

UNIVERSITY OF WYOMING
COLLEGE OF BUSINESS
DEPARTMENT OF MANAGEMENT & MARKETING
MKTG 4910: CUSTOMER EXPERIENCE MANAGEMENT
1:20 p.m. – 2:35 p.m., BU 1
SPRING 2006

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Welcome to Customer Experience Management! This course is a special topics class and customer experience management is a “special topic” to me. There are no textbooks in this area YET, but, as you will discover, there are many businesses and scholars who are increasingly concerned with becoming “customer-centric” (a buzzword to be sure) and with retaining customers. In an era when competition is particularly fierce (consider most product categories are in maturity) and when the customer has all the power (consider that they have access to many companies around the world 24/7), the key to sustaining a competitive advantage may well be in ensuring that the “customer experience” both in interactions with the firm and with its products create value for the customer.

To create value for customers, the firm must *connect* with customers and must create experiences that are *memorable*. Businesses have to understand how products help make customers lives better (easier, more meaningful) and how customers feel about their products, including any emotional associations they may have. Though this management technique is applicable in both business-to-business (B2B) and business-to-consumer (B2C) contexts, in this course we will be focusing almost exclusively on B2C contexts.

So, what is this course about anyway? “To put it simply, customer experience management (CEM) is the process of strategically managing a customer’s entire experience with a product or a company” (Schmitt 2003, p. 17). How does one *do* CEM? Well, first one has to understand what consumers daily lives are like and how this product does or could enhance their lives. Then, one has to be able to interpret their thoughts, feelings, and actions to create insights which can be used by the firm. On the basis of those insights, a strategic management approach unique to the firm can be developed.

Prerequisites

MKT 3210. Please note, this class is optional and not required of any major, though marketing majors are required to take any one of a number of special topics classes that we offer.

My Teaching Philosophy for This Course

CEM is “new stuff” and though I’ve been thinking about it and engaged in research in this area for nearly ten years, I am still learning and so I am looking forward to learning *with you* and *from you!!!* This course will be run like a seminar, and thus, though I will be doing some lecturing, more often than not class will be less structured and highly interactive. This is a fairly writing and reading intensive

course, but it is not a test intensive course. Quizzes are given only to ensure that you understand conceptual issues and to effectively reward those who are active and current in their reading.

Because you have signed up for this optional course, I am assuming that you are highly motivated to learn about a cutting-edge technique in business and to participate with others in the learning process. I view my role in the class as a facilitator and discussion leader. I view your role in this class as an investigator, a deep thinker, and a person who is willing to share insights that you have gained by observing and talking to consumers as they interact with objects or in the marketplace/space.

Course Objectives

1. To develop an understanding of and an ability to use the major research techniques of the Customer Experience Management (CEM) field, including interviewing, observation, participant observation, and metaphor elicitation.
2. To develop an understanding of and an ability to use the five-step process for CEM as outlined by Schmitt (2003), a required business press book for this class.
3. To enhance your research, interpretive, analytical, written, and oral communication skills.
4. To learn more about yourself by critically thinking about why you enjoy one of the activities you do.
5. Finally, to enjoy the process of learning about yourself and a relatively new way of thinking about marketing strategy.

Special Arrangements

If you require or need special accommodations in this class because of a disability or if you have special issues which you would like to discuss, please make an appointment with me as soon as possible. Alternatively, the Undergraduate Advising Office or the Dean's Office is available for assistance.

Required and Optional Resources

Schmitt, Bernd H. (2003), *Customer Experience Management: A Revolutionary Approach to Connecting with Your Customers*, Wiley, ISBN 0471237744. (REQUIRED)

Underhill, Paco (2000), *Why We Buy: The Science of Shopping*, Simon and Schuster, ISBN 0684849143. (REQUIRED)

Zaltman, Gerald (2003), *How Customers Think: Essential Insights into the Mind of the Market*, Harvard Business School Press, ISBN 1578518261. (REQUIRED)

Smith, Shaun and Joe Wheeler (2002), *Managing the Customer Experience: Turning Customers into Advocates*, Financial Times Prentice Hall, ISBN 0273661957. (OPTIONAL)

Other readings from *Harvard Business Review*, etc. as assigned. These are available through the UW library.

Academic Dishonesty

Also known as “cheating,” academic dishonesty will not be tolerated in this class. Cases of academic dishonesty will be prosecuted in accordance with UNIREG 802 Rev. 2. Cheating in this course will result in an “F” in the course. In this course, academic dishonesty includes (but is not limited to) unapproved assistance on quizzes (e.g., electronic devices, notes, reading off another person’s exam), copying the work of others, plagiarism or other use of published materials without complete citations (if five or more words in a row are used that are not your own without appropriate citation that is plagiarism), or fabrication of referenced information.

ETS Exam

College of Business students are required to complete a comprehensive assessment during their senior capstone course, MGT 4520. This test, known as the Major Field Test in Business is developed by the Educational Testing Service and is given locally in a computer-based format. The Major Field test covers basic business knowledge and skills in eight areas: accounting, economics, finance, international issues, legal and social environment, management, marketing, and quantitative business analysis (decision science). The purpose of this test is to assess the student’s mastery and retention of basic business concepts. A minimum score is required as a condition for passing MGT 4520. Failure to obtain this minimum score will require remedial work on your part. Therefore, you are strongly encouraged to keep your materials from these courses to help you prepare for this examination.

Grading and Course Requirements

	<u>Possible Points</u>	<u>Points Earned</u>
Quizzes (4 of 6, 25 points each) (17%)	100	
Journal (17%)	100	
CEM Paper: Part I (17%)	100	
CEM Paper: Part II (17%)	100	
CEM Paper: Part III (25%) – final	150	
<u>Daily Contribution to the Classroom Experience (8%)</u>	<u>50</u>	
Total	600	

* Percentages are approximates.

** Though you may be doing some fieldwork with other members of the course, all assignments for this course are to be completed on an individual basis. An individual’s performance on all aspects of this course is the sole basis of grading.

Grade Scale

- A 92 – 100% = 552 – 600 points
- B 82 – 91.99% = 492 – 551 points
- C 72 – 81.99% = 432 – 491 points
- D 65 – 71.99% = 390 – 431 points
- F 64.99% and below = below 431 points
 - Incompletes are assigned only in exceptional circumstances.

Quizzes

Six relatively “pop” quizzes worth 25 points each will be given throughout the semester. These will consist primarily of short answer and short essay questions based on the readings up to and including the date of the quiz. Your top four grades will be used to assign your quiz score out of 100 points. **THUS, YOU MAY NOT MAKE UP A QUIZ, BUT YOU MAY MISS OR DROP TWO QUIZ SCORES.**

Journal

The objective of the “Journal” assignment is to make you more aware of the variety of ways you, as a consumer, define your consumption experiences. We all have a number of consumption experiences in a given day, including but not limited to consumption of objects related to a favorite activity (e.g., snow board), shopping online, shopping at a brick and mortar retail store, dining out, or using services/providers including banks, attorneys, accountants, insurance agents, doctors, dentists, telecommunication companies (cell or land), libraries, education, photo labs, copy centers, dry cleaners, theaters, sporting events, travel agencies, mechanics, and so forth.

Please complete ten journal entries describing *recent* customer experiences (i.e., during the course of the class). **Please do not do more than two entries from any one type of experience as listed above** (e.g., shopping online, dining out) and **please do entries for both positive and negative experiences**. Type up a one page (Single spaced, one-inch margin, 12-point font) journal entry which describes:

- When (date and time)
- Where (name of business)
- Type of Customer Experience
- What goals did you have in the experience?
- Exactly what happened in the experience?
- How did you feel during the experience and what specifically made you feel that way?
- How did you feel after the experience and what specifically made you feel that way?
- What could the firm have done to make the encounter better (more meaningful, easier, etc.)?

Before you turn in your journal (with 10, one-page entries), write a two page (Single spaced, one-inch margin, 12-point font) reflection on (1) what you learned about yourself as a consumer with these entries and (2) what you learned about how different types of customer experiences are understood and managed and include this and a title page with your packet.

Journals are judged based upon the quality and depth of the journal entry descriptions (journal entries written directly after an experience are much better in quality and those done all at once are easy to spot) and upon the quality of your reflection (e.g., can I tell you judge these entries differently from taking this class?).

LATE JOURNALS ARE NOT ACCEPTED.

CEM Papers (3 Parts)

The objective of this “meta-paper” is to help you learn a process through which a firm can become customer-focused. The final paper (Part III) will essentially apply Schmitt’s 5 Stage CEM Framework to a business that provides a product which you associate with a key activity of your life. The first two papers, at least in part, will be embedded in the final paper.

You will first choose an activity that is part of your lifestyle, preferably one that coincides with an “outdoor lifestyle” (e.g., hunting, fishing, skiing, hiking, climbing, snowshoeing, snow mobiling, photography, four wheeling, running, camping, biking, wildlife watching, etc.). Then choose a product (good or service) which you deeply associate with this activity (binoculars, backpack, skis) and identify a provider which you can interact with and observe other consumers interacting with the firm and/or its product.

In paper one, using techniques learned in this class, you will write a paper about the consumption experience of this product (good or service). In this paper you will use interview techniques discussed in class and in your readings (primarily Zaltman). The purpose of the interviews (with at least two people) will be to discover how consumers relate the *activity and the related product* to how they see themselves; what consumers know, remember, and feel about the product; and, ultimately how they make sense of the product in their lives (determined through metaphor elicitation and consensus mapping). This paper will be between 5-8 pages (DS, 12 point Times New Roman, one-inch margins). More detail will be provided, but there is no one correct outline for this paper. In general, the paper should explain the impetus and purpose of the research, data collection methods, any appropriate theory, the findings of the research (including specific quotes of your informants), and your interpretation of the meaning of the product in the consumer’s life. Photographs of the informant with and using the products would be a nice addition to this paper.

Next, in paper two, you will write about the interaction experiences between the consumer and a provider of the product. Using observation techniques discussed in class, you will track the experience of the consumer at various touchpoints with a firm that provides this product. You will analyze how the firm interacts with the customer at different points of the consumer decision-making process (including in marketing communications, merchandising, word-of-mouth communication, etc.) and create a customer touchpoint, or touchline, map. This paper will be between 5-8 pages (DS, 12 point Times New Roman, one-inch margins). More detail will be provided, but there is no one correct outline for this paper. In general, the paper should explain the impetus and purpose of the research, data collection methods, any appropriate theory, the findings of the research, and your interpretation of the interaction between the firm and the consumer. Photographs or web reproductions illustrating how consumers interact with the firm would be nice additions to this paper.

Finally, in paper three (using information gleaned in papers I and II), you will write a paper that applies Schmitt’s Five Step CEM Framework on the business-consumer relationships you observed. Ultimately, the objective of this paper is to put the focus of the firm upon its customers. The five steps include (1) analyzing the experiential world of the customer (this is where you will use paper’s I and II in condensed form), (2) building the experiential platform, (3) designing the brand experience, (4) structuring the customer interface, and (5) engaging in continuous innovation. Schmitt’s basic outline should be followed for this paper which is to be about 15 pages of text (DS, 12 point Times New

Roman, one-inch margins, excluding pictures, exhibits, tables, etc.). This paper serves as your FINAL for the class.

Reference to class material is expected on all papers!!! Papers are graded according to the quality and comprehensiveness of the following: content, data collection methods, understanding of material displayed, references used, writing style, grammar, professional presentation.

NO LATE PAPERS ARE ACCPETED. PLAN AHEAD.

Daily Contribution to the Classroom Experience

The way that you can be most assured of doing well on this portion of the class is to have assignments read before class, participate in discussions on those assignments, ask questions of guest speakers, be engaged in in-class activities, and be an active “field worker” on out-of-class assignments. Also, please offer to share at least one (more is great!) of your journal entries during an appropriate point in the class discussion (when you turn in your entry write the date and topic being discussed on the entry you shared).

The best way to not do well on this part of the class grade is to miss class (unavoidable university-excused absences are certainly understood, but if you are not there, you cannot contribute) and/or to engage in unprofessional behavior when you are in class (e.g., sleeping, talking to your neighbor, being disrespectful to others in the room, reading a newspaper, having a pager or cell phone ring or even worse talking on it, leaving and coming back from the room as a “habit”).

I will also randomly assess attendance for this portion of the class grade. If you miss more than 3 of these random checks without a university excuse, I reserve the right to assign a 0 for this portion of your grade.

An “A+” grade is reserved only for someone who is completely prepared for every class (knows the material, serves as a role model) and who initiates discussion by asking thought-provoking questions. One can also receive an A for always being prepared, frequently initiating discussion, always exhibiting the qualities of a professional student, and staying on topic. A B will be assigned for consistent leaders (almost always prepared, talks on topic without having to be called on). A C will be assigned for those who are engaged in class, but not as obviously prepared as others (occasionally takes a lead in discussing). A D will be assigned for those who miss class frequently, sometimes exhibit unprofessional behavior, but still may at times may insightful comments in class. An F will be assigned for unprofessional/disruptive behavior and/or frequent absences, and/or if one only talks when called upon and then we’re not sure from where the comment came.

TENTATIVE CLASS SCHEDULE

The discussion schedule is tentative and may change based upon guest speaker schedules, etc. Days marked with “slack” indicate catch up days and/or days devoted to fieldwork and/or project work. Be sure to catch announcements so you know what is planned for those days.

DATE TOPIC/ASSIGNMENT

JANUARY

10T Course and Syllabus Overview

Read and know your Syllabus

12R What is an Experience? What is CEM?

Read Schmitt Chaps. 1-2

17T Why Study Experiences?

Read: Pine II, Joseph B. and James H. Gilmore (1998), “Welcome to the Experience Economy,” *Harvard Business Review*, July-August, 97-105. (PROVIDED, PRINT OFF FROM UW LIBRARY)

19R Interview Techniques; Getting Into Customers Heads and Hearts

Read Zaltman Chaps. 1, 2, 4 (including appendix) = pp. 3-43, 73-110

24 (31) Guest Speaker

26 Project Work Day

Decide on focus of project, develop an initial draft of interview questions, conduct a practice interview on one of your classmates, be prepared to show your questions and discuss the interview in the next class

31 (24) Consensus Mapping

Read Zaltman Chaps. 6 & 7

FEBRUARY

2R Memory, Metaphors, Stories

Read Zaltman Chaps. 8 & 9

7T Interview Questions and Moving Forward

Read Zaltman Chaps. 12 & 13 and Finalize Interview Questions Before Class, Final Practice Interview In Class

9R The Experiential World of the Consumer

Read Schmitt Chap. 3

14T Observation

Read Underhill Chaps. 1-2

16R Slack

21T Observation: Behaviors

Read Underhill Chaps. 3-7

23R Observation: Understanding WHO is Observed

Read Underhill Chaps. 8-11

CEM Paper Part I Due

28T Observation Understanding What You See and Why You See It

Read Underhill Chaps. 12-15

MARCH

2R Observation Understanding What You See and Why You See It

Read Underhill Chaps. 16-19

7T In Class: Finalize the Observation Protocol and Practice Documenting by Watching Role Playing

9R Observations on the Marketplace

Read Holland, Jonna and Stacey Menzel Baker (2001), "Customer Participation in Creating Site Brand Loyalty," *Journal of Interactive Marketing*, 15 (Autumn), 34-45. (Provided)

13-17 SPRING BREAK!!

21T Consumer Identity Revealed in the Marketplace

Read Baker, Stacey Menzel (2005), "Consumer Normalcy: Understanding the Value of Shopping Through Narratives of Consumers with Visual Impairments," *Journal of Retailing*, in press. (Provided)

23R Applying the CEM 5-Step Framework

Review Schmitt Chaps. 1-3

27T The Experiential Platform

Read Schmitt Chap. 4

CEM Paper Part II Due

29R Designing the Brand Experience

Read Schmitt Chap. 5

APRIL

4T Structuring the Customer Interface

Read Schmitt Chap. 6

6R Mapping Touchpoints

Review Schmitt Chap. 6

11T Innovation – Keeping Customer Experiences “Fresh”

Read Schmitt Chap. 7

13T Delivering an Integrated and Consistent Experience

Read Schmitt Chap. 8

18 T Organizing for CEM

Read Schmitt Chap. 9

20R Reflections on Journaling, Customer Experiences, & Customer Management

Prepare to discuss journal assignment in class

JOURNAL ASSIGNMENT DUE

25T Slack

27R Slack

FINAL, Tuesday, May 2, 1:15 – 3:15 p.m.

CEM PAPER PART III DUE