartner reveals that almost 195.5 million tablets were sold worldwide in 2013, which makes the year-over-year growth a steady 68 percent. [Gartner, 2014b] It seems that only a little less than half of all the tablets sold worldwide came with a mobile subscriber module that allows the customer to install a SIM-card and connect to the operator's wireless networks.

Smart devices such as smartphones, tablets and laptops are not the only ones that are and will be connected to Internet. Internet of Things (IoT) is a term that is used when talking about devices that connect to Internet. It has been estimated that by 2020 50 billion things or devices are to be connected to Internet and that they generate more data than humans overall. Khalil et al. present that there are different types of devices that will connect to Internet, of which some are small and static devices, for example Radio Frequency Identification tags (RFID-tags), whereas some are larger mobile devices such as vehicles. [Khalil et al., 2014]

Vehicles can be one of the largest 'things' to connect to Internet in the near future. For example many car manufacturers have started to offer different accessories for their cars that can help to connect the car to Internet. Nokia is connecting the cars to Internet with its HERE Maps. HERE is focused in mapping and location services and its maps are used in four out of five in-car navigation systems in North America and Europe. [HERE, 2014] HERE service is a good example of how connecting a car to Internet can open up new possibilities for the cars users. When the car is connected to Internet, it can access up-to-date traffic information and search for more information about different things online and on the go. The operator can sell specific subscriptions for cars that enable the car to connect to Internet. The connection can also be made from a smartphone hotspot. This is quite a hot topic at the moment as both Apple and Google are trying to get into the car dashboards. Both of them are basically mirroring or mimicking the user interface of the phone to the car's dashboard. This allows the companies to make the user feel familiar with the user interface. The user needs to pair the smartphone with the car either with a wire or wirelessly, to enable the dashboard function. Apple calls its solution Apple CarPlay [Apple, 2014a].

Google just recently announced its similar solution that is called Android Auto [Google, 2014a].

Different accessories such as smartwatches are currently trying to penetrate the markets. Currently Google is providing a framework for smartwatches and it is called Android Wear [Google, 2014b]. Apple just released its own smartwatch called Apple Watch that will be released in early 2015 [Apple, 2014b]. There are also other smartwatch concepts available. Many fitness trackers are also connected to smartphones a d are syncing their data wirelessly to the online services. It seems that something that was once 'a cool agent gadget' is becoming a reality in todays connected world. It is expected that in the near future the smartwatches will include a SIM-card slot that enables continuous Internet connectivity regardless the user's smartphone. Samsung has started to add WiFi capabilities to its home appliances such as WW9000 washing machine [Samsung, 2014]. GE released its new wirelessly controllable LED light bulbs for the smart homes that can be controlled with the user's smartphone [General Electric Company, 2014]. The Internet of Things is starting to become a reality and it is happening fast.

For the operators this is great news as they are the ones who enable their customers to connect and use different services online. Mobile Internet will evolve and grow intensively, which allows the operators to broaden their services to better match their customers' needs. In Finland the operators are already selling more than a single subscriber connection to a single customer. There were approximately 1.7 subscriptions per customer in 2013 [Viestintävirasto, 2014*a*; Tilastokeskus, 2013]), and in the near future the number of connections per customer can be expected to grow as additional devices require separate connections. For the operators this is not only an opportunity but also a threat. As the single customer needs and gets multiple subscriptions and services, the value of a single customer for the operator increases significantly. To ensure that the customer is a customer also in the future, the operator is forced to improve their customer experience to better match and serve the customer's needs.

There are three big operators in Finland: DNA [DNA Oy, 2014], Elisa [Elisa Oyj, 2014], and TeliaSonera [TeliaSonera Oyj, 2014]. Elisa sells networking services for the consumers as Saunalahti [Saunalahti, 2014] and TeliaSonera uses Sonera and TeleFinland [TeleFinland, 2014]. DNA has a single brand (DNA) for its consumers. Mobile phone market shares in 2012 [Viestintävirasto, 2012] for each operator are presented in Table 1:

Table 1.1: Operator market shares in Finland in 2012 [Viestintävirasto, 2012]

Operator	Market share
DNA Oy	25%
Elisa Oyj	40%
TeliaSonera Oyj	34%
Others	1%

The market shares are quite evenly distributed between the three big operators. In Finland the customer can switch the operator without losing his or her number. This makes it easier to switch, and therefore the customer churn for the operators might increase. There can be several reasons for switching the operator for example a bad customer experience, pricing, connectivity issues or the available selection of different phones.

Many different factors are present when a person chooses the operator; in the future the choice might be based on the services that the operator is offering rather than the pricing of the services. The Internet of Things (IoT) will make it harder for the operators to come up with different services that the consumers find attractive and useful, and are willing to pay for. IoT also opens a vast amount of new ways for the operator to do business with its customers. It makes it an interesting and challenging playfield for the operators to see who will come up with the most innovative offerings for customers.

1.2 Research questions

In this study three research questions were chosen to ensure that the scope of the study would not get too wide. The following questions were chosen:

1. What does the customer experience consist of in the retail environment and online?

What are the main problems or reasons for the customer to enter the store and how are those situations solved. Why is the customer choosing the retail store instead of online self-service? What are the exact properties that the customers like in retail and online?

2. How does the customer see the web page and online self-services?

What are the main problems or reasons for the customer to use the online functions but to turn to the retail stores instead? How can this online process be tweaked to better match the customer's needs?

3. How does the Omni-channel help in improving the customer experience in various different channels?

How do the customers see different channels (retail, online, shop-in-shop, customer service by phone/FB/chat)? How many different channels customers tend to use to get their problem/matter solved? If they are using only one, would it improve their experience if they started using more channels or do they even know about all possible channels?

1.3 Scope of the study and limitations

Only three research questions were chosen to keep the scope of the study inside the limits for the master's thesis. The questions were designed in a way that they all concentrate mainly on a specific contact channel. The first question examines the customer experience in the retail store environment. The second question analyzes the web page and online self-service. The last question is related to both environments and focuses more on the total customer experience covering all the different contact channels.

Another limitation in the scope of the study is related to the content of the web page. In this study the operator's web page is seen as a channel for being in contact with the operator as well as a tool for checking the new offers and devices. This study will not take into account the operator's web based user interface for self-services. The study will try to realize what are the different scenarios for the users to use online self-service and find out whether the customers do even know if their operator offers online self-service. The idea is not to study the usability of the services in detail but rather find out what are the common reasons for using or not using the services.

The retail store channel in this research consists of the retail stores only and excludes the shop-in-shops. Shop-in-shops do also sell operator's services but are located inside big hypermarkets or shopping centers. The reason for leaving out shop-in-shops is the amount of extra work it would have required to analyze the customer experience in this type of a shop. For the research objectives of this study the customer experience in this type of a shop is close

enough to the customer experience in a retail store located in a shopping center.

Consumer's buying behavior will be discussed in more detail to elaborate the steps the consumer takes before reaching the purchase decision. The steps after the purchase has been made will not be covered in this study. Understanding the different stages related to buying behavior helps in perceiving different factors that are also present in the customer experience. The limitations related to the research methods used in this study are discussed in chapter four.

Next there will be a literature review that is divided in two chapters: customer experience and human behavior. These topics were chosen because they are related to the study and especially to the design phase of the research part of the study. In the customer experience part the different definitions will be presented as well as the factors that affect the customer experience and what are its main building blocks. Two customer experience metrics will be looked into in more detail. The customer behavior part includes two topics: customer behavior, and customer buying behavior.

Chapter 2

Customer Experience

Customer experience is a term that is familiar for most of the people but the definitions vary between individuals. It is a wide term that includes various feelings, experiences and thoughts. It is also a personal thing as one usually has at least somewhat different view in how they feel about their experiences even under the same conditions when compared for example to their friends. This variation happens to be the case for the management in companies, as everyone tends to have their own vision about how to shape the customer experience to match the needs of the customers [Meyer and Schwager, 2007]. This chapter starts with different definitions about customer experience and after that two measurement metrics will be presented. The chosen metrics are Net Promoter Score (NPS) and Customer Effort Score (CES), which are both used to measure the customer experience, customer loyalty, and customer satisfaction. The metrics are then analyzed in terms of operator's point of view and marketing.

2.1 Defining customer experience

Someone could say that there are as many different definitions for the customer experience as there are different people defining it. This is not far from the truth as the customer experience is personal and subjective, and varies between individuals. There are still some carefully thought definitions available, which try to disclose what the customer experience is about.

International Telecommunication Union (ITU) has defined Quality of Experience (QoE) as "The overall acceptability of an application or service, as perceived subjectively by the end-user." [ITU, 2006] There are also two notes

added for the definition: "NOTE 1 – Quality of Experience includes the complete end-to-end system effects (client, terminal, network, services infrastructure, etc.). NOTE 2 – Overall acceptability may be influenced by user expectations and context." [ITU, 2006] The ITU definition also supports the subjectivity of the term and that there are a wide range of different factors present in defining the quality of experience. Same factors are present in the quality of the customer experience.

Meyer and Schwager (2007) define the customer experience in their Harvard Business Review article as "Customer experience is the internal and subjective response customers have to any direct or indirect contact with a company." By direct contact they mean actions such as purchasing and using company's goods or services, which both require an initiation from the customer's side. Indirect contacts usually happen for the customer without a need for contact, for example by seeing company's advertisement about its products or services. Word-of-mouth is also an indirect channel regardless the information source and whether the information is positive or negative. [Meyer and Schwager, 2007]

Kotler et al. (1999) define customer satisfaction as "The extent to which a product's perceived performance matches a buyer's expectations. If the product's performance falls short of expectations, the buyer is dissatisfied. If performance matches or exceeds expectations, the buyer is satisfied or delighted." [Kotler et al., 1999] While customer satisfaction is not the same as customer experience it often relates to it. Customer satisfaction and its effect for the customer experience will be discussed later.

2.1.1 Measuring customer experience

There are a number of different ways and metrics for measuring customer experience. In this thesis two of them will be looked into in more detail. The chosen metrics are Net Promoter Score (NPS) and Customer Effort Score (CES). NPS is widely used in Finnish telecommunication industry whereas CES is not. CES has quite recently been praised by different studies [Dixon et al., 2010; Clark and Bryan, 2013] as it takes a new viewpoint about customer loyalty and can be used with or without the NPS. NPS itself has been proved to be far from scientifically accurate and reliable [Eskildsen and Kristensen, 2011; Keiningham et al., 2007; Morgan and Rego, 2006; Sharp, 2008], but it can serve a different purpose and provide useful information for the

operators.

Based on a recent study about Success factors in customer service by Aalto University and SN4 Mobile in 2013, the single most important factor for today's companies is customer service (59%) whereas in comparison sales (23%) and marketing (3%) were seen as minor factors. Other factors were said to be most important in 15 percent of the cases. [SN4Mobile Oy, 2013] The study was performed in 2012 in association with Aalto University and it focused in studying the factors that increase customer satisfaction and efficiency in contact centers in Finland. With over 50 000 customer feedbacks used as source material the study can be seen to give a reliable insight about customer satisfaction in contact centers. [SN4Mobile Oy, 2013]

SN4Mobile notes that in Finland the most commonly used method for collecting feedback about customer satisfaction is a yearly customer satisfaction survey that was used in 83 percent of the companies that took part in the study. In 51 percent of the companies the customer satisfaction is measured right after the customer service situation. The recorded calls made by the customers were listened in 46 percent of the companies to collect feedback. Mystery calls were used in 25 percent of the companies for benchmarking their own customer service. [SN4Mobile Oy, 2013]

When measuring customer experience it is useful to measure employee satisfaction as well. Employees are in many situations the point of contact between the company and its customers. For the customer they also present the physical instance of the company. If the customer is treated badly, the accusations are usually aimed at the employee even if the problem is technical. Whereas most of the companies in the SN4Mobile study are talking with their employees about the quality of their customer service daily, weekly, or monthly, the job satisfaction of the employees is mostly measured only yearly (48%) or quarterly (25%). [SN4Mobile Oy, 2013] Therefore operators should measure job satisfaction more often as the employee is in the critical position regarding the customer experience. If the job satisfaction suffers it can impact the employees' job motivation and can result in a lower quality customer service. Customer service in contact centers is similar to in-store customer service even though there are no physical face-to-face communication.

A good customer experience can influence employee experience in a positive way. If the customer satisfaction is high, the same feeling of satisfaction can transfer to the employee. Therefore customer participation behavior can affect the commitment level of the employee positively, which decreases the

stress level of the employee. When the level of stress is low the customer service is better, which increases the customer satisfaction and affects the whole customer experience. [Yi et al., 2010] Customer behavior will be discussed in more detail on chapter three.

2.1.2 Net Promoter Score

Net Promoter Score (NPS) is a metric invented by Frederick F. Reichheld. It was presented for the public in Harvard Business Review in December 2003. The metric is designed to be simple and easy to use and "The One Number You Need to Grow" in order to grow your business. The fundamental idea behind the metric is to ask the customers a single question: "How likely is it that you would recommend [company X] to a friend or colleague?" The answers are collected via an eleven (11) point scale from 0 – 10, where 0 is "not at all likely", 5 is neutral, and 10 is "extremely likely" to recommend. There are three different category groups based on the answers. Those who answered 0 – 6 are called 'detractors', while answering 7 – 8 makes a customer part of 'passively satisfied' group, and answering 9 – 10 makes one a 'promoter'. The NPS is calculated by subtracting the number of detractors from the number of promoters. [Reichheld, 2003]

In Reichhelds study the information was collected from more than 4000 different customers in six different industries. Nevertheless the data that was used is not clearly presented and there are a numerous of different studies that prove those results wrong from a scientific viewpoint. The study and the metric seem to fail in numerous calculations and simulations. Whereas Reichhelds claims that NPS is the best and simplest way to measure customer loyalty, there are different studies that do not agree. [Reichheld, 2003]

The study of Kristensen and Eskildsen focuses on research questions related to the grouping of NPS, loyalty measuring against other measures, and even the effect of not having the 'No Answer' choice in the scale. NPS fails in all three tests performed: Validity, Reliability, and Robustness. Validity is failed because of the 11-point scale and the fact that the grouping has no scientific reason behind it. 10-point scale has been shown to be more efficient and it is used for example in American Customer Satisfaction Index (ACSI) and Extended Performance Satisfaction Index (EPSI). Reliability of the NPS is not robust because the score discards loads of information by removing the 'Passives' from the calculation. This results to increased error margins and

makes the NPS much more uncertain than the other loyalty metrics. Robustness test is failed because of the scale. Kristensen and Eskildsen tested the NPS scale against a 10-point scale with a 'No Answer' choice and found out that those who selected the 'No Answer' in the 10-point scale would have chosen 0 or 5 in the NPS scale. This boosts the number of Detractors and distorts the results. [Kristensen and Eskildsen, 2011] Eskildsen and Kristensen have also argued that the NPS fails in many other simulations such as Standard Error, The S/N-ratio, Variance, and Sample Size. This makes it incompetent metric for customer loyalty. [Eskildsen and Kristensen, 2011]

Morgan and Rego tried to match Reichheld's study by using similar amount and type of companies from ACSI database. Their conclusion about the usefulness of Net Promoter as a metric for business performance is none. They do not recommend that businesses start using NPS as the only metric for collecting customer feedback, but they acknowledge the possible positive impact of Word-Of-Mouth (WOM) and its effect for customer behavior. [Morgan and Rego, 2006]

Keiningham et al. did a "Longitudinal Examination of the Net Promoter and Firm Revenue Growth" where they tried to reconstruct Reichheld's study as accurately as possible. As well as others, they also found the NPS not being "the single most reliable indicator of a company's ability to grow". As well as Morgan and Rego, Keiningham et al. agree that Word of Mouth is useful and interesting thing to measure for a company, but it is an outcome of past sales, and NPS is calculated from past growth rates. Therefore NPS is a poor metric for measuring current changes in revenue growth. [Keiningham et al., 2007]

Based on other studies the NPS is proven to be incapable metric for measuring customer loyalty and business growth. When it comes to customer experience the metric is not as poor as it looks on the paper. How the operators can use NPS in their customer experience development will be discussed later on and compared to the other customer focused metric know as Customer Effort Score (CES).

2.1.3 Customer Effort Score

Customer Effort Score (CES) is a metric developed by Dixon et al. in 2010. They published an article "Stop Trying to Delight Your Customers" in Harvard Business Review where they presented the results from their massive

study. The study comprised of more than 75 000 people who had used different self-service channels or been in contact with a contact-center by a phone. They also interviewed a lot of different customer service leaders and their counterparts in large companies around the world. [Dixon et al., 2010]

Clark and Bryan have made an extensive study about customer effort in 2013. They noticed that using the word "easy" instead of "effort" provides better results because it is easier to understand for the company's executives as well as for the customers. Whereas NPS can be used to benchmark the company against other companies, the CES can be used to improve company's services for its customers or in designing of better services. They also note that one should not use only one of the metrics such as CES, NPS or CSat, but instead measure all of them as they all measure different things that do not overlap. The customer effort can be defined, as "Customer effort is a customer's perception of the amount of time and energy that they have to spend in an encounter with a brand/an organization." [Clark and Bryan, 2013]

CES is a similar loyalty metric as NPS but the main question and goals differ. The single question in CES is "How much effort did you personally have to put forth to handle your request?" [Dixon et al., 2010] The answering scale is from 1 to 5, where 1 means very low effort and 5 means very high effort. The study shows that the CES is a better customer loyalty metric than NPS or Customer Satisfaction (CSat). Dixon et al. conclude based on the study that lowering customer effort is better for building loyalty than aiming to exceed customers' expectations.

Clark and Bryan agree that the company should focus on minimizing the customer responses in the lower end such as 'no' and 'unlikely' rather than trying to maximize the higher end values like 'probably' and 'definitely'. It is more beneficial to try to improve the experience for those having the most problems than to improve someone's experience that is already good enough. Clark and Bryan suggest that the Dixon et al. article should be renamed from "Stop trying to delight your customers" to "Delight them where they value it". [Clark and Bryan, 2013]

2.2 Customer experience in operator's point of view

When looking at the customer experience in operator's point of view, Meyer and Schwager (2007) define it well: "Customer experience encompasses every aspect of a company's offering – the quality of customer care, of course, but also advertising, packaging, product and service features, ease of use, and reliability." [Meyer and Schwager, 2007] In operator's case the product and packaging are related to the devices and services that the operator is selling via its channels. In Finland there is quite little what an operator can do in terms of packaging and the looks of the products. In some cases operators tend to add their own branding to the products, such as the operator's logo, but that is quite rare in Finland. Operator branding of the devices is really popular for example in the USA, where operators like Verizon Wireless brand the phones they sell. [Verizon Wireless, 2014] Definitely the most important single factor in that list is the reliability. If the customer feels that the service is not reliable, for example if there are constantly lost calls or the data speeds are low, then the customer is quite willing to switch the operator.

In that sense the customer care is extremely important for operators because it is the 'repair tool' for such problems. When the customer feels that the reliability of the service is not up to par with his or her expectations, the first reaction will probably be a call for the customer care in search for an answer or help. Advertising can be used in all kinds of things but it is mainly used for promoting different products and services. Operators could use advertising for promoting their customer experience and customer care. By doing that they could proactively affect customers' way of thinking, if they end up having problems with their operator. Instead of using advertising for luring customers from competitors, it could be used more in serving the operator's own customers and improving their customer experience.

Customers are more loyal for a company that can provide the basics efficiently and with a high reliability [Reichheld, 2003; Clark and Bryan, 2013]. The effortless interactions with companies can be considered one of the key differentiators. In customer's point of view, it is usually easier and faster to switch to a different product or service if the current one is not working for the customer, than to give feedback and wait for the company to fix its product or service.

As previously discussed the NPS might not be scientifically accurate and reliable measure for customer loyalty and customer satisfaction, but for the operator NPS is worth measuring. When measuring customer experience and quality of experience, the way the NPS is calculated makes sense. The most important information can be collected from the customers that are either dissatisfied or extremely satisfied. And they are usually the customers who know how to give feedback and give feedback more willingly. The NPS enables the operator to find the 'detractors' and 'promoters', and via a callback program call those customers and find out the reasons for their scores.

The NPS question is easy and fast to answer, which lowers the barrier for giving feedback. This results in more feedback from the customers and that feedback can be used to find the dissatisfied customers. This does not mean that the operator has to call every possible 'detractor'. Calling a few will reveal what caused their dissatisfaction, and allows the operator to fix the situation. There might be other customers with the same problem and fixing it for one fixes it for several others. The operator can then monitor the NPS score and see how the latest fix affects the score. If it increases, then the operator has improved its customer experience in that area. If it decreases, then that specific problem was not the main cause for the low NPS scores.

The NPS score gives information about customer loyalty and for the operator the loyal customer is the most beneficial because it affects positively to the company's customer acquisition costs [Reichheld, 2003]. For the operator, especially in Finland, the acquisition costs can be massive. Currently it is possible for the customer to switch the operator without losing or being forced to change his or her phone number, which has increased the customer churn considerably. The current customer contracts are no longer bound for a certain period of time, for example for 12 or 24 months, which also lowers the switching cost for the customer. The service pricing is similar between different operators in Finland. When these three big switching cost factors can be considered to be small, the customer experience starts to play a bigger role for the operator to keep the customer as their customer and to reduce churn. If the customer experience is not good enough, the threshold for switching an operator decreases. Even if the customer experience is bad, some customers do not have a choice because the contract might prevent them from switching the operator [Clark and Bryan, 2013].

Measuring the NPS as the only measure for customer experience and satisfaction is not smart even though it was considered "the only number

you need to grow" by Reichheld (2003). The operators should measure the amount of customer effort their customers are experiencing in order to get their problems solved and to remain loyal and satisfied. But satisfaction is not always the metric that drives the customer experience, as Dixon et al. found out in their study. Twenty percent (20%) of the satisfied customers were still saying that they would be leaving the company whereas from the dissatisfied customers twenty eight percent (28%) were willing to stay with the company [Dixon et al., 2010]. What they found out is that customer loyalty is actually the metric to look at when you are trying to reduce the customer churn, as the disloyal customers were four times more likely to leave or switch the company than the loyal customers [Dixon et al., 2010]. Still the customers who find the company difficult to deal with are much more likely to leave the company than those who are only dissatisfied [Clark and Bryan, 2013].

One of the companies included in the Clark and Bryan (2013) study was an UK retail telecommunication company called BT. BT has started to move from internal process measurement metrics to asking the customers about their opinions and especially with a question "why?" regarding their given customer effort score. The results have been good as over 50 percent of the respondents have also been willing to provide a comment to better inform the company about their situation. BT created a CES metric that was similar to NPS metric scale wise, and it was applied to all customer contact channels. The scale was a 7-point scale instead of a 11-point scale but the score was calculated in a similar fashion by subtracting the number of dissatisfied customers from the number of satisfied customers. Customer effort metric was used to gain better knowledge about different customer journeys, and to find the spots that require the most effort. BT used this to analyze their IVR (Interactive Voice Response) system to find out what the customers were using it for the most and how easy that process was for them. [Clark and Bryan, 2013]

Customer satisfaction is one metric for the operators to monitor their customer experience. SN4Mobile's (2013) study of the contact centers' customer satisfaction sums up six important factors that are responsible for good customer satisfaction:

1. Managers should give feedback to their employees more often and the quality of customer service should be examined more regularly to provide a better customer experience [SN4Mobile Oy, 2013]

2. Customer service employees should be awarded with bonuses for a job well done, which would increase job satisfaction and result in a higher quality customer service [SN4Mobile Oy, 2013]

3. Best spot for the employees to try to get additional sales is when the customer's matter is solved and the customer is satisfied [SN4Mobile Oy, 2013]

4. Operators should try to minimize employee churn because the long-time employees are more experienced in dealing with customers' matters not only by being able to resolve the matters more quickly but also by providing a better experience for the customers [SN4Mobile Oy, 2013]

5. A shorter queue equals a more satisfied customer, and the queues can be kept shorter by informing the customers about the most routine tasks while they are queuing [SN4Mobile Oy, 2013]

6. Customer's matter should be dealt with a single resolution or call, which not only improves the customer experience but also increases efficiency [SN4Mobile Oy, 2013]

Based on SN4Mobile's (2013) study the employee satisfaction and motivation are critical pieces of the customer experience puzzle. The more satisfied the employee is, the better the customer service and customer experience for the customer. Shorter queues are pretty self-evident, as customers prefer faster service to slower service. Longer queues can be used for additional sales while customers are waiting for their turn, and the customers can also see this as a positive thing. The employee can demonstrate different devices and services, such as new smartphones or online self-service, for the waiting customers that not only provide possibilities for additional sales, but also make the waiting time in store feel shorter for the customer.

2.3 Customer experience in marketing

In experiential marketing customer experience is seen as follows: "Experiences occurs as a result of encountering, undergoing, or living through situations. They are triggered stimulations to the senses, the heart, and the mind. Experiences also connect the company and the brand to the customer's lifestyle and place individual customer actions and the purchase occasion in a broader social context. In sum, experiences provide sensory, emotional, cognitive, behavioral, and relational values that replace functional values." [Schmitt, 1999] In traditional marketing the customer is more often seen only as a purchaser and it is more important to focus to the situations that happen before transaction rather than the situations that the customer faces after the purchase. If the customer is satisfied with the product, he or she will buy a new one when the current one breaks or reaches the end of its lifetime. [Schmitt, 1999]

In traditional marketing the customer experience is sometimes seen only as customer satisfaction. As previously described, Kotler (1999) defines the customer satisfaction as "Customer satisfaction with a purchase depends upon the product's performance related to a buyer's expectations." The degrees of satisfaction are related to the expectations and how they are met for the customer. The three possible satisfaction states are dissatisfied, satisfied and highly satisfied. These states are based on the customer's expectations such as past buying experience, friends' opinions and company's marketing. [Kotler et al., 1999]

Highly satisfied customers are seen as super beneficial for a company in many different ways such as spending more money on the company's products or services, and staying as customers for a longer period of time. Those delighted customers are also more willing to talk positively about the company for their friends. [Kotler et al., 1999] It feels natural to think that the more satisfied the customer, the better it is for the company. It does not always work like that as previously discussed in customer effort chapter. Traditional marketing is more focused on the satisfaction and customer loyalty as numbers [Schmitt, 1999]. Looking solely at numbers is beneficial for monitoring company's past performance but the numbers do not tell what have been done before a specific number has started to increase or decrease.

If the company can say that its customer experience is top notch and that can be proven with high customer loyalty and satisfaction numbers, why are they focusing on pricing and services in their marketing instead of customer experience? From the customer experience viewpoint in some cases the experiences that happen after the contact with a company can be even more important than the experiences before the contact. In operator's case the most important thing is to excel in the customer experience also after the customer have been in contact with the operator.

Chapter 3

Human Behavior

In this chapter human behavior theories will be presented as well as how to get to know the customer better. There are two parts, one related to customer behavior in general and other focusing on customer's buying behavior. Many companies brand themselves as customer-centric companies with a huge focus on customer experience. Customer experience is seen as a key factor because it comprises of different things such as customer satisfaction and loyalty. Without these it will be hard for any company to increase its sales and customer count which makes it harder to succeed in the future. [Blackwell et al., 2006]

It is essential for a company to focus on customer experience because today's social world is extremely agile in giving feedback and if the company does not fix or improve its customer experience people will vote with their feet. For operators this is even more critical as in Finland it is super effortless to switch the operator, as there are practically no switching costs for the customer. By studying customer behavior the operator can learn to understand its customers better and provide improved services that better fit the customers' needs.

3.1 Customer behavior

Customers can be seen as consumers as they are consuming company's products and services. Consumer behavior can be defined as "activities people undertake when obtaining, consuming, and disposing of products and services." [Blackwell et al., 2006] Understanding the customer and improving the relationship with the customer is essential regardless the industry. Some

companies have built a demand chain that is a customer-centric supply chain. These demand chains can adapt based on different situations such as customers' needs, wants, problems, and lifestyles. Market forces have changed from manufacturers to customers, from supply to demand. Price is no longer the most important factor when deciding what product or service to buy or use. There are other factors that affect or support customer's choice such as quality, convenience, image, and advertising. [Blackwell et al., 2006]

People live their lives and behave based on their personal policy. Personal policy defines how one behaves in different situations, what one values in life and in what does one believe in, which all in all defines how one lives his or her life. [Blackwell et al., 2006] Different people make different choices based on how much money they have and how much do they earn. There are multiple choices available where to spend the money. The money can also be saved for later use or for a specific purpose. This also includes the basic services and needs that the one has to satisfy. One has to spend a certain amount of money for food for example, but one can spend it in so many different ways such as eating in restaurants or making the food at home. And even when making it at home, one can buy different brands that offer different quality and price combinations. [Blackwell et al., 2006]

3.1.1 Customer behavior studying methods

There are numerous of different methods for studying customer behavior, which most are suited for different scenarios. Three most used approaches are observation, interviews and surveys, and experimentation, which all will be explained next. Survey as a research method will be discussed in more detail in the fourth chapter, as a web survey was chosen to be the data collection method in this thesis. [Blackwell et al., 2006]

In observational approach the researcher observes how the customer behaves and reacts in different situations and environments. The environments can vary depending on the customers and whether they want to be observed in their natural environments such as at home or at the mall. If they are worried about their personal privacy and are unwilling to be observed in their daily routines, then a laboratory observation can take place. Sometimes laboratory testing is better suited for a task, as different factors can be carefully taken into account and the test environment will be constructed specifically for that situation and test. For example people's reactions to different adver-

tisements can be tested in laboratory settings. Laboratory settings also allow the use of physiological observational methods such as MRI (Magnetic Resonance Imaging), GSR (Galvanic Skin Response), and cameras measuring eye movement of the subject. [Blackwell et al., 2006]

By observing the customers the company can learn how their customers use their products in different situations. This information can be used to improve the products and services and also learn if some of the services are used most in specific situations. The marketing can then be focused to promote those situations. During the observation problematic situations might appear and the company can find out how the customer handles such situation and how to make it easier for the customer. Observation also helps the researcher to experience the situation as the customer experiences it, which means that feelings and sensory information can be recorded to get a better understanding about the situation at hand as well has how to customers feels in that situation. [Blackwell et al., 2006]

In-home observation is focused in observing daily routines at home. The company can install a video camera into the customer's apartment, which monitors how the customer uses the products or services in home environment. [Blackwell et al., 2006] This also tests how loyal the customer is towards the company if they allow the company to take a sneak peak to the customer's personal life and space. Similar method to in-home observation is shadowing in which the researcher follows the customer as he or she moves and acts. When the customer does something, for example chooses a product from the shelf, the researcher asks why he or she did so. Shadowing usually lasts through the whole shopping process to collect information in all possible touch points. [Blackwell et al., 2006]

Interviews and surveys can be used to collect information from the customers. Surveys are great when you need to collect information from a large sample of customers, and there are numerous of different ways to carry out a survey. Interviews are personal face-to-face surveys, while a survey can also be conducted by mail, phone, or online. Focus group is widely and commonly used method for getting information from many interviewees at the same time. In the group a moderator controls the conversation and chooses the topics for discussion while all the participants take part in the conversations. Longitudinal studies are like surveys but they are used to collect the data over a longer period of time to find changes in peoples behavior and consumption. All of these survey methods have its own advantages and

disadvantages and some are more suited for specific situations and type of data collection. The advantages and disadvantages of web survey will be discussed in the next chapter. [Blackwell et al., 2006]

Experimentation "attempts to understand cause-and-effect relationships by carefully manipulating independent variables (such as number of advertisements, package design, methods of communication) to determine how these changes affect dependent variables (such as purchase intent or behavior)" [Blackwell et al., 2006]. There are two types of experiment depending on the environment, either laboratory experiment or field experiment. Laboratory experiment needs an environment that can be controlled as the experiment requires, which allows a strict control over all variables included. Field experiment takes place in a natural environment such as outside or in a store. [Blackwell et al., 2006]

3.2 Customer's buying behavior

Customer's buying behavior is the most studied branch of customer behavior as companies want to find out why people are buying their products or services. Companies want to know how they can improve their products or services to make sure that those customers will continue to use them also in the future and repurchase the company's products when the current product breaks or reaches end of its lifetime. [Blackwell et al., 2006]

Kotler et al. (1999) define consumer's buying behavior as "The buying behavior of final consumers – individuals and households who buy goods and services for personal consumption."

There are multiple steps that the customer needs to travel before getting to the purchase action. Consumer Decision Process (CDP) is a model created by Blackwell et al. (2006), that presents what steps are involved in the consumer's decision process when he or she is planning to make a purchase. The model has seven stages: need recognition, search for information, pre-purchase evaluation, purchase, consumption, post-consumption evaluation, and divestment. In this thesis the last three steps will not be covered.

Kotler et al. (1999) construct the similar CDP model from five factors: need recognition, information search, evaluation of alternatives, purchase decision, and postpurchase behavior. Kotler's model focuses less on what happens after the purchase. Both models will be looked into to find out how they differ and in which amount they complement each other.

3.2.1 Consumer Decision Process: Need recognition

Blackwell et al. (2006) define that need recognition happens when "an individual senses a difference between what he or she perceives to be the ideal versus the actual state of affairs." It means that if the consumer believes that the product has an ability to solve a problem and that the acquiring costs for the product are less than the utility it provides, it will suffice an unmet need. In addition to the needs the consumers have desires that are not so easy to fulfill. Desires require a certain amount of money to be fulfilled. Even if the desire is really strong but the consumer cannot afford it, the desire remains unfulfilled and the consumer has to save more money to afford it. Therefore recognizing a need is different from a desire.

Kotler et al. (1999) define the need recognition as "The buyer senses a difference between his or her actual state and some desired state." The need itself can be trigger by two different stimuli: internal and external. The stimuli work in a way that when a certain threshold is exceeded the need is triggered and must be satisfied. Internal stimuli consist of basic needs such as hunger, which needs to be satisfied in order to remain functional. External stimuli contain needs that are triggered by external factors such as smelling food when walking on the street and ending up ordering a portion of that specific food.

3.2.2 Consumer Decision Process: Information search

Blackwell et al. (2006) divide the information search that takes place after the need has been recognized in two different forms: internal and external search. Internal search comes from the consumer's memory or can be related to genetic tendencies. External search finds information from external sources such as friends and marketplaces. When the consumer is searching for information he or she is trying to find an answer for a problem or how to satisfy a need rather than trying to find a certain product. Searching can be passive or active, and in passive search the consumer becomes more receptive to internal and external information around him or her. In active search the consumer starts to go through different information sources such as Internet or by going to the shopping malls or stores.

The depth and length of the search are defined by various variables such as income, size of purchase, past experiences, and customer satisfaction. If the consumer is really satisfied with a certain brand, the amount of time to search for a new one might be close to none. Therefore by keeping the customer happy, a company can exclude other products or services from the customer's information search when a new need arises or a current product breaks. The information search can also start without a need, for example if the car breaks suddenly and it requires repairing or buying a new car. Urgency related to the sudden situation defines whether a repair or purchase is needed. [Blackwell et al., 2006]

Kotler et al. (1999) discuss that the information search is based on the consumer's drive and if there is a product that satisfies the consumer. If both of these factors are met the consumer is likely to purchase that product without a further thought. If the purchase will not be completed the consumer can store that specific need to his or her memory and try to satisfy it when possible, or start an information search to find out how to satisfy that need as soon as possible. Kotler et al. (1999) mention two states of information search: heightened attention, and active information search. In heightened attention the consumer is more open for information related to the need, such as advertisements. In active information search the consumer uses different sources for gathering information. The amount of searching depends on the strength of the consumer's drive, the amount of information already at hand, the effort it requires to search for more information, the value of additional information, and how satisfying the information search process is.

There are various sources available for the consumer to search information from: personal sources, commercial sources, public sources, and experiential sources. Personal sources form from family, friends and colleagues, whereas commercial sources are advertising, sales personnel, and displays. Public sources are mass media and consumer-rating organizations. Experiential sources are related to trying out the product by examining, handling, and using it before buying. Different sources give the customer different type of information, for example commercial sources tend to provide information about products or services and inform that the specific product or service exists, whereas personal sources tell the customer about the experiences with the product or service. [Kotler et al., 1999]

3.2.3 Consumer Decision Process: Pre-purchase evaluation

Blackwell et al. (2006) explain that pre-purchase evaluation of alternatives is done by using preexisting evaluations from the consumer's memory or trying out a new evaluation method. Based on individual evaluative criteria that consists of "the standards and specifications used to compare different products and brands" can be divided to individual and environmental influences. The overall evaluative criteria is build from various factors such as individual's needs, values, and lifestyles, as well as different evaluation attributes for the alternatives, which are either salient or determinant. Salient attributes are usually most important for the consumer and consist of factors that do not mainly vary much between different products such as price and reliability. Salient attributes help in choosing which product to buy. Determinant attributes are related to factors such as style or looks, and they help to choose which brand or store the consumer should choose, if the salient attributes between different products can be considered equal.

Kotler et al. (1999) define alternative evaluation as "The stage of the buyer decision process in which the consumer uses information to evaluate alternative brands in the choice set." The evaluation of alternatives has certain assumptions like the fact that the consumer is looking for a way to satisfy a need and to acquire some benefits by buying the specific product or service. For the consumer the product is a bundle of different attributes that will satisfy the need and provide benefits. There are numerous of different attributes like price, size, quality, and ease of use, from which the consumer chooses the most important ones based on the need and gives the score of importance for each chosen attribute. Unlike Blackwood et al.'s (2006) salient attributes that are related to the product's characteristics and are not considered to be the most important attributes for the consumer, Kotler et al. (1999) argue. They rationalize this by explaining that some attributes might be considered salient just because the consumer might have had an experience related to such attribute recently or he or she might have seen an ad promoting the specific attribute, which helps to make that attribute come out "top-of-the-mind". Therefore they conclude that attribute's importance should be given more weight than attribute's salience.

As a factor in the evaluation of alternatives Kotler et al. (1999) see the brand image that they define as "The set of beliefs that consumers hold

about a particular brand." These beliefs vary between individuals and are based on previous experiences, perception, selective distortion, and selective retention. The consumer is expected to create a utility function for each attribute, which illustrates how the total product satisfaction is formed from the different attributes and their levels.

Kotler et al. (1999) present three different models of consumer choice: expectancy, conjunctive, and disjunctive. Expectancy model uses the importance as weights for the most important attributes that the consumer has chosen. This model allows calculating scores for different products based on the consumer's importance toward specific attributes and the scores can then be used to predict which product the consumer would choose. In conjunctive model the consumer chooses a set of minimum attribute levels and all the products that miss those attributes are discarded as possible purchase choices. The last model of the three adds two or more minimum attribute levels that the product must meet. For example phone's price must be under 200 euros or the phone must be waterproof, which means that the customer will suffice either a cheaper phone model or is willing to pay more if the phone meets the waterproofness requirement. Still there is no model that fits every purchase scenario and the researcher can never be sure which of the evaluation methods the consumer is going to make use of.

3.2.4 Consumer Decision Process: Purchase

After the three previously discussed steps the consumer has a good idea of the product he or she will buy to satisfy the need. It is still not set that the consumer will ultimately purchase the chosen product. There are multiple different factors that can affect the purchase decision before going to the store, and in the store. When the consumer is on the way to the store he or she can suddenly realize that there is a competitors store along the road and there might be a better offer for the same product. Or when the consumer leaves from work there might be problems in arriving to the store because of traffic or a strike, and because of that the timetable must be rescheduled and the consumer might miss the store's opening hours for that current day. In the store the salesperson might suggest another product that might be a better choice than the one the consumer was thinking of. The product might also be out of stock, which might lead the consumer in purchasing another product or the same type of a product from a different

brand. Monetary problems might also prevent the original purchase plan if the price has increased or the store will not accept the consumer's debit or credit card. [Blackwell et al., 2006]

Kotler et al. (1999) identify two factors that are present when the consumer is about to move from purchase intention to purchase decision: attitudes of others, and unexpected situational factors. Other people's attitudes toward the product or service that the consumer is intended to buy might alter the consumer's purchase decision depending on whether the others' attitudes are considered to be important for the consumer or if those attitudes are extremely powerful. Unexpected situational factors are something that can cancel the purchase decision, alter it, or move it to a later time. They are sudden in nature and cannot be controlled by the consumer, for example if the consumer loses its job or a good friend informs that he or she have recently had serious problems with the product or service and cannot recommend it anymore. In all purchases a perceived risk is also a factor that can cause the consumer to change the purchase decision, postpone, or cancel it. The risk is related to the cost of the product, uncertainty regarding the purchase, and the consumer's self-confidence.

When comparing the CDP's from Kotler et al. (1999) and Blackwell et al. (2006) they are alike except for the terms used. Both models process the different steps quite similarly till the purchase part. After that the Blackwell et al. (2006) inspect the after purchase behavior in more detail with three additional steps: consumption, post-consumption evaluation, and divestment. Kotler et al. (1999) combine these three steps in a single step called post purchase behavior. In the prepurchase evaluation part Kotler et al. (1999) present models for the companies to use for modeling their customers' evaluation processes, which is something that Blackwell et al. (2006) do not offer.

3.3 Learning from the customer's behavior

Companies need to increase focus on multiple different areas in order to learn how their customers behave. They must plan customer retention programs, find ways to use information technology better, commit consumption research, monitor their customers' buying decisions, and improve their branding. [Blackwell et al., 2006]

Understanding how the customers live their lives is important for the operator as it can offer personalized services for the customers. For example one might be willing to pay 20 euros in a month for the operator for its services. For the 20 euros the customer expects to get the service that is best for him or her. One might be using 300 minutes of talk on average in a month and 150 text messages, while the main service for the customer is mobile data that generates 3 gigabytes (GB) of traffic per month. Therefore if the operator offers a service plan with 3000 minutes of talk, unlimited amount of text messages and a 1 MB/s mobile data connection, the customer is probably not satisfied. Instead the operator could suggest a plan with 500 minutes, 500 texts and a 10 MB/s mobile data connection and monitor the customer's behavior during the coming months. By monitoring the usage and behavior the operator could offer more personalized service for the customer or suggest that for example by paying 4 euros in a month more the customer would get a five times as fast mobile data connection that would improve the customer experience where the customer values it the most.

At the moment no operator in Finland offers such a service that monitors and adapts based on the customer's usage. The operators collect data about how much people use different services and based on that data they create the different service plans for the customers. The customer can use the online self-service to manually modify the services and switch to a different plan if needed or wanted. The customer is still tied to specific service plans to choose from. The automatic monitoring could also be used to offer different data packages for the customers. Some operators have specified the amount of data included in a month and if that limit is breached the data speeds will drop significantly. Then the customer can buy more data for a specific price to resume using the service at normal speed. Monitoring could provide information about the busiest month for the customer and allow automatic offering of the add-on data package. The customer could then use smaller packages when the amount of data traffic on the average is lower. There would be an automatic notification when the data traffic is expected to exceed the subscriptions limit, and then an additional data package would be offered to improve the customer experience.

Chapter 4

Collecting data from the customers

There are two types of data: quantitative and qualitative. In this study the data was mainly qualitative except for a single question, which was quantitative in nature. The data from multiple questions could have been converted to a form that would have allowed it to be used as quantitative data for quantitative analysis but this conversion was not performed. Quantitative data will be discussed briefly but the focus is on the qualitative data. The planning and execution phases of the survey will be explained.

4.1 Quantitative and qualitative data

Quantitative data consists of metric data such as subject or object descriptions, which include attributes that can characterize the subject or object, for example person's age. [Hair et al., 2010] The web survey was chosen as the data collection method instead of a telephone, face-to-face or postal survey [Malhotra et al., 2012]. The reasons for this were related to the time window of the research. Postal and face-to-face surveys are too slow and cumbersome for gathering a great amount of data, and a telephone survey requires too much time for collecting the answers. In online survey the answers are being collected in the background, which allows the researcher to focus on other things while monitoring the data collection process. [Malhotra et al., 2012]

Qualitative data is type of data that is not beneficial to measure by using statistical methods or analysis. The data consists of things that can be related to person's life, relationships, experiences or behavior. [Strauss and Corbin, 1990] This type of data cannot be analyzed by using multivariate data analysis methods such as factor analysis without first coding that data

to a numerical form. [Strauss and Corbin, 1990] Qualitative methods try to find answers for different phenomena and things that lie behind them. The methods are used to find reasoning to explain why those phenomena happen to understand them better. [Strauss and Corbin, 1990] Qualitative research can be called exploratory design that is based on relatively small sample size and aims to provide insight and understanding related to the matter at hand. [Malhotra et al., 2012]

Qualitative research is especially difficult because the meaning and methods for this type of research vary between researchers. The individuals in the target audience for the research tend to see and understand the research differently as well. [Strauss and Corbin, 1990] There is no certainty that the question used to gather data from the respondents would be understood in the same way between respondents. When the question design is considered flawless and there is no way to interpret the question in several ways, the answers between respondents may still differ. This is because the answers to these questions are based on personal and individual opinions, feelings, and experiences. Qualitative research studies are often related to organizations, groups, and individuals [Strauss and Corbin, 1990]. Social media research is mainly qualitative in nature and it is growing as a research platform. [Malhotra et al., 2012]

Qualitative research consists of three phases: data, analysis, and a report. First the data is collected with the chosen methods and from chosen sources. Most common sources are interviews and observations. After the data is collected it will be analyzed. The analysis is meant to produce findings or theories that can be formed based on the collected data. When the analysis is ready, a written or verbal report is created. The report explains the findings and constructed theories and presents them in an easy to understand format. [Strauss and Corbin, 1990]

In this study the data was collected with a web survey. All the questions except for one consisted of written and pre-made fixed alternative answers. Therefore analyzing them with qualitative methods is easier and faster, as a great amount of time would be required to code those answer to a numerical form for quantitative analysis. The answers from the survey will be analyzed based on different data sets that were created from the data. The analysis tries to find common reasons for the customers to visit operators' retail stores and web pages, as well as behavioral commonalities or differences between different groups. The different data sets are constructed based on age, gen-

der, and operator in use. The written report will include analyzes of the constructed data sets, and general conclusions.

4.2 Customer web-survey

In this research the web survey was chosen as a method for gathering data from the customers. Social media was chosen as the channel for sharing the survey. Social media is great for quickly getting a great amount of answers but there are also a great number of problems that need to be taken into account, such as the reliability of the study and collected answers.

As a data collection method the survey consists of questions that the respondents answer to. The respondents present a sample of the target population. The survey in this research is based on structured data collection, which means that the survey questions are presented in a prearranged order. The fixed-response alternative questions are used to allow the respondents to pick the alternative or alternatives that best match their experiences. Most of the questions have an open question alternative to serve those respondents who want to provide more detailed information. The amount of open question alternatives was limited to a maximum of a single alternative per question. The fixed-response alternative questions were chosen to keep the data consistent by limiting the amount of different answers and to allow easier and faster analysis of the results. [Malhotra et al., 2012]

The survey must be carefully designed to assure that the results will be valid and as reliable and objective as possible. [Gray, 2009] Data collected this way is called self-reported data and it can tell how the respondent feels about the things in question. [Tullis and Albert, 2008] The survey is designed in a way that it will provide answers to all the research questions. The characteristics of the chosen research questions support this type of a method for data collection. The survey is trying to capture the essence of customer experience from the customers' point of view and how the customer experience is present in operators' different contact channels. [Tullis and Albert, 2008] The language and logic used in the survey are extremely important factors to take into account when designing a survey. [Malhotra et al., 2012]

Anonymous online survey was used in this study and it can be a better method for collecting unbiased answers than face-to-face or phone interviews. In face-to-face or phone interviews the respondents tend to bias their answers more to the positive side. This is called the social desirability bias [Tullis and

Albert, 2008] or interviewer bias [Blackwell et al., 2006]. Different interviewers are usually getting different data out of the same interview because the interviewer's personal character affects the interviewee's choice of words and phrasing. Interviewee usually tends to please the interviewer by answering what he or she thinks that the interviewer wants to hear rather than telling exactly how they personally feel about the matter. This type of bias is not present in anonymous online surveys. [Gray, 2009; Blackwell et al., 2006]

Surveys do not commonly provide a great response rate compared to the face-to-face interviews especially if the survey is too long and detailed. This makes it more demanding and time consuming for the respondent to answer. Researcher should try to achieve a 60 percent response rate but that is not an easy task and can be seen almost an impossible target for a large web survey. For a mail or postal survey, the response rate of 30-40 percent can be considered a good rate, but it usually tends to not be that high. [Punch, 2003] If the postal survey's response rate is less than 15 percent it can cause serious problems in a form of non-response bias. [Malhotra et al., 2012] In Finland the online survey was chosen as a method in 33 percent of the cases based on the ESOMAR Industry Report (2010).

Rewarding the respondents for answering the survey might help boosting the response rate but in this research rewards were not used. Rewards have a bias related to the reliability of the answers as some of the respondents might answer to the survey just for a chance of winning a price. Even without rewards it will be impossible for the researcher to make sure that the responses are accurate and present the actual feelings or thoughts of the respondent. Some respondents can give faulty or misleading answers and there is no way to discard those answers from all the other answers in an anonymous survey. There is also no way to make the question more understandable if the respondent feels that the question and the answer alternatives are not clear. [Gray, 2009]

Another problem in using social media as a survey distribution channel is related to the visibility of the survey. In social media the amount of active time or show time for a single post is extremely low. This means that the selected audience might completely miss the survey post. There is no way to prevent this type of behavior in social networks but one can counter it by promoting the post or posting it multiple times. Some social networks tend to give more 'screen-on-time' for posts that are actively observed, commented, or shared. This means that if the survey post gets a lot of attention and

people re-share it, it will be visible for a longer period of time and for a greater mass of people. The problem with reposting or promoting the post is that people will get annoyed by seeing it too many times, which might affect the results and response rate of the survey.

4.2.1 Planning of the survey

The survey was written in Finnish. At the start of the planning phase one of the biggest question marks was the expected amount of answers. The aim was set between 400 and 1000 replies but even those numbers were just a random guess because social media as a distribution channel is hard to forecast. The questions in the survey were designed as accurately as possible to make them clear for the respondents. This decreases the likelihood for the respondent to interpret the questions in a wrong way.

Pilot testing was chosen as a method for improving the survey in its early stage. In pilot testing a small sample of respondents will answer to the survey and give feedback about it. The feedback is supposed to reveal problems related to the survey design, and help to come up with new fixed-response alternatives and questions. The survey was pilot tested with a pick of 26 respondents from the researchers friends. The pilot test sample population was chosen based on the fact that they would be similar to the respondents of the survey. [Malhotra et al., 2012; Gray, 2009]

The pilot testing was done only online and it included only one round of testing. Problems were found during the single test round and will be discussed in detail later in this study. The pilot test got 15 answers that made the pilot test's response rate 57.7 percent. A great amount of corrections were made and new questions were added based on the feedback. Some of the questions were redesigned to better match the research questions and avoid misleading. [Punch, 2003; Vehkalahti, 2008] All the questions in the survey were voluntary to answer instead of setting some or all of them as mandatory.

After the pilot test and the redesign two meetings were arranged with a person who has experience from customer experience metrics and surveys. In these meetings the survey was examined in more detail and some answer alternatives were changed to better match the research questions. New answer alternatives and questions were added. The total amount of questions was finalized to 30 including one open question in the end for collecting feedback

about the survey. [Punch, 2003]

After the survey form was ready all the three big operators in Finland were contacted in order to get them to participate in the data collection process. The operators were asked to share the survey link on their social media channels on Facebook and Twitter. All operators were interested in participating, which started another design cycle for the survey. The survey form was sent to the operators' delegates who proposed new questions and answer alternatives for different questions. The alterations were made and another analysis round for the survey was performed. After three rounds of iteration the final survey form was ready for distribution and consisted of 36 questions including the open feedback question. [Punch, 2003] It was taken into account that with 35 questions the survey was long and took approximately 5 to 10 minutes to answer. It was recognized that this would show in the amount of responses as with long surveys some respondents might start to feel response tiredness, which will add bias to the results. The respondent might stop answering the survey so the data will be lost, or the respondent might start to answer faster and without concentrating enough to finish the survey faster. [Vehkalahti, 2008]

The questions in the survey differ from each other but most of the questions are designed similarly. The different questions use different scales and different variables while some are designed to complement the previous question in order to get more precise data. Each question was designed to support the study's research questions. Demographic information included the following attributes: gender, age, location, education, and employment. Other basic information was related to the respondent's current operator and whether he or she had switched the operator. One question was the NPS question with its 11-point scale, but other questions had their own scales, which were usually either five or seven point Likert-scales [Vehkalahti, 2008; Fowler, 1995].

Questions with more than seven answer alternatives were designed by hand based on the Tilastokeskus's research about how and how much are people using Internet [Tilastokeskus, 2013; Viestintävirasto, 2014*b*], the operator's customer feedback, and people's opinions and problems with their operators. The idea was to come up with commonly known problems as well as something new for the respondents to think of and present them in such a way that questions were formatted in a more down-to-earth manner. This allowed the respondents to feel more familiar with the questions and answer alternatives as they could choose from pre-made choices. If the pre-made an-

swer alternatives did not fit, then the respondent could answer to the open question alternative.

The goals for the question designs were that they would be easy and quick to answer by keeping them as simple as possible. This goes for the answering alternatives as well. Each question should present only a single idea that it tries to get the respondent to answer. The idea behind the question should be as clear as possible for the respondent as should be the language of the question. The language should be unambiguous, relevant and appropriate, and unbiased. [Punch, 2003]

This type of question design definitely has its problems regarding the reliability of the results. The researcher cannot be sure if the respondent actually understands all the answer choices of the questions as intended even if they have been designed to be as clear as possible. This is a problem in other methods. Another problem is that the survey's primary goal was to collect data about human behavior. Human behavior is a multivariate concept that is really hard to use as a variable and collecting data from it is even harder. [Vehkalahti, 2008; Gray, 2009]

4.2.2 Execution of the survey

The main channel for distributing the survey was social media and in this case Facebook and Twitter. All the three operators made similar Facebook posts to their company's Facebook wall and tweeted about the survey. The posts went live on Tuesday (22.7.2014) morning at 8 a.m. for Elisa and TeliaSonera, including Tele Finland. DNA posted the same posts later in the afternoon. The link to the survey was also shared via researcher's personal Facebook and Twitter accounts during the morning. The link was also sent via email for a selected small group of people who did not have social media accounts but wanted to take part in the survey. Different sharing times were chosen to improve the visibility of the survey. The amount of answers per day and how they evolved are presented in figure 4.1.

Only one small correction was made to the survey form during the data collection, which was related to the question about the living area. There was an alternative called 'Karjala' but one respondent gave feedback about it, which was considered important to fix because it was related to the history of Finland. As Finland lost Karjala to Russia in the Talvisota, only Pohjois-Karjala remained, and the alternative 'Karjala' was switched to 'Pohjois-

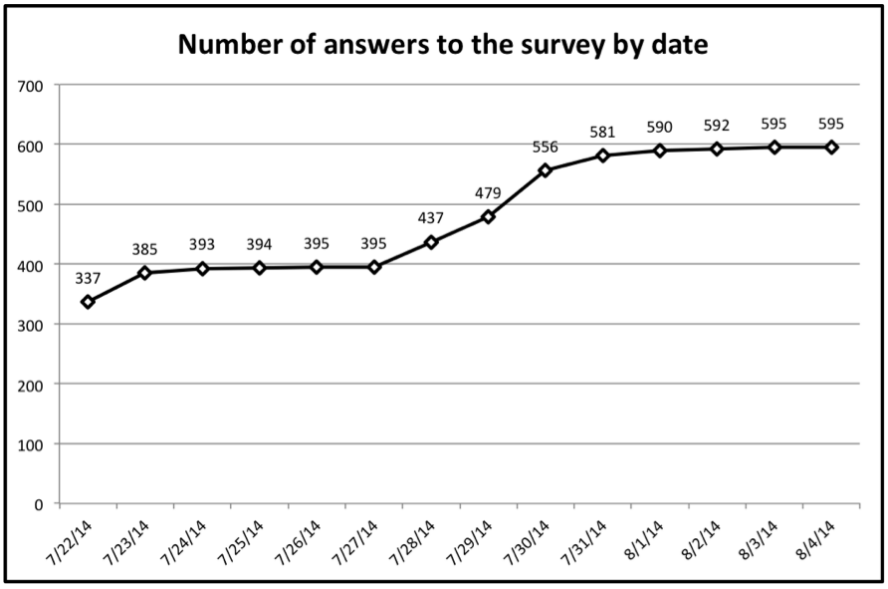

Figure 4.1: Progression of the number of answers

Karjala' for this reason. This feedback was received after two hours the survey went live and was fixed immediately. The effects of this renaming operation will be discussed later on.

It was debated with the operators that they should repost the link to the survey again before the survey closes. The operators decided to do so and DNA was the first to repost it on Facebook and Twitter six days after the survey went live. Tele Finland and TeliaSonera reposted it after 7 days on Facebook and Twitter, whereas Elisa reposted it only on Twitter after 7 days. The reposts were beneficial and increased the number of new responses by quite an amount. The link was active for 14 days and was closed on Monday (4.8.2014) morning.

Chapter 5

Analysis

In this part the results from the web survey will be presented. The data was analyzed by hand because of the qualitative nature of the collected data. It is laborious to analyze qualitative data statistically with computer-assisted methods. The questions were related to customer behavior and how the customers use different services. The goal for the analysis was to find out the most important factors and analyze their importance for the customer and operator.

5.1 The web-survey data

The survey was answered 595 times and the survey form was viewed and opened 1641 times without submitting the answers. Total number of views with answers was 2236. The operators did not provide data about how many people were reached by the survey post in Facebook or Twitter. Based on the total number of views and answers the response rate was about 27 percent. This can be considered a good result for a web survey as discussed in previous chapter.

Most Finns are satisfied with their operators as 69 percent of the 588 respondents said to be satisfied whereas 25 percent were partially satisfied and only 6 percent were not satisfied. Out of the 591 respondents 47 percent have switched their operator multiple times and 32 percent have switched once. This means that 79 percent of the respondents have switched at least once. Seven percent have not switched but have thought about it. The remaining 15 percent have never switched the operator.

The highest amount of answers per question was 594 out of 595. The lowest amount of answers for a single question was 463 out of 595. That question was the last question in the survey and it had many alternatives to choose from, which might explain why so many respondents chose to skip the question. The design of that question could also be flawed. The average amount of responses per question was 583 when all the 35 questions were taken into account. If the last question was left out the average number of responses was 587. Because of the great amount of questions and the high response rate per question, the last and least answered question does not significantly alter the mean amount of responses per question. It must be noted that because all the questions were set as optional rather than mandatory parts of the data were lost. For example some of the respondents had chosen to not reveal their gender, which means that it is impossible to say what was the exact number of respondents for both genders.

The open question in the end of the survey was answered 85 times, which means that about 14 percent of the respondents gave open feedback about the survey or their experiences with their operator. The open feedback answers can be divided by topic roughly in a following way:

- Feedback regarding the survey and the creator of the survey
- Feedback regarding the design problems of the survey
- Feedback regarding the respondent's problems with it's operator
- Feedback regarding the experiences with the operator
- Feedback regarding the improvement ideas for the services and experiences

Operators shared the survey on their Facebook pages, which allowed the customers to like those posts and post comments related to the survey. The feedback from the respondents was generally positive but it also revealed some flaws in the survey design. These flaws will be discussed under the conclusions chapter.

5.2 Data sets from the survey data

There were 35 questions and not all will be discussed. The questions to be discussed were chosen based on how important and interesting their answers were. All of the questions and their data are available in the appendix. Different data sets were created to compare different variables. The data sets are filtered based on gender, age, and operator.

5.2.1 Gender

The respondents' genders were distributed quite evenly as males were presented by 326 respondents (56%) and females by 255 respondents (44%). The total of 581 respondents (98%) revealed their genders. The age distribution per gender is presented in figure 5.1:

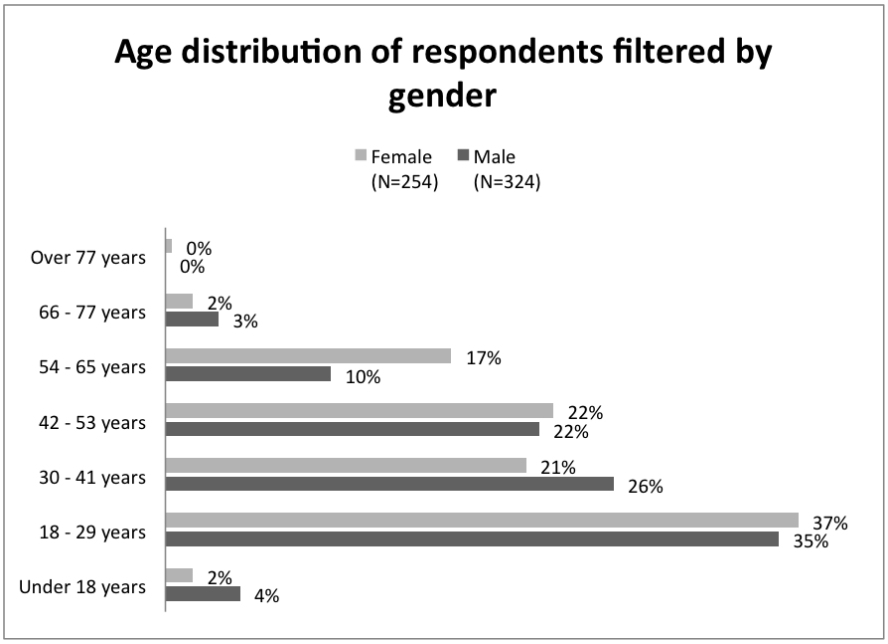

Figure 5.1: Age distribution of respondents filtered by gender

The majority of the respondents were 18 – 29 years old. The age distribution can be considered quite even because the main distribution channel was social media and that is typically a more familiar media for the younger generation. Between the operators the gender distribution was almost equal and the difference could not be considered significant. Operator satisfaction

was quite high at 69 percent for the males and 70 percent for the females were satisfied. Even though the satisfaction was high only 19 percent of the males and 23 percent of the females reported always having a positive customer experience with their operator. Males (40%) and females (43%) reported that they almost always have a positive customer experience, while 27 percent of males and 21 percent of females had a positive customer experience quite often. Out of all the males and females 78 percent had switched an operator at least once. Only 22 percent of the males and females had never switched the operator. The NPS by gender was 57 for males and 36 for females. The difference is huge when you compare it to the mean value of the NPS question, which was 7.53 for males and 7.47 for females. The mean value was calculated by taking the 'passive group' into account.

The respondents were asked what are the three most important factors that define a good customer experience for them. The top three most answered factors were:

1. Services work (comprehensive network coverage, promise for certain download/upload speeds etc.)
2. The product/service is as it was agreed to be
3. Friendly service

The above top three was the same for both genders except that for females the friendly service was more important than the product and service aspect. When it was asked where the customer experience had been the best with the current operator (Figure 5.2), both males and females chose the phone service alternative (33% and 36%) before the store that was chosen as the second-best alternative by 32 and 27 percent respectively. The operator's web page was chosen as the third-best option by 16 and 15 percent.

The contact channel satisfaction did not affect the chosen contact channel as much as thought. Web page was chosen significantly more often as the contact channel even though neither males or females reported it as the first or second-best in terms of good customer experience. The explanation might be related to how different customers understand the customer experience. The web page might not be seen as an experience but rather a tool to access operator's information and services, for example finding the number for the customer service.

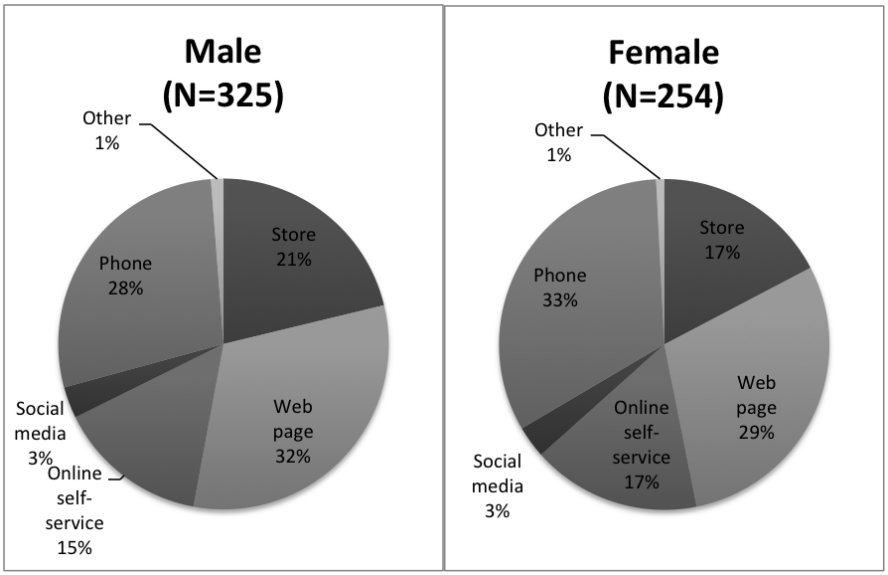

Figure 5.2: How are you usually in contact with your current operator?

The three most important reasons for going to the store varied between genders, although the most important reason was the same for both genders. The top three for both genders were:

Males

1. I can talk to the customer servant face-to-face (27%)
2. It is easy to go to the store (25%)
3. I will receive all the possible devices and accessories immediately after the purchase (20%) / It is easy to take care of different things in the store (20%)

Females

1. I can talk to the customer servant face-to-face (27%)
2. It is easier to explain my matter to the customer servant in the store (20%)
3. I can take of my matter with a single visit to the store (20%)

For the males the top four was taken here as both the third-best and fourth best were at 20 percent. Men prefer the store because it is easy to get to and take care of things. Both genders chose the face-to-face conversations as the most important factor. It would have been interesting to hear what were the thoughts behind the female's second-best alternative. What makes it easier to explain the matter to the customer servant face-to-face than in a phone? Females preferred the importance of first contact resolution (FCR) when compared to males, of which only 17 percent chose the FCR as one of the three most important factors. Out of all the respondents 20 percent of males and 24 percent of females reported that they had not visited their operator's stores.

The next question asked why the customer would choose the store instead of the web page if he or she knew that the same matter could have been taken care of online. The three most answered alternatives were the same for males and females:

1. I want to get personal service (51% and 48%)
2. In the store I will receive my devices immediately after the purchase (46% and 39%)
3. It is easier to do business in the store (35% and 23%)

People choose the store to get personal service and to receive their purchases with them immediately. The store is seen as an easy and more reliable way to handle and resolve different matters. When the respondents were asked how easy it is to take care of different things in the operator's store the numbers were extremely positive as 30 percent of males and 25 percent of females said that it is extremely easy. Whereas 35 percent of males and females agreed that it is quite easy. The six percent of males and ten percent of females said that it is quite difficult to take care of things in the store. Only two percent of males and four percent of females reported that it was extremely difficult to take care of things in the store. The 'I cannot say' alternative was chosen by 13 percent of males and 5 percent of females. For this question 15 percent of males and 22 percent of females answered that they had not visited their operator's store. These percentages do not match with the results from the previous question with the same alternative where they were at 20 and 24 percent. One explanation for this could be that some

respondents might have had different opinions about what a store is. They could have visited a pop up stand for example.

When the respondents were asked for the top three reasons for visiting the operator's web page, the results divided as follows:

Men

1. It is fast to check the newest offers (44%)
2. It is easy to find information about different services (41%)
3. It is easy to update or modify my current services (38%)

Women

1. I am looking for an answer to a specific problem (42%)
2. It is easy to update or modify my current services (39%)
3. It is easy to find information about different services (33%)

Whereas women are mainly looking for answers to different problems, men are mostly keeping up with current offers. Both genders use the web page as a source for information about different services and a tool for managing their services. When it comes to making orders via the operator's web page, 33 percent of males and 49 percent of females had never tried it. Only 17 percent of males and 14 percent of females make orders on their operator's web page often. The main reason for not ordering via the web page was the same for both genders: there is no need to make any changes for the current services. The second and third-best reasons are same too except that in different order. The need for trying out the device before purchase is more important for males (34%) than the possibility of starting to use the new devices immediately (30%), and females like to be able to start using the new devices instantly after purchase (24%) but they also want to try out the device before buying (23%).

The customers seem to be satisfied with the operators' web pages. They were asked how easy it is to take care of different things on their operator's web page and out of all the respondents 23 percent of males and 25 percent of females answered that it is extremely easy. The majority of the males (52%) and 48 percent of females said that it is quite easy to handle the

matters on the operator's web page. For 12 percent of males and 13 percent of females it was quite hard to take care of different things on the operator's web page. Only three percent of males and two percent of females answered that it is extremely hard. Out of all the respondents five percent of males and seven percent of females had never visited their operator's web page. The remaining five percent of males and six percent of females could not say whether it is easy or hard.

5.2.2 Age

The second data set was filtered by age. As previously presented there were four big age groups: 18-29 year olds (36%), 30-41 year olds (24%), 42-53 year olds (22%), and 54-65 year olds (13%). The under 18 year olds (3%) and over 65 year olds (3%) are left out of this analysis as they are presented by less than 20 respondents per group. The NPS for each group did not vary much and also the mean scores were quite consistent. The mean scores are presented in parenthesis after the score. For the youngest group the NPS was 18 (7.36), for 30-41 year olds it was 21 (7.62), for the 42-53 year olds it was 30 (7.60), and for the oldest group 21 (7.78). Based on the NPS alone, the 42-53 year olds are talking most positively about their operator and recommending it more for their friends and colleagues than other groups. Still when looking at the mean scores all the groups seem to be quite satisfied with their operators.

When asked about the three most important factors that create a positive customer experience all the groups chose the 'services work (comprehensive network coverage, promise for certain download/upload speeds etc.)' as the most important factor. The percentages starting from the youngest group were 71%, 65%, 67%, and 68%. The second most important factor was the 'Product/service is as it was agreed to be' and it was chosen by 39%, 35%, 33%, and 36% respectively. For the 18-29 year olds the third-best factor was 'friendly service' by 33 percent, and for the 30-41 year olds 'friendly service' and 'fast customer service on phone' were both chosen by 32 percent of the respondents. The last two groups preferred the 'fast customer service on phone' as the third most important reason with 31 and 32 percent.

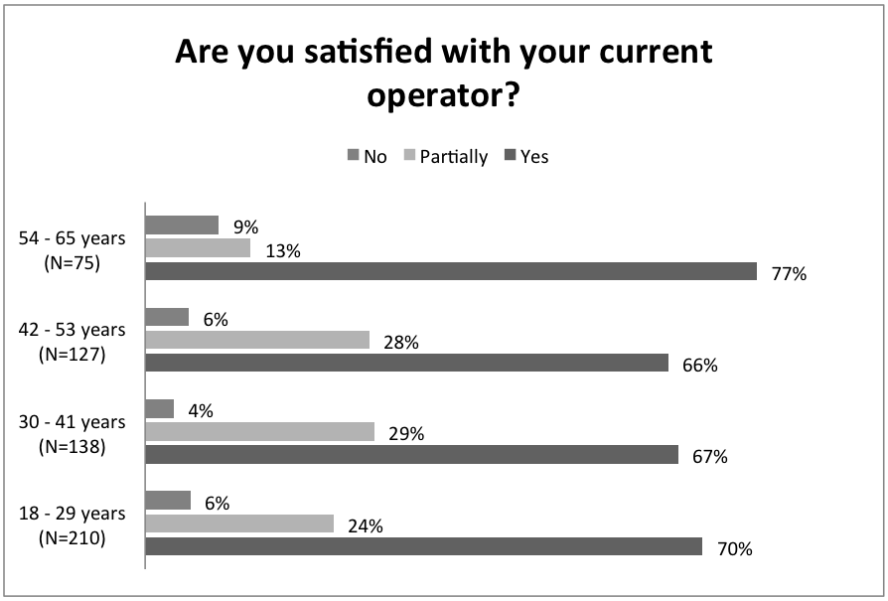

Figure 5.3: Operator satisfaction filtered by age

The results of operator satisfaction filtered by age can be seen in figure 5.3. Overall the satisfaction was about 70 percent for all the age groups. When looked at the experiences that the members of those age groups are sharing with others, the results are presented in Figure 5.4.

The respondents' shared experiences about their operators have mostly been positive or quite positive. Only a small percentage of the respondents have not shared their operator experiences with others. Most of the experiences were shared with either friends or family member and relatives, and after that with work colleagues. Because the target groups for sharing the experience with are as presented previously, the most common environments for sharing the experience were either home, work, or on free time. Starting from the youngest group the percentage of sharing these experiences on Facebook were 26%, 33%, 19%, and 18%. Twitter was used as a sharing channel for even less than Facebook: 6%, 7%, 2%, and 3%. The 18-29 year olds were the only group that had used Instagram as a sharing channel (1%).

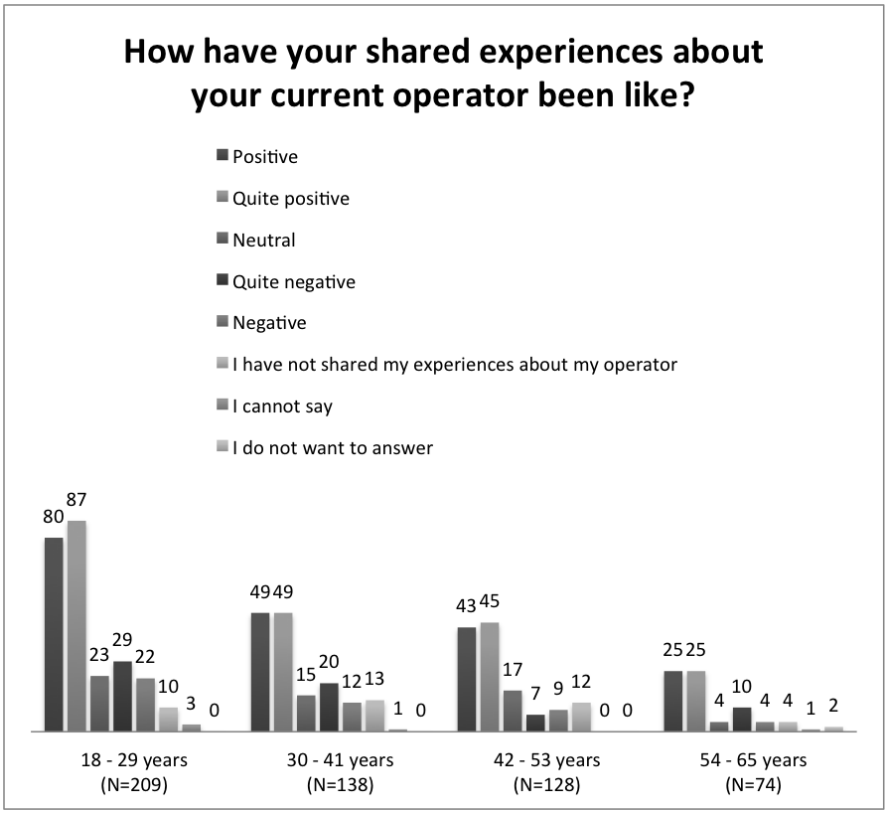

Figure 5.4: The nature of the experiences with the operator filtered by age

The 42-53 year olds (31%) were the ones who saw it easiest to do business in the store while it must be noted that 23 percent of them had never visited the operator's store. In overall doing business in the store was seen quite or extremely effortless (Figure 5.5). The top three reasons for visiting the operator's store distributed like this:

18-29 year olds

1. I like to be able to talk to the customer servant face-to-face (29%)
2. It is easy to go to the store (23%)
3. I can take of my matter with a single visit to the store (22%)

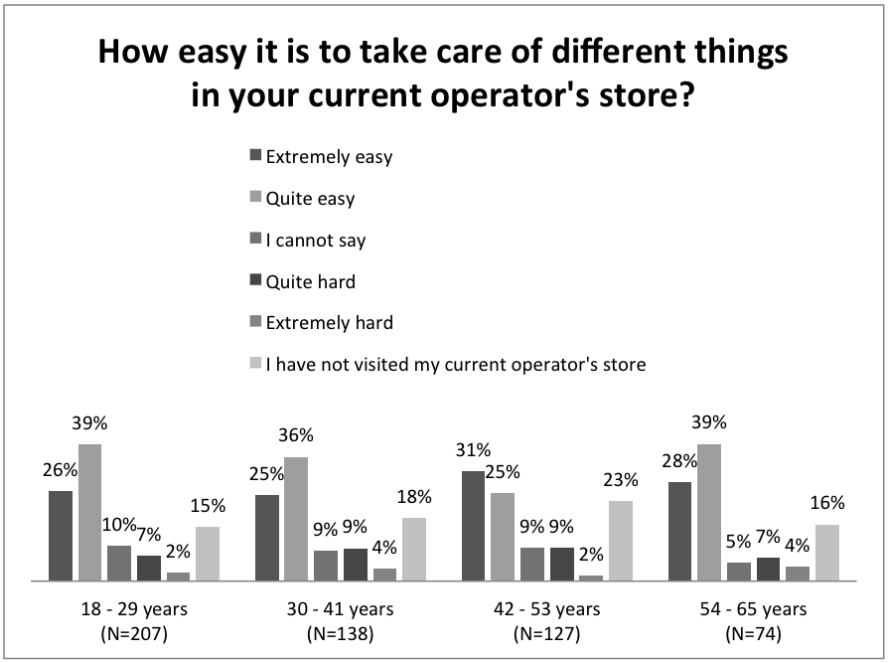

Figure 5.5: Ease of doing business in the operator's store filtered by age

30-41 year olds

1. I like to be able to talk to the customer servant face-to-face (29%)
2. I will receive all the possible devices and accessories immediately after the purchase (24%)
3. It is easy to go to the store (22%)

42-53 year olds

1. I like to be able to talk to the customer servant face-to-face (21%)
2. It does not cost anything to visit or take care of things in the store (19%)
3. It is easy to go to the store (18%)

54-65 year olds

1. I like to be able to talk to the customer servant face-to-face (30%)
2. It is easy to go to the store (24%)
3. It is easier to explain my matter to the customer servant in the store (23%)

Regardless the age group the single most important reason for going to the store was the face-to-face communication with the customer servant. Therefore personal service is still considered extremely important and that does not depend on the age of the customer. The store can be reached easily which is an important factor when the customer is choosing the contact channel. This is viable only in areas where the operator has a store. For example in Helsinki, where all the operators have many stores, it does not surprise that the store is seen as easy to arrive at. When the respondents were asked why they are going to the store if the same thing would be possible to do by themselves on the operator's web page, the top three most answered alternatives for all the age groups were:

1. I want to get personal service
2. In the store I will receive my devices immediately after the purchase
3. It is easier to do business in the store

Personal service is again seen as the most important factor. Also the easiness of visiting the store is repeated here, as is the immediate accessibility of the new devices. When it comes to getting a matter taken care of with a single visit to the store, the first-contact-resolution numbers are presented in figure 5.6.

The percentage for the need of contacting the operator again every time or almost every time after leaving the store is low regardless the age group. The chance of getting the matter solved with a single visit is about 50 percent. The amounts of total store visits per respondent were not asked and the effects of this will be discussed later.

Figure 5.6: First-contact-resolution scores in the operator's store filtered by age

The figure 5.7 shows that respondents find it easy to use their operator's web page. Respondents have also visited their operators' web pages more often than their stores, which supports the fact that the operators' store coverage is not that great in some parts of Finland. There are a number of devices that can be used to visit the operator's web page. The operators also offer various services and tools on their web page to help their customers to take care of several things by themselves.

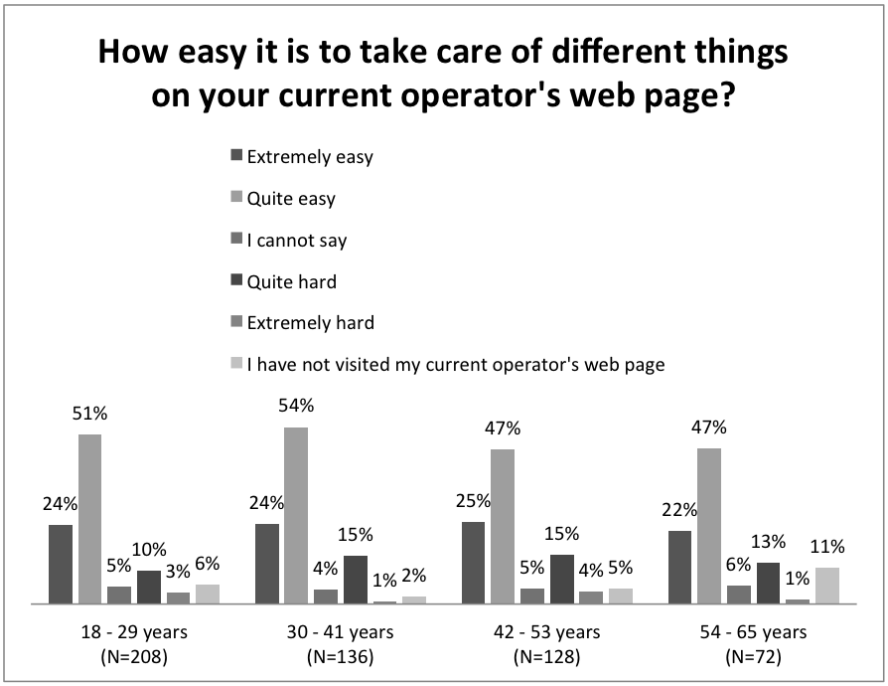

Figure 5.7: Ease of taking care of different matters on operator's web page filtered by age

The results from how easy the operator's online self-service is to use and how many have used it follow the same line with the web page effort results. The surprising result here is that almost 10 percent of the respondents from the youngest group do not know what online self-service is and another 10 percent have not used it. The real alternative for the 'I do not know' was 'I do not know if my operator offers online self-service or what online self-service means in this occasion' but it was shortened in the figure 5.8 to make the figure's texts more readable.

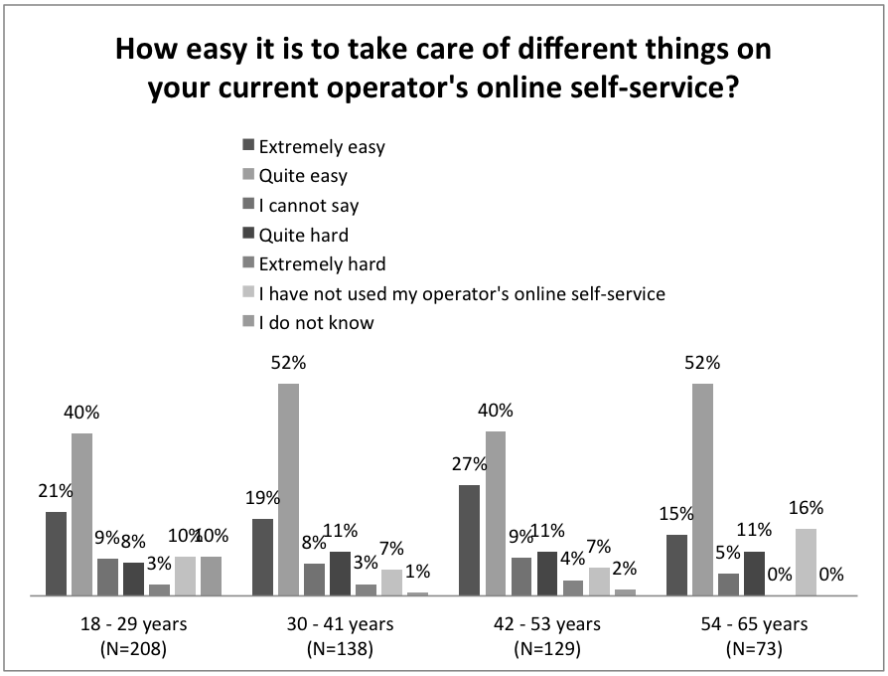

Figure 5.8: Ease of taking care of different matters on operator's online self-service filtered by age

After asking how much of an effort it requires to use the operator's web page or online self-service, the three most important reasons for visiting the web page were asked. There were similarities between age groups and almost all the top threes were the same:

18-29 year olds

1. I am looking for an answer to a specific problem (44%)
2. It is easy to update or modify my current services (41%)
3. It is fast to check the newest offers (40%)

30-41 year olds

1. It is easy to update or modify my services (42%)
2. It is easy to find information about different services (39%)
3. It is fast to check the newest offers (35%)

4. I am looking for an answer to a specific problem (34%)

42-53 year olds

1. It is fast to check the newest offers (39%)
2. It is easy to update or modify my services (39%)
3. It is easy to find information about different services (38%)
4. I am looking for an answer to a specific problem (28%)

54-65 year olds

1. It is easy to find information about different services (40%)
2. I am looking for an answer to a specific problem (37%)
3. It is easy to update or modify my services (32%)

So the most important reasons for people regardless the age group were: finding the information about services and new offers, finding solutions for problems, and updating and modifying the current services.

Interestingly the youngest group has ordered from online the least of all the age groups (Figure 5.9). When respondents were asked for the reasons for not ordering online or doing so rarely, the three most answered alternatives were almost similar in every age group:

1. I have no need to make any changes to my current services
2. If I order online I will not be able to try out the devices before buying them
3. If I order online I will not be able to immediately receive and start using my new devices

For 42-53 year olds the second most answered alternative was "I do not trust that in the end the online order will be exactly something that I wanted" and for every other group the top three was the same as above. It is interesting that the youngest group is so inactive when it comes to online ordering. The reason for this might be related to the distrust towards Finnish postal service or other courier services, or that the youth wants to get their devices immediately when they have decided to purchase something.

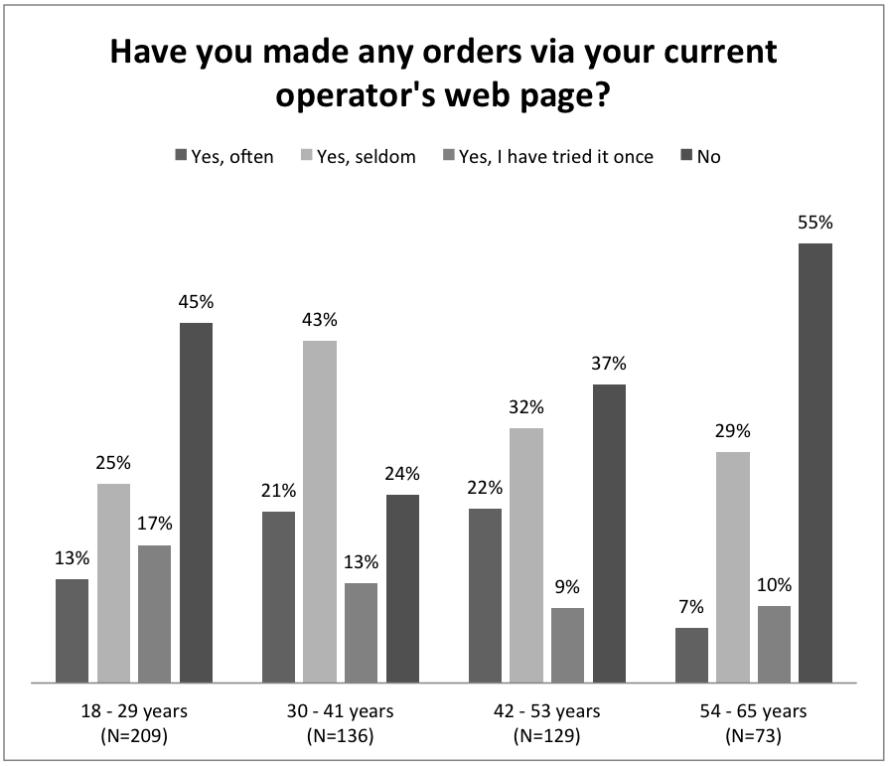

Figure 5.9: Online ordering filtered by age

5.2.3 Operators

Satisfaction numbers (Figure 5.10) are good for each operator but there is room for improvement. What is more important is the amount of dissatisfied customers, which is low. The percentage of partially satisfied customers is high for others than Tele Finland.

NPS was calculated for each operator. The mean values from NPS question are presented in parenthesis. The scores were as follows:

- DNA 34 (7.60)
- Elisa -3 (6.76)
- Saunalahti 24 (7.61)
- Sonera 12 (7.21)
- Tele Finland 32 (8.38)

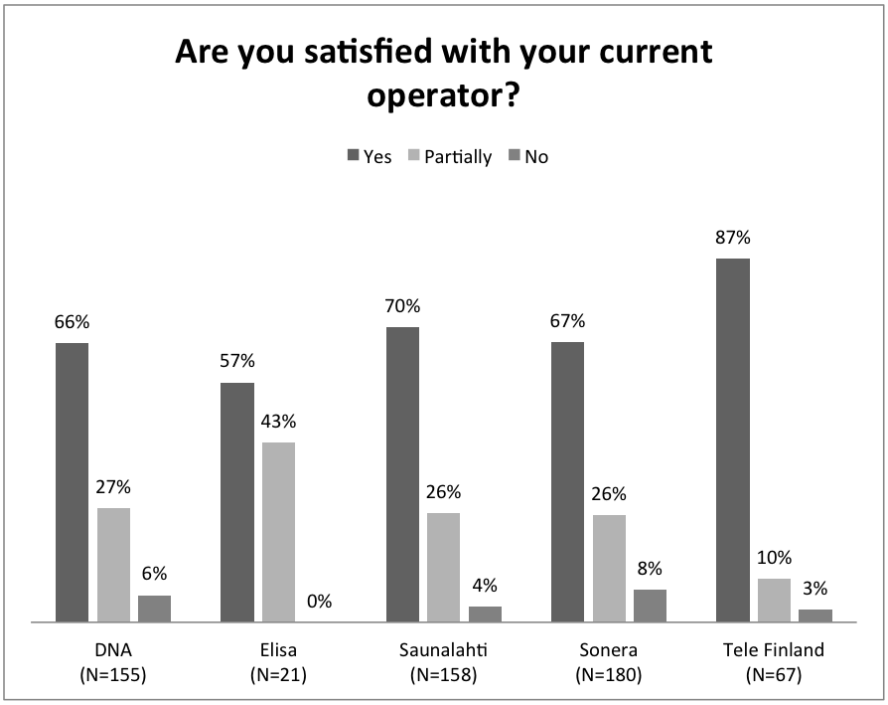

Figure 5.10: Customer satisfaction filtered by operators

Tele Finland has the most satisfied customers based on the customer satisfaction numbers. Tele Finland's customers are also most willing to recommend their operator for their friends and colleagues based on NPS and its mean score. It has to be noted that the number of Tele Finland's customers in this survey is significantly lower than the amount of customers on other operators. The satisfaction numbers, NPS and NPS mean score for Tele Finland are all well above other operators' numbers which might indicate that the trend could continue even with a larger sample of respondents. As Elisa's sample of respondents is so small that operator is left out of the following analyses.

When the respondents were asked if they had ever switched their operator the results were similar between operators. DNA's customers reported that 45 percent of them had switched multiple times and 33 percent had switched at least once while only 22 percent had never switched. For Saunalahti multiple switchers accounted for 48 percent and those having switched once were at 38 percent while 14 percent had stayed with the operator the whole time. Tele Finland's numbers were 54 percent, 37 percent, and nine percent respectively. Sonera's numbers were the most interesting as 42 percent had

switched several times and only 24 percent had switched once. Therefore the amount of those who had never switched was 34 percent, which is the highest amount of all the operators.

There are a few noticeable numbers in the operator switching numbers. First is the Sonera's amount of those who have never switched. There were two answering alternatives for 'No', one being 'No but I have thought about switching' and other being a plain 'No'. The best guess for the reason to not switch the operator could be: loyalty towards the operator, the amount of effort it would require to change the operator, being satisfied with the operator, or a mix of the three. The NPS numbers might support some of the reasons for staying with the same operator for the whole time. NPS is a satisfaction metric, which means that if the operator scores highly in the NPS its customers are more satisfied than the competitors' customers. In Sonera's case the NPS is the lowest of all the big operators and therefore the customer satisfaction alone cannot be used to explain the amount of non-switchers. The mean NPS score is not significantly lower when compared to other operators, which means that Sonera's customers are passively satisfied.

When it comes to the amount of effort, the switching costs for operators' customers are low in Finland. Still the amount of effort one is experiencing is personal. To check the loyalty factor, another data set was built to find out how those who had never switched had answered to satisfaction and NPS questions. The results are presented in figures 5.11 and 5.12:

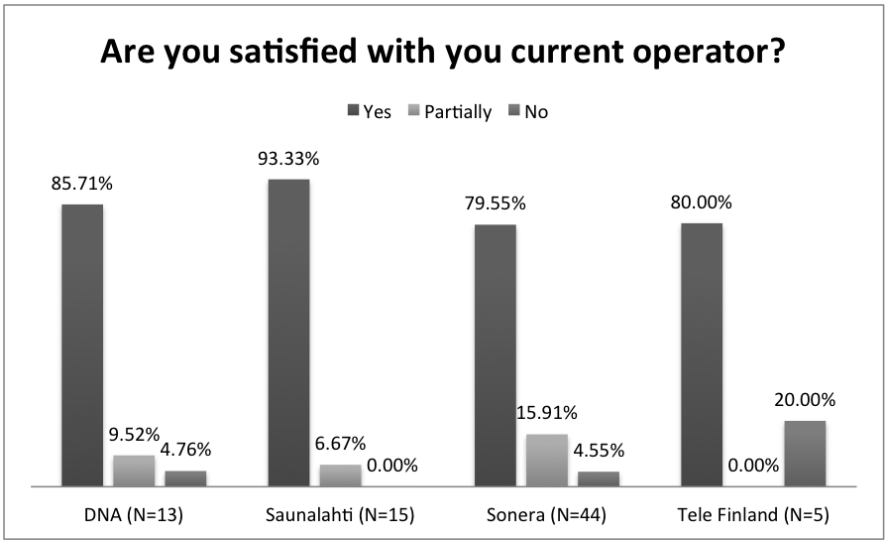

Figure 5.11: Satisfaction of the customers who have not switched the operator filtered by operators

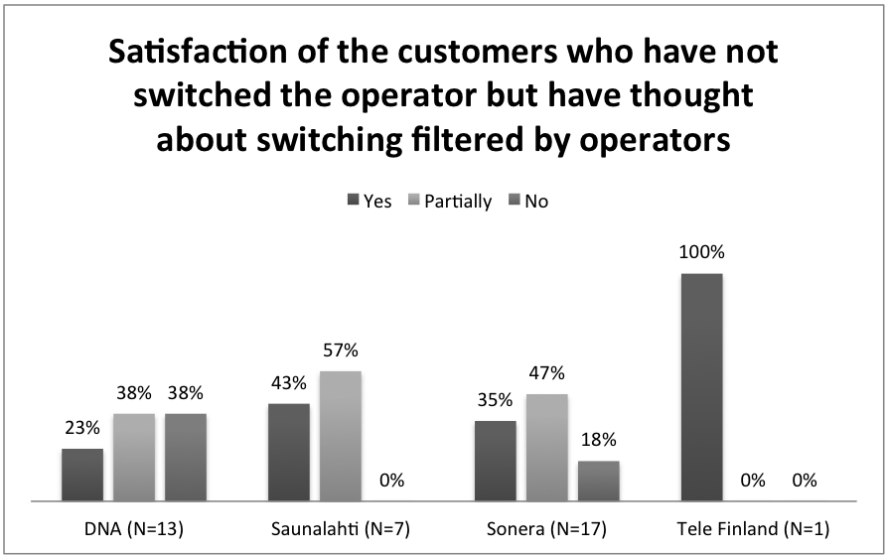

Figure 5.12: Satisfaction of the customers who have not switched the operator but have thought about switching filtered by operators

The customers who have not switched and have not thought about switching are highly satisfied with their current operator. Based on the results of those who have thought about switching it can be seen that they are far from being as satisfied as those who have not thought about switching. When the

NPS and NPS mean scores were calculated for these non-switchers, the results were:

- DNA (No switch): 11 (8.48)
- DNA (Thought about it): -9 (4.31)
- Saunalahti (No switch): 2 (8.13)
- Saunalahti (Thought about it): -2 (6.71)
- Sonera (No switch): 18 (8.27)
- Sonera (Thought about it): -6 (5.41)
- Tele Finland (No switch): 5 (9.40)
- Tele Finland (Thought about it): 1 (9.00)

Here Sonera scored well when compared to other operators. Tele Finland is again in its own league but the sample is too small for the results to be compared against others. It seems that the high satisfaction is the reason for the non-switchers to stay with their operator. Those who have thought about switching are not satisfied enough and the majority of those customers are prone to churn and leaving the current operator. It is surprising to see that the NPS number for Sonera is higher for non-switchers than it is for all of its customers.

Secondly, the numbers for switching operator multiple times or at least once are logical when looking at the customers satisfaction numbers. If one is dissatisfied with its operator it is quite self-evident to switch and see if competitors offer better services and customer experience. Therefore if the customer has had a bad experience with one of the operators it can be expected that the customer experience and satisfaction with the next operator increase or should increase when compared to the old operator. The low switching costs can promote to try out other operators and see which one offers the best overall experience for the customer.

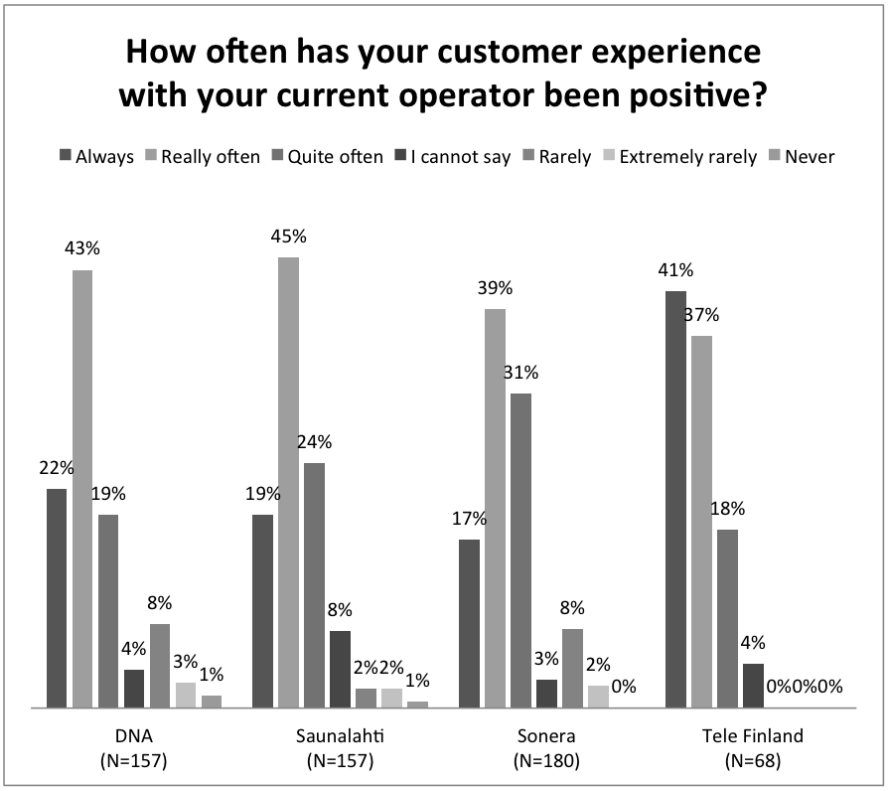

Figure 5.13: The nature of customer experience filtered by operators

The customer experience is on the positive side for every operator. Tele Finland's customers seem to be most satisfied with their operator's customer experience (Figure 5.13). For the Sonera the amount of 'Quite often' respondents is higher compared to the other operators, which can also be seen in NPS numbers and NPS mean score. When you compare the number of respondents and the number of other response alternatives, it can be noted that almost all of the three big operators are at the same line. Sonera had more respondents and it seems that those respondents answered 'Quite often' as other scores are almost identical to DNA and Saunalahti.

The figure 5.14 shows how the customers are choosing to contact their operator. For example Tele Finland and Saunalahti do not actually have retail stores but pop-up stores and shop-in-shops instead. Still people usually see the Elisa Shopit retail stores as Saunalahti's stores as Saunalahti is Elisa's brand for consumer telecom services. Tele Finland has shop-in-shops located in K-Citymarket hypermarkets as well as pop-up shops in some shopping centres. Saunalahti also has pop-up shops in some shopping centres.

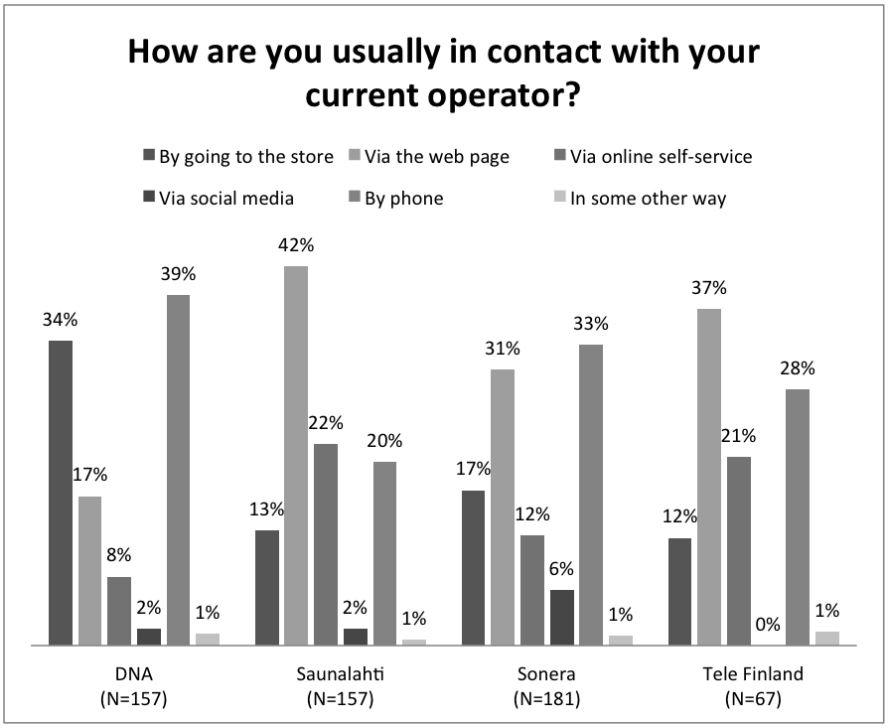

Figure 5.14: Main contact channel filtered by operators

The three most used channels are store, web page and phone. For DNA's customers the store and phone are considered equal with a slight preference for the phone, whereas the web page and online self-service are not popular. Saunalahti seems to be the leader in web page and online self-service channels, as its customers tend to use online self-service as often as calling customer service with a phone. This might also indicate that those who called by phone might at the same time be using the operator's online self-service channel and have called because they are not sure how to use it for a task. Sonera's results are similar to Saunalahti's results although its customers prefer the store to online self-service while calling is seen as the most popular channel. Sonera is the leader in the social media channel. Tele Finland's customers seem to turn to web page and phone when they are contacting the operator. Online self-service is also popular for its customers. Tele Finland's customers did not use social media at all based on the results. The main reason for this is probably related to the amount of likes in the Facebook. At the moment of writing this thesis Tele Finland had a little over 22 500 likes on Facebook, and is in a different league when compared to DNA (142 750 likes), Saunalahti

(174 400 likes), or Sonera (114 900 likes). The sample size for Tele Finland was also lower than for other operators, which can explain why no one chose that answering alternative. Still Sonera's customers use social media more than its competitors' customers even though it does not have as many likes as the two biggest competitors.

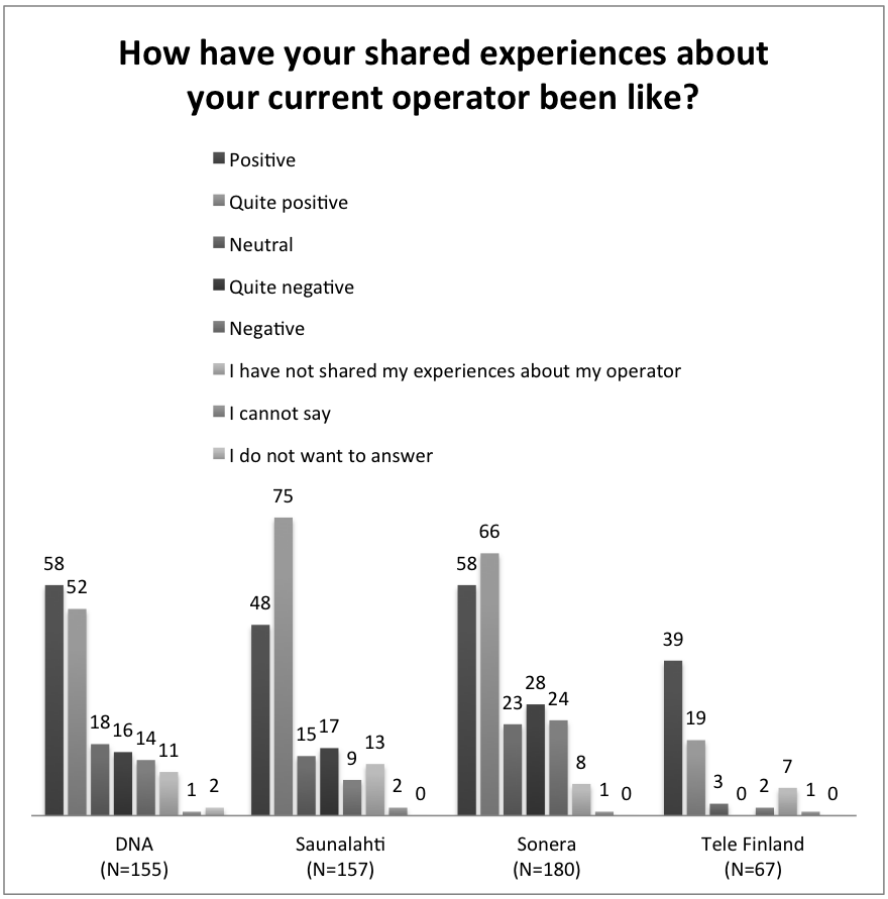

Figure 5.15: The nature of experiences shared with others filtered by operators

When the respondents were asked if they had shared their experiences about their operator with their friends, relatives, and co-workers, the shared experiences were positive or quite positive (Figure 5.15). The question's alternatives were designed in a way to be able to separate those who have shared only positive experiences and those who have had also negative experiences or problems with their operator, but are still talking positively about their operator. As it could be forecasted from the NPS results Sonera has the most negative or quite negative responses, whereas 86 percent of Tele Fin-

land's customers are either spreading positive or quite positive experiences about their operator. Another question asked to whom and where are the respondents mainly sharing their experiences. Mostly the experiences were shared with friends and family or relatives, and after that with co-workers. Based on the three most popular sharing targets the sharing occurred mostly at home or on free time and at work. These results are similar compared to the age groups results. Facebook was used as a sharing channel by 25 percent and online, that included discussion forums and online chats, were used by 20 percent.

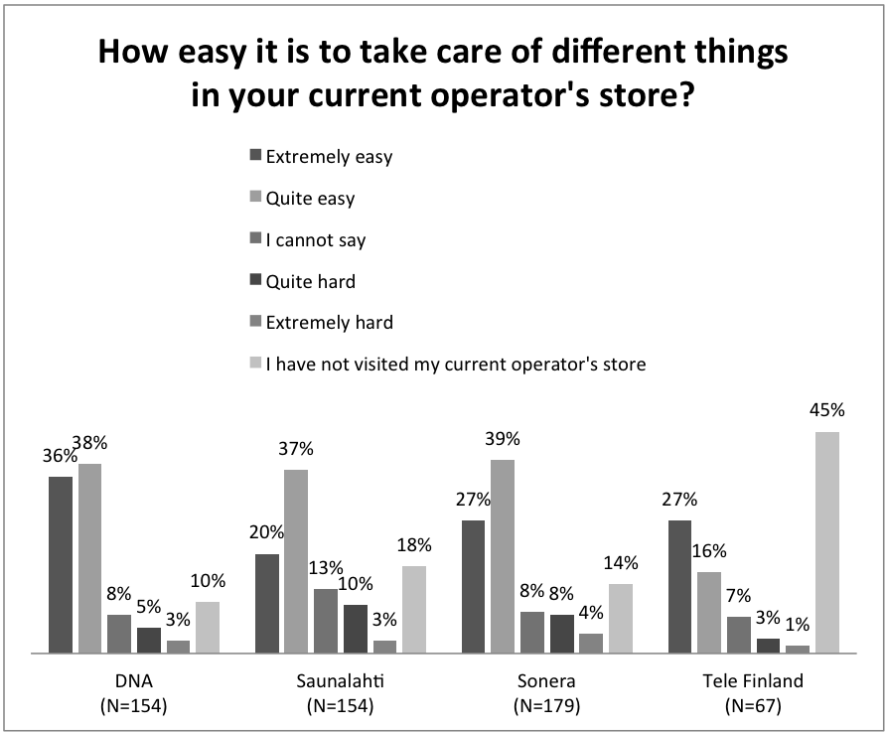

Figure 5.16: Easiness of doing business in the store filtered by operators

Easiness of doing business in the store scores (Figure 5.16) match the preferred contact channel when it comes to preference of DNA's customers who were the most willing to visit and take care of different matters in the operator's store. Overall all the customers are feeling that it is extremely easy or quite easy to take care of matters in the store. For Tele Finland the amount of customers who have never visited the store is larger because they only have pop-up stores and shop-in-shops.

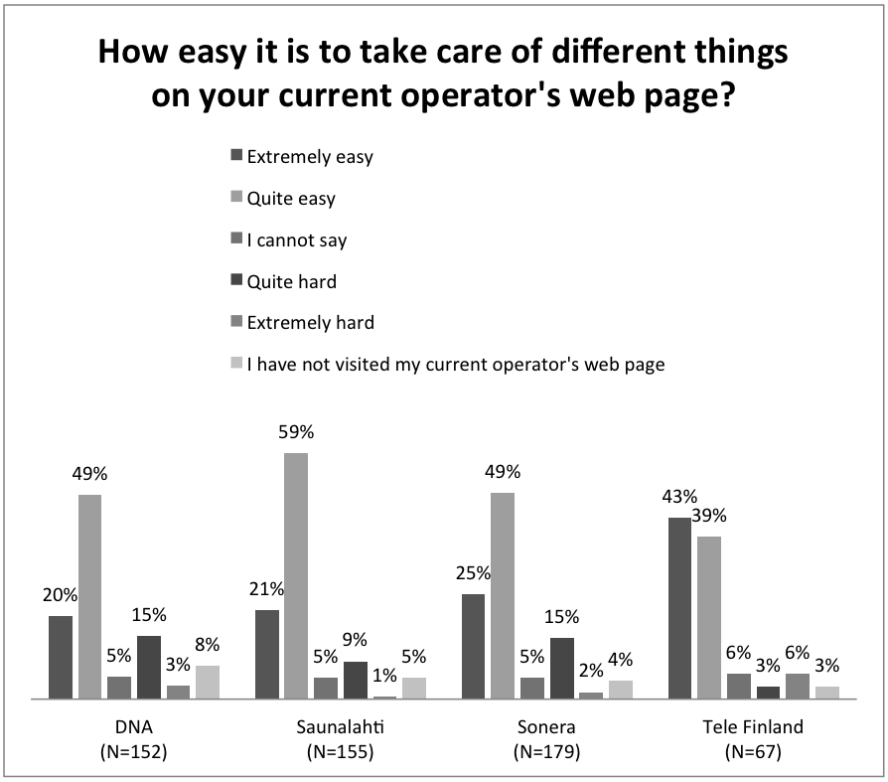

Figure 5.17: Easiness of doing business on the web page filtered by operators

The figures for the effort of taking care of different matters on the operator's web page (Figure 5.17) are in line with the previous results about how customers are contacting their operators. The amount of customers who have never visited their operator's web page is low but the amount of customers who are seeing it quite hard to operate on the web page is surprisingly high. Contacting those customers can be seen as an opportunity for improvement.

Based on the figure 5.18, DNA is currently in the defendant's position when compared to other operators. Out of all DNA's customers 16 percent had never used online self-service and four percent did not know if the operator offers online self-service or what online self-service is. This means that every fifth customer is not using the online self-service. Those of DNA's customers who use the service are almost as satisfied as the competitors' customers. It is interesting to note that as Sonera and Tele Finland are different brands from the same company, there is still difference in the results. Tele Finland's customers are more satisfied and only a few reported it being cumbersome to take care of different matters on online self-service. This is

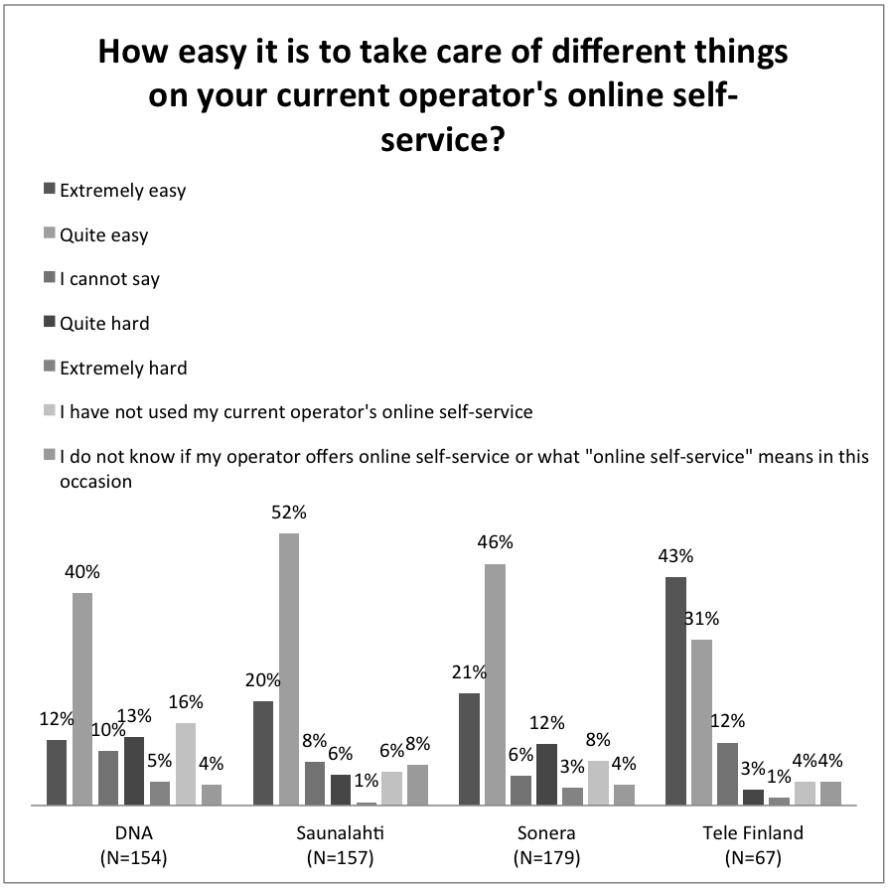

Figure 5.18: Easiness of doing business on the online self-service filtered by operators

something that Sonera should learn from its sister company.

The respondents were asked about FCR (Figure 5.19) related to doing business in the store. None of the operators scored an excellent score as all of them got about 50 percent of their customers' problems solved with a single visit to the store. It must be noted that the question design has a major flaw here as there was no option for those who have not visited the operator's store and those customers probably answered either 'Never' or 'I cannot say' or skipped the question. The question was answered by 575 respondents, which means that only 20 respondents (3%) skipped the question. What makes it worse for the operators is that even that the question design had a flaw, those of who answered 'Never' and would have answered 'I have not visited the store' if possible, increased the amount of answers for the 'Never'

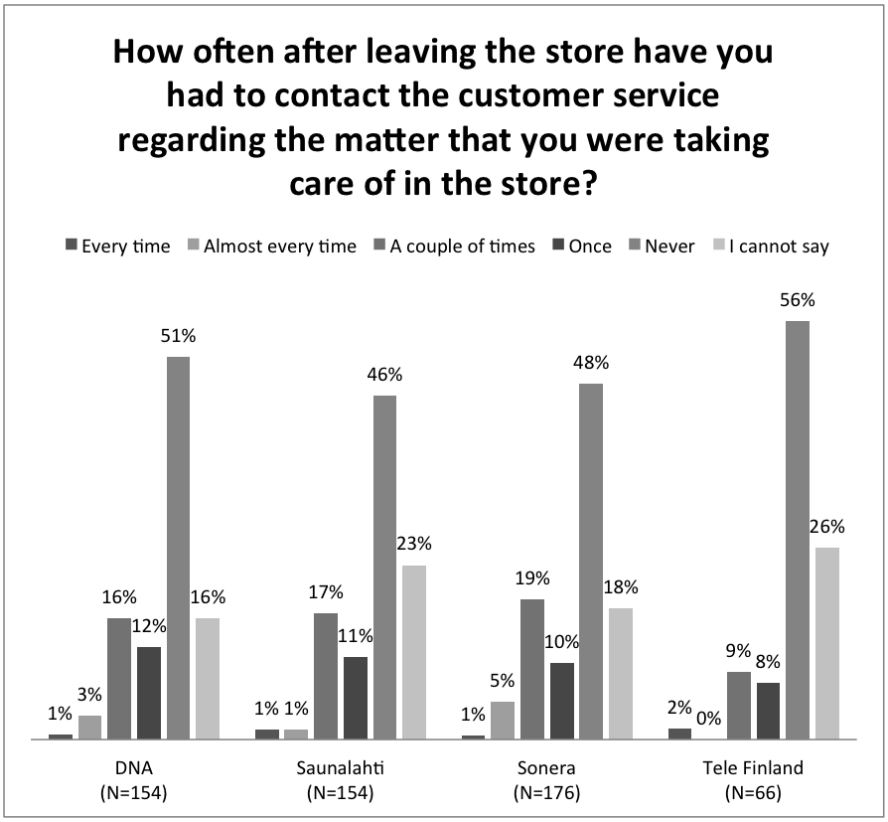

Figure 5.19: First-contact-resolution scores filtered by operators

alternative. Therefore the real amount of 'Never' responses might be lower for all the operators, which means that they succeeded in solving the customer's issue with a single visit for under 50 percent of the time. It is still positive that only an extremely small percentage of the respondents answered the first two alternatives, which should be considered critical alternatives for the operators.

Chapter 6

Conclusions

In this chapter the whole research and data analysis are concluded. The research questions and their answers will be discussed first. After that the survey data and results from the analysis will be summarized. There were three specific research questions in this study, which all will be presented next as well as how those questions were answered.
The three research questions were:

1. What does the customer experience consist of in the retail environment and online?

2. How does the customer see the web page and online self-services?

3. How does the Omni-channel help in improving the customer experience in various different channels?

The major part of the customer experience in the retail environments is the ability to have a face-to-face conversation with the employee. Talking with a person in the store is seen as an easier way to take care of different matters and a more reliable contact channel for getting problems solved with a single visit. Store is seen as an effortless environment to arrive at and it is possible to get the purchased devices or accessories with you immediately. Online is a trickier environment for the customers, as they are not using it for same reasons as the store. Customers do realize that not everything can be done online such as problems with service contracts. Online experience is not seen as personal as the face-to-face interaction in the store.

The second question concentrated to online environment and specifically on the web page and online self-service. Customers see the operators' web pages rather easy to use. The amount of respondents who had not visited their operator's web page was at six percent, which is low when compared to the similar store number that was at 18 percent. The online self-service was seen as easy to use as the web page. The amount of customers who had not used it was at nine percent. The main use scenarios for the web page were the ability to update or modify current services, to get to know the current services that the operator is offering, find a solution or help for a problem, and to pay the bills. The web page was also use for ordering new devices and contacting customer service. New services were ordered online almost twice as much as new devices. The three most popular reasons for not ordering online were the lack of need to make any changes to current services, the inability to try new devices before buying, and the inability to receive new devices immediately after purchase.

The third question united all the different channels and asked if the customers tend to use different contact channels simultaneously and if yes, why and how are they using them. There were five different questions in the survey that tried to find out how the customers are using different contact channels. The first question aimed to find out whether the customer had contacted the operator by phone, online or via social media, prior of going to the store. The results from this question did not support omni-channel thinking as about eight percent had contacted the customer service multiple times before going to the store and 10 percent had contacted the customer service once prior of going to the store. The other channels were not used by 43 percent, and 10 percent did not remember using other channels. The 21 percent had never visited the store. The other three percent were checking from the customer service if they can get help with their matter at the store. Five percent would have called but calling either takes too much time or it was hard to reach the customer service.

The second question measured whether the customer had to contact the customer service after his or her last visit to the store because the matter was not solved. This question also measured the first-contact-resolution (FCR) score of the operator's stores. These results were bad for all the operators. The third question asked 'How does the latest contact experience affect the way of how you contact your operator in the future?' Based on the results the majority of customers do care about how their latest experience turned

out when they are thinking about contacting their operator next time. Only 14 percent answered that the latest experience had no effect or they did not think about it when choosing the contact channel. Six percent could not say whether it affects or not. Therefore for 80 percent of the respondents it has an effect and the most popular answer was that it affects quite much (44

The fourth question was related to how the prior customer experience in any contact channel affects the chosen contact channel for the next contact with the operator if the previous experience was poor. Most of the customers (35%) replied that they would try to contact the operator via a different contact channel next time. For the 22 percent the prior experience had no effect for the choice of a contact channel. Nineteen percent (19%) of the participants answered that they prefer the same contact channel but would use other contact channel in addition to that previous channel. For 24 percent it does not have any effect.

The fifth and last question that was related to Omni-channel asked if the customer had ended up to the operator's web page via a link, and where did he or she get that link. The three most popular alternatives were Facebook, email, and operator's newsletter that was sent via email. The Facebook was almost twice as common when compared to the email and newsletter. Next the conclusion of the survey data and analysis will be presented.

The Finnish telecom customers are surprisingly eager to answer to an online web survey. The survey was quite long and it took about 5 to 10 minutes to answer to depending on the respondent. The survey's response rate was 27 percent that can be seen as a good result even though not a single question received 100 percent response rate. Out of 595 anonymous and independent answers the best response rate per question was 594 out of 595, while the average amount of responses per question was 583. The lowest amount of responses was 463 and it was the last question of the survey. The low response rate for the last question might be explained by the length of the survey and therefore lack of interest or patience. It is also possible that the respondents did not find that question important or familiar to respond to. Open feedback in the end of the survey was provided by 14 percent of the respondents. Some of these open feedbacks were beneficial for the operators and some for the researcher. The open feedback revealed many design flaws in the survey as well as gave good ideas for the future research as well as what and where to improve.

Based on the survey the most important reason for going to the store was the possibility for face-to-face interaction with the customer servant. This was the case regardless the gender, age, or operator. Other important elements in the store were the easiness of going to the store and the opportunity to receive the new devices and accessories immediately. Respondents also valued that it does not cost anything to handle the matters in the store. Store was seen as the contact channel where one can take care of the matter with a first contact or a single visit.

The most common contact channels were phone and web page. The store was more common than the online self-service but not by much. Social media was not in the top three most used channels or audiences for sharing experiences about the operator. Mostly the experiences are shared at home, on free time, or at work, and based on the locations the audience consisted mainly of family members or relatives, friends, or colleagues. The customer experience was the best on phone (35%), the second-best in store (30%), and the third-best on web page (15%).

When the data was filtered based on operators, all the three largest operators scored similar numbers. Finnish telecom customers are satisfied with their operators and feel that the customer experience is always or almost always positive. Tele Finland's customers were the most satisfied and the difference to the second best was over 15 percent. Tele Finland had the least amount of dissatisfied customers. It must be noted that only 12 percent of the respondents were Tele Finland's customers while DNA (27%), Saunalahti (27%) and Sonera (31%) had a larger sample of respondents. Elisa was chosen by four percent and the remaining one percent had subscriptions from various operators simultaneously. Sonera had the highest amount of customers who had never switched an operator (34%), which is a significant amount even though nine percent of these customers have thought about switching the operator. For the other operators the major amount of respondents have switched the operator multiple times except for Elisa whose customers had mostly switched just once (52%) compared to those who have switched multiple times (38%). Elisa was left out of the deeper analysis because the amount of respondents was low and Elisa's consumer brand is Saunalahti. Elisa offers Elisa subscriptions basically only for businesses.

NPS is not seen as a good metric for customer loyalty and has no scientific proof behind it based on multiple studies. In this study NPS had a positive correlation with customer satisfaction and how easy it is to do business with the operator. The customers who have switched the operator at least once were more satisfied with the current operator than those who had not switched. This makes sense as when the customer is dissatisfied with the current operator switching to a different operator is likely going to increase the satisfaction just because the dissatisfied experiences are left behind. The switching also allows the customer to benchmark the current operator against the previous operator and define whether the current operator is genuinely better for the customer than competing operators.

Interestingly, if the customer is satisfied with its operator, he or she will probably not switch the operator based on the satisfaction metric. While Sonera had the highest amount of 'first timers' its NPS score and NPS mean score were significantly lower when compared to other operators. NPS mean score is calculated from all the answers in NPS question including the passive customers who answered 6 or 7. This aroused a question why are those first timers staying with an operator if they are not satisfied. A deeper analysis revealed that those non-switchers are actually more satisfied with their operators than the other customers on average. There was a vast difference between those customers who have never switched and those who have thought about switching, which was shown in figures 12 and 13.

When the customers were asked how often their customer experience with their operators had been positive the results were on the positive side. Out of all the respondents 21 percent said that it was always positive while 41 percent were almost always receiving positive customer experience. For 25 percent of the respondents the experience was quite often positive. When you take into account that only five percent of the respondents answered that they cannot say whether their experience is usually positive or negative, this shows that only eight percent of the respondents have felt that their customer experience have been typically on the negative side.

Based on this study the retail stores are still considered important for the operator's customers. The operators need to learn more about their customers' behavior to design better services and match the customers' needs better. Social media was not considered important for the customers and can be seen as a target for future improvements.

Chapter 7

Future perspectives

This chapter includes a look at the problems that arose during the research as well as what to study in the future. The problems include the difficulties that were faced during the study as well as survey's design flaws, what was learned from them, and how to prevent them in the future. After that there will be a discussion about what to study in the future related to customer experience in operator's stores and on web page. Some concepts for different experiences in these contact channels will be introduced.

7.1 Problems and difficulties during the research

The survey results exposed several problems with the survey design. Some of the flaws were related to the question design and some to overall structure of the survey. Question design problems will be discussed first followed by survey design problems.

7.1.1 Question design problems

When the survey data was filtered based on those who answered that they have not visited the store, some inconsistencies were noticed between the answers related to the experience in the store. Those who had answered that they have not visited the store had still answered to some questions as if they had visited the store. There were also differences in the answers between store related questions for the amount of those respondents who had

not visited the store. This can be caused by several reasons.

The respondents who had never visited a store might have answered the questions related to the easiness based on how they would like it to be. They might have heard some of their friends talk about their in-store experiences. It is also possible that those respondents had forgot that they had visited a store. In such case when another question related to in-store experiences was presented, they suddenly remembered that they had visited the store once or multiple times. Some respondents might have intentionally answered in a wrong or inconsistent way to cause bias to the results.

Such case was noticed when a closer look was taken toward the answers of the one 'over 77 year old' respondent. At first the answers were logical but after a while the answers became totally random and in some ways the chosen alternatives were clearly given a closer thought to maximize the conflict between different questions. Usually such behavior is caused by bad question design because in a perfect design there should not be any chance for misunderstanding what the question is about. It must be noted that the term 'perfect survey design' probably does not exist.

In the FCR-question, it must be noted that the respondents did not specify how many times they had visited the operator's store, which makes the calculation of FCR quite insignificant. For example if all the respondents who answered 'Once' had only visited the store once, the FCR score would be zero for those respondents as they went to the store once and the matter was not solved during that visit. Also those who had not visited their operator's store before could have answered 'Never' instead of 'I cannot say'. For that question there should have been an alternative 'I have not visited my operator's store.' It was left out for some reason and turned out to be a major flaw in terms of the results from that question.

7.1.2 Survey design problems

Based on the open feedback some respondents found it cumbersome to answer all the store related questions if they had never visited a store. Such comments argued that the survey should have been designed in a way that if the respondent answers once that he or she has not visited a store, then the store related questions would have been skipped. This could have been avoided by constructing the survey in such a way, that there would have been multiple pages with different topics each. In such design it would have been

possible to design multiple paths for the respondents based on their answers. This design was not chosen based on pilot test and the amount of positive feedback related to the design of a single page survey. The respondents in the pilot test where almost unanimous about the single-page design over the multiple page design, as it seemed to be easier to perceive the length of the survey.

In many questions the respondent had to choose one alternative out of many, which in some questions resulted in choosing the open question alternative and listing multiple choices there. This was problematic for the analysis part, as it was required to manually take into account those answers. The percentage of these answers was low and the open alternative box answers were mostly related to specific problems. The open answers provided more detailed description of the problem or reason for the contacting the operator. To avoid such open alternative answers that only list multiple choices, a more detailed instructions and information should have been provided in the question or survey introduction. For those open answers that provided extra information related to the customer's experience or a problem with the operator, the open alternative choices gave important insight for the operators and also revealed problems regarding the survey and question design.

7.2 Future research

During this study and especially after the results were ready several interesting topics and ideas for future research were invented. This part will be divided in two different topics: what to study in the future, and what could operators do to improve their customer experience. First the future research topics will be discussed and after that the new ways for improving the customer experience.

7.2.1 Future research topics

This study focused on investigating how the customers are experiencing the retail stores and web page but the shop-in-shops were left out. Therefore it would be interesting to study how the experience differs between shop-in-shops and retail stores in several different factors such as customer satisfaction, customer effort, and what are the customers expecting to get from these two different shop alternatives. For example Tele Finland's customers

are far more satisfied when compared to Sonera's customers so a detailed study comparing the factors behind that satisfaction and effort should be performed to improve the customer experience in both channels.

The research method used in this study was an online web survey that was shared via social media and email. Based on the findings from this survey it would be beneficial to conduct a research that would consist of face-to-face interviews. In the same study a pilot test of some sort could be arranged to gain more information about how the customers are using the web pages and especially the online self-service. This would also reveal what the customers are expecting from self-services.

7.2.2 New concepts for improving the customer experience

When the customer is browsing the operator's web page in a search for a new device the only information available are the specifications and short marketing text for the device. Currently none of the Finnish operators are offering a quick way to actually learn more about the devices they are selling. This could easily be improved by allowing the customers to post their own reviews about the products they have bought, as well as by providing links to various professional technology sites that are doing reviews about different devices. This not only helps the customer to make the buying decision faster, but also allows a new kind of interaction between the operator and its customers. It also enables interaction between different customers of the same operator.

The online self-service could be designed in a way that it monitors the customer's activity and purchase history, which would allow the system to proactively provide proposals for new services or devices based on the actual usage and history data. The online self-service could also be improved by providing the customer an ability to order their devices online but collect them from the store instead of waiting for the postal service to bring the device home. This could increase the amount of online orders significantly as well as decrease the queues at the stores because the customer would only pick up the device he or she has already ordered, as all the services are already been updated by the customer on online self-service.

The operators could use the collected customer data in more efficient way and to make experiences more personal. Customers could be allowed

to book an appointment time from the store in the same way as people are booking appointments with a doctor. Using the collected customer data the operator could provide even better experience for the customer that has been tailor especially for the customer. The customer servant would know when the customer is coming and could check the history of that customer. This would show to the customer as an improved customer experience as the customer servant would already be up to date with the customer's matter. This type of proactive approach could also be used for queuing customers if there would be some sort of a system for checking in when the customer arrives to the store. In such case the customer servant would not have so much time to proactively get to know the customer. The experience might still be better for the customer as the customer servant have had a brief introduction to the customer's situation before the contact.

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Appendix A

The goal of the research for the web survey in Finnish

Tämä kysely on yksi osa keväällä 2014 aloitettua diplomityötä. Diplomityö tehdään Aalto yliopistolle ja työn aihe liittyy asiakaskokemuksen mittaamiseen operaattorin myymälässä ja verkkosivuilla. Kyselyn tarkoituksena on kerätä tietoa siitä, miten ihmiset asioivat matkapuhelinoperaattoriensa kanssa. Tarkemmin kyselytutkimus pyrkii löytämään vastauksia siihen, miksi ihmiset menevät operaattoriensa myymälöihin tai verkkosivuille ja tämän pohjalta pyrkiä löytämään mahdollisia ongelmakohtia näissä asiointitavoissa. Kysely mahdollisesti myös avartaa ihmisten tietoisuutta operaattoriensa tarjoamista palveluista. Tähän kyselytutkimukseen vastaaminen on täysin vapaaehtoista eikä siihen vastaamisesta ole mahdollista voittaa minkäänlaista palkintoa. Jokainen vastaus on anonyymi, eikä yhtään vastaajaa voida yhdistää hänen antamiinsa vastauksiin.

Kyselystä saadut tulokset tullaan jakamaan kaikille Suomen kolmelle suurimmalle operaattorille DNA:lle, Elisalle ja TeliaSoneralle. Näin ollen jokainen vastaaja voi omalla vastauksellaan vaikuttaa siihen, miten hänen operaattorinsa tulokset muodostuvat ja näin nostaa esiin häntä koskettaneita ongelmakohtia anonyymisti. Tämän tutkimuksen tekijä ei voi luvata, että operaattorit kehittävät toimintaansa tässä tutkimuksessa esiin nousseiden ongelmien suhteen. Tutkimukseen vastaaminen on kuitenkin yksi mahdollinen tapa tuoda ongelmia operaattoreiden tietoisuuteen operaattorista riippumatta.

Appendix B

Skeleton of the web survey in English

This survey is a part of a Master's Thesis that was started in spring 2014. The Master's thesis will be made for Aalto University School of Electrical Engineering and the topic will be about measuring the customer experience in network operators retail stores and online. The purpose for this survey is to collect information about how people contact their network operators. In more specific this survey study will try to find answers for the questions such as why are people visiting their operator's stores or web sites and try to find possible problems related to these contact channels. It is also possible that this survey will open out people's knowledge about the services their operator's offer. Answering this survey is completely voluntary and every answer is kept anonymous. Not a single answer can be traced back to the original author.

The data collected by this survey will be shared with Finland's three largest network operators DNA, Elisa, and TeliaSonera. This allows every single respondent to be able to influence the results of his or her operator and bring up the problems and faults anonymously. The creator of this survey cannot promise that the operators will improve their operation based on the problems that have risen up from the results of this survey. Answering this survey is still one possible way to inform operators about the problems they might have regardless of the operator.

Basic information
Gender

- Male
- Female

Age

- Under 18 years
- 18 - 29 years
- 30 - 41 years
- 42 - 53 years
- 54 - 65 years
- 66 - 77 years
- Over 77 years

Where do you live in Finland?

- Ahvenanmaan
- Häme
- Kainuu
- Pohjois-Karjala
- Keski-Suomi
- Kymenlaakso
- Lappi
- Pirkanmaa
- Pohjanmaa
- Satakunta
- Savo

- Uusimaa
- Pääkaupunkiseutu
- Varsinais-Suomi
- I live outside of Finland. I live in (open question)

Education (choose your highest degree)

- Primary school
- Technical school
- High school
- University of Applied Sciences
- University
- Something else (open question)
- I do not want to answer

Employment

- Permanent employment
- Part-time employment
- Child-care leave
- Student
- Student with a permanent job
- Student with a part-time job
- Retired
- Unemployed
- Something else
- I do not want to answer

What out of these are you administering? (Multiple-choice question)

- My personal subscriber connections
- My personal services (additional services)
- My family's subscriber connections
- My family's services
- My children's subscriber connections
- My children's services
- My relatives' subscriber connections
- My relatives' services
- My employer administers my subscriber connections
- My employer administers my services
- Someone else is administering my subscriber connections
- Someone else is administering my services
- I do not know
- I do not want to answer

What is your current operator?

- DNA
- Elisa
- Saunalahti
- Sonera
- Tele Finland
- Something else (open question)

Are you satisfied with your current operator?

- Yes
- Partially
- No

Have you ever changed your operator?

- Yes, once
- Yes, multiple times
- No, but I have thought about changing
- No

How likely is it that you would recommend your current operator to a friend or colleague?

- 0 – 10 scale

Customer Experience

How do you understand the term "positive customer experience"? Choose three most important reasons that define positive customer experience for you. (Multiple-choice question)

- Services that work
- Short queues in stores / No queuing
- Fast customer service on phone
- Friendly service
- Customer is noticed when he/she enters the store
- It is effortless to explain the matter to the customer servant and he/she understands the matter as intended
- Customer benefits (loyalty benefits, benefits from the operators' third party partners)

- Automatically offering of new services that better fit customers needs
- Taking care of the matter with a single contact
- The matter can be easily taken care of with online self-service
- Quick help in fault conditions and fast problem solving
- Something else (open question)
- I cannot say
- I do not want to answer

If you have changed your operator, was a bad customer experience the reason for changing an operator?

- Yes
- No
- I do not know
- I have not changed an operator

How often has your customer experience with your current operator been positive?

- Always
- Really often
- Quite often
- I cannot say
- Rarely
- Extremely rarely
- Never

With your current operator, where have your customer experience been the best?

- In the store
- Online
- In online self-service
- On the phone (customer service)
- Somewhere else (open question)

How are you usually in contact with your operator?

- Going to the store
- Online
- By online self-service
- By phone
- By something else (open question)

How does your previous contact experience affect the way of how you take contact with your operator in the future?

- It is the most important factor when I am choosing how to contact my operator
- It affects quite a lot to my choice
- It affects a little bit to my choice
- It has no effect on my choice or I am not thinking about it when contacting my operator
- I cannot say

If your previous customer experience for example in the store was poor, how does it affect the way you contact your operator in the future?

- I will try contacting in some other way
- I will use the same way to contact as previous / It has no effect
- I will use the same way to contact as previous but I will combine some other way of contact with it (for example calling customer service before going to the store)
- I cannot say

Has your operator tried to improve your customer experience by contacting you with a feedback survey? (Multiple-choice question)

- Yes, by text message
- Yes, by calling
- Yes, by email
- Yes, with an in-store survey
- Yes, with an in store interview
- Yes, with a survey on a web page
- Yes, with a survey on online self-service
- Yes, by / with something else (open question)
- No
- I cannot say
- I cannot remember

Have you given feedback to your operator about their operation especially related to customer experience? (Multiple-choice question)

- Yes, by text message
- Yes, by calling
- Yes, by email
- Yes, in a store
- Yes, via a web page
- Yes, via online self-service
- Yes, but the feedback was related to something else than customer experience
- Yes, by / with something else (open question)
- No, but I have thought about giving feedback
- No, because giving feedback is too hard
- No, I have not given any feedback to my operator
- I do not want to answer

Do you feel that your feedback has been registered or that something has been done based on it?

- Yes, I have been contacted regarding my feedback
- Yes, but I have not been contacted personally
- No, but I have been contacted regarding my feedback
- No
- I have not given any feedback
- I do not want to answer

Have you shared your experiences about your current operator with someone else?

- Yes, with my relatives and/or family members
- Yes, with my friends
- Yes, with my colleagues
- Yes, with an unknown person/persons
- Yes, with someone else, who? (open question)
- No
- I cannot say
- I do not want to answer

Where or how have you shared your experiences about your current operator?

- At home
- At work
- On my free time (In Cafés, restaurants, cabins, etc.)
- Online (discussion forums, online chats, etc.)
- Via Instant Messaging (WhatsApp etc.)
- On Facebook
- On Twitter
- On Instagram
- On some other social media, where? (open question)
- I have not shared my experiences about my current operator
- I do not want to answer

How have your shared experiences about your current operator been like?

- Positive
- Quite positive
- Neutral
- Quite negative
- Negative
- I have not shared my experiences about my operator
- I cannot say
- I do not want to answer

Customer Experience in the store

How easy it is to take care of different things in your current operator's store?

- Extremely easy
- Easy
- I cannot say
- Hard
- Extremely hard
- I have not visited my current operator's store

What is the main reason for you to visit your operators' store? Choose the three most important reasons. (Multiple-choice question)

- It is easy to go to the store
- The store is near me
- I like the visual appearance of the store
- It is easy to take care of different things in the store

- It is fast to take care of different things in the store
- It is the most reliable way to be in contact with the operator
- I like to be able to talk to the customer servant face to face
- It is easier to explain my matters to the customer servant in the store
- I can take care of my matter with a single visit to the store
- I will receive all the possible devices and accessories immediately
- It does not cost anything to visit or take care of things in the store
- I will get help with my services and how to use them
- I do not know how to use my operator's online self-service
- Something else (open question)
- I have not visited my current operator's store

What is the most common reason for you to go to the store even if the same thing would be possible to take care of via operator's web site? Pick the three most important reasons. (Multiple-choice question)

- I want to get personal service
- I want that someone else does the thing for me
- It is easier to go to the store
- The store is located along the road
- I do not have the login ID for the operator's online self-service
- Operator's online self-service is hard to use
- I do not dare to make orders via a web site
- I do not know if my operator offers self-service online
- I do not know what kinds of things I can take care of online
- Something else (open question)

- I cannot say
- I do not want to answer
- I have not visited my current operators' store

Did you contact your operator's customer service by phone or online prior to your last visit in the store?

- Yes, multiple times
- Yes, once
- I usually call the customer service to make sure if they can serve me with my matter at the store
- I would have contacted but it is too hard to contact the operator's customer service
- I would have contacted but it takes too long to queue for the customer service
- No
- I cannot remember
- I have not visited my current operator's store

How often after leaving the store have you had to contact customer service regarding the matter that you were taking care of in the store?

- Every time
- Almost every time
- A couple of times
- Never
- I cannot say

Customer Experience online

How easy it is to take care of different things in your current operators' web site?

- Extremely easy
- Quite easy
- I cannot say
- Quite hard
- Extremely hard
- I have not visited my current operator's web site

How easy it is to take care of different things in your current operator's online self-service?

- Extremely easy
- Quite easy
- I cannot say
- Quite hard
- Extremely hard
- I have not used my operator's online self-service
- I do not know if my operator offers online self-service
- I am not sure what 'online self-service' means in this occasion

What is the main reason for you to visit your operator's web site? Choose the three most important reasons. (Multiple-choice question)

- It is easy to find information about different services
- It is fast to check the newest offers
- I like the looks and design of my operator's web site

- I find it enjoyable to use my operator's web site
- I want to order new services
- I want to order new devices
- It is easy to update or modify my current services
- I pay my bills and follow the billing via the web site
- I am looking for an answer to a specific problem
- I want to contact customer service
- I am taking part of a conversation on my operator's online forums
- I am using my webmail or other online services provided by my operator
- Something else (open question)
- I have not visited my current operator's web site

Have you made any orders via your operator's web site?

- Yes, often
- Yes, seldom
- Yes, I have tried it once
- No

If you have not made any orders or are making them rarely, why is it so? Choose the three most important reasons.

- Terms of contract have not been stated clearly enough
- I do not dare to finish the order
- I do not trust that in the end the online order will be exactly something that I want
- I do not know how to make an order online
- The web page is hard to use

- I need my bank ID to make the order
- If I order online I will not be able to immediately receive and start using my possible new devices
- I have no need to make any changes to my current services
- I do not usually order new products or services online
- I want to make my orders in the store
- Something else (open question)
- I have not visited my current operator's web site

Answers submitted successfully. Thanks a lot for your answers and have a nice summer!