

**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 2007**

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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 (goods, services, and programs) create value for the customer (e.g., United Airlines sees that customer experience is key as the company has just hired a VP of Customer Experience from Disney).

To create value for customers, the firm must *connect* with customers and must create (or co-create) experiences that are *memorable*. Businesses have to understand how products (goods, services, or experiences) 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 (particularly non-profit ‘business’ to consumer).

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.

### **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 the process of segmentation, targeting and positioning to be used as the basis of CEM strategies.
3. 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.
4. To enhance your research, interpretive, analytical, written, and oral communication skills.
5. Finally, to enjoy the process of learning about yourself and CEM, a relatively new way of thinking about marketing strategy.

## **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 am looking forward to learning *with you* and *from you!!!* This course will be run like a seminar; 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 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 elective 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, including interactions in the natural environment.

I could sum up my teaching philosophy for all the courses I teach with two ideas. First, I am engaged in a *mutual learning process* with my students. We are all in a learning environment; thus, we must all be *active participants* in the experience of learning. Second, I believe that appropriate amounts of encouragement and criticism help students develop in their professional lives. How will you ever know you really have done well unless I tell you when you could do better?

## **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.

## **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.

## **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.

## **Required Resources**

Kotler, Philip and Nancy Lee (2007), *Marketing in the Public Sector: A Roadmap for Improved Performance*, Wharton School of Publishing, ISBN 0131875159.

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

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

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

Other readings from *Harvard Business Review*, etc. as assigned (note titles and dates on course schedule).  
These are available through the UW library Electronic Reserve.

### **To Access E-reserves**

1. Click on Books & More on the UW Libraries homepage (<http://www-lib.uwyo.edu/>)
2. Select the Course Reserves tab
3. Select one of the following: Instructor, Department, or Course, and click the search button. Instructor is usually the easiest way to locate an e-reserve.
4. If there are multiple titles, select the title with a location of Electronic Reserve.
5. The resulting screen will display all readings for the course. Click the hyperlink next to E-items for the reading you desire. [Clicking the Title or Call Number hyperlinks does not access the E-item, but instead performs a Title or Call Number search in the Library Catalog.]
6. On the “E-Reserves Log-On” screen:
  - Enter the required information in the ‘username’ and ‘password’ fields. This is your UW network username and password, and it is case sensitive (generally lower case).
  - Choose your domain as UWYO.
  - Check the copyright box and click the “logon” button.
7. The e-item will open in Adobe Acrobat.
8. When the user is finished with the document, logging completely out of the Library Catalog will increase network efficiency.

Some disclaimers: The user’s computer must have Adobe Acrobat to view the item. Monitor quality and resolution settings vary depending on the equipment and the preferences set by the user. The text may be clearer on some monitors. Some students will need to use the magnifying glass/Zoom from the Tool menu to view the documents on their monitors. The quality of the scanned electronic document depends on the quality of the original. It is the Libraries intention to only provide readable documents. The speed that the document loads will depend on the file size and the user’s computer capabilities.

### **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>
<u>Total Points for the Course</u>	<u>450</u>	
Quizzes (4 of 5, 25 points each)	100	
Contribution to the Classroom Experience	50	
CEM Project	300	
Part I: Exploratory Research, Segmentation and Targeting Individual Paper (150 points)		
Part II: Presentation of CEM Project 2-3 Person Team (50 points)		
Part III: Customer Experience Mgmt, 2-3 Person Team Paper (100 points)		

### Grade Scale

- A 92 – 100% = 414 – 450 points
- B 82 – 91.99% = 369 – 413 points
- C 72 – 81.99% = 324 – 368 points
- D 65 – 71.99% = 279 – 323 points
- F 64.99% and below = below 279 points
  - Incompletes are assigned only in exceptional circumstances.

### Quizzes

Five 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. You will have 30 minutes to take 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 A QUIZ SCORE.**

### 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, be an active “field worker” on out-of-class assignments, be an active, willing, and available group member. 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”).

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, only rarely misses class). 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.

I will 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. I will also ask for a peer review from your team member's and reserve the right to use that information to assign this grade, as well as grades on Parts II and III of the CEM project.

### **CEM Project (3 Parts)**

The objective of this "metaproject" 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 paper (Part I), at least in part, will be embedded in the final paper. The presentation (Part II) will help you test a portion of your ideas.

#### Part I

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, snowmobiling, photography, four wheeling, running, camping, biking, wildlife watching, etc.). Understanding how people experience this activity will be the focus of the first paper. You will focus on how individuals experience the natural environment, how individuals experience the "service" components of the natural experience, and how individuals experience all the complimentary products (goods, services, experiences) that go along with or are associated with this activity.

Essentially, the paper will begin with a segmentation scheme for narrowing the potential market of consumers that use public lands. Then the paper will focus on a particular segment and explain the experiential world of this target segment by drawing on results from interviews and observations you collect. The goal is to richly describe the target segment, using any number of variables appropriate for segmenting the marketing. The goal is also to achieve a rich understanding of the benefits this target group seeks as they use consume the "product." This paper will be between 8-10 pages of text (double-spaced, 12 point Times New Roman, one-inch margins).

In general, the paper will explain the impetus and purpose of the research, the segmentation scheme, the data collection methods, any appropriate theory and concepts, the findings of the research (including specific quotes of your informants and specific observations), and your interpretation of the meaning of the product in the consumer's life. Photographs or web reproductions illustrating how consumers interact with the firm would be nice additions to this paper. More detail will be provided (and posted on the course website), but there is no one correct outline for this paper.

#### Part II – with 2-3 team members

You will make a presentation to the class as part of a class work day. The presentation will be used to help the class understand key concepts, but also to help your group work through its ideas. The presentation itself will be 10-15 minutes and focus on key issues as assigned. Ultimately, the presentation will be graded based upon your (1) progress on the project, (2) content, (3) delivery style, and (4) knowledge of course material displayed. More detail will be provided (and posted on the course website).

### Part III – with 2-3 team members

Finally, in paper three (using information gleaned in the individual paper (part I) and feedback from your presentation (part II), you will write a paper that applies Schmitt's Five Step CEM Framework on the non-profit/consumer relationships you observed. Ultimately, the objective of this paper is to put the focus of the non-profit organization upon its "customers." The five steps include (1) analyzing the experiential world of the customer (this is where you will use paper I 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. More detail will be provided (and posted on the course website).

**Reference to and application of class materials is expected on all parts of your CEM project!!! Papers and presentations are graded according to the quality, depth, and breadth of the following: content, data collection methods, understanding of material displayed, references used, writing style, grammar, professional presentation.**

**NO LATE PAPERS OR PRESENTATIONS ARE ACCPETED. PLAN AHEAD.**

### TENTATIVE CLASS SCHEDULE

The discussion schedule is tentative and may change based upon guest speaker schedules, etc. Be sure to catch announcements so you know what is planned.

#### **DATE            TOPIC/ASSIGNMENT**

#### **January**

9T     Course and Syllabus

Read and know your Syllabus

#### **Overview of Customer Experience Management (CEM)**

11R    What is an Experience? Why Study Customer Experiences?

Read Schmitt Chap. 1

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

16T    The CEM Framework and Segmentation Processes

Read Schmitt Chap. 2

Read Haley, Russell I. (1968), "Benefit Segmentation: A Decision-Oriented Research Tool," *Journal of Marketing*, 32 (July), 30-35. (ELECTRONIC RESERVES)

Also an optional reading is: Yankelovich, Daniel, and David Meer (2006), "Rediscovering Market Segmentation" By Yankelovich and Meer, *Harvard Business Review*, February, 122-131. (ELECTRONIC RESERVES)

18 R Applications of Segmentation Strategy

**Bring your ideas for an appropriate segmentation scheme for the Use of Public Lands**

### **The Methods of CEM**

23 T The Experiential World of the Customer, **Discuss the Details of Paper I**

Read Schmitt Chap. 3 and CEM Paper I Assignment

25 R Interview Techniques; Getting Into Customers Heads and Hearts

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

30 T Consensus Mapping

Read Zaltman Chaps. 6 & 7

### **February**

1 R Memory, Metaphors, Stories

Read Zaltman Chaps. 8 & 9

6 T Interview Questions and Moving Forward

Read Zaltman Chaps. 12 & 13 and **Write Interview Questions For Class Discussion**

8 R Observation

Read Underhill Chaps. 1-7

13 T Observation: Understanding WHO is Observed

Read Underhill Chaps. 8-11, **Write Down your Ideas on Who and What to Observe Before Class**

15 R Observation Understanding What You See and Why You See It and Understanding How Identities are Revealed in the Marketplace

Read Underhill Chaps. 12-15 and Baker, Stacey Menzel (2005), "Consumer Normalcy: Understanding the Value of Shopping Through Narratives of Consumers with Visual Impairments," *Journal of Retailing*, 37-50. (ELECTRONIC RESERVES)

20 T Observation Understanding What You See and Why You See It and When is Loyalty Present?

Read Underhill Chaps. 16-19 AND Holland, Jonna and Stacey Menzel Baker (2001), "Customer Participation in Creating Site Brand Loyalty," *Journal of Interactive Marketing*, 15 (Autumn), 34-45. (ELECTRONIC RESERVES)

22 R Analyzing and Representing Qualitative Data

**Bring some of your Interview and Observation Data to Class**

\*\*\*\*\*End of Material Needed to Write Paper I\*\*\*\*\*

**The Context**

27 T Understanding the Needs of a Non-Profit Client

Read Kotler and Lee Chaps. 1-2

**March**

1R Understanding the Needs of a Non-Profit Client

Read Articles from *National Geographic* and newspaper article (provided)

**The 4 Ps in Action in the Non-Profit World**

6 T Marketing in the Public Sector, **Sign up for Presentation Date**

Kotler and Lee Chaps. 3-4 (Product, Pricing, and Place)

8 R Marketing in the Public Sector

Read Kotler and Lee Chap 7 and 9 (Promotion and Social Marketing)

**CEM Paper Part I Due**

12 – 15 **SPRING BREAK!**

**The Strategy of CEM**

20 T Applying the CEM 5-Step Framework with Emphasis on The Experiential Platform

Read Schmitt Chap. 4 and Review Schmitt Chaps. 1-3

22 R The Experiential Platform = Positioning

Read Braig, Bridgette (2003), “Service-Based Positioning Strategies,” Teaching Document.

Optional reading Kotler and Lee Chap. 6

27 T **Work Day – CEM Part II: Presentations** (2-3 groups)

29 R Designing the Brand Experience – The Role of Employees and Customers

Read Schmitt Chaps. 5 and 9 and Kotler and Lee Chap. 8

**April**

3 **Work Day – CEM Part II: Presentations (2-3 groups)**

5 No Class – Work on CEM Project

10 T Designing the Brand Experience – Physical Evidence

Read Schmitt Chap. 6

12 R Designing the Brand Experience – Processes and Touchpoint Mapping

Review Schmitt Chap. 6

17 T **Work Day – CEM Part II: Presentations (2-3 groups)**

19 R Innovation and Delivery

Read Schmitt Chaps. 7 - 8

24 T **Work Day – CEM Part II: Presentations (2-3 groups)**

26 R Forming Strategic Partnerships and Monitoring Performance

Read Kotler and Lee Chaps. 10 and 12

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

**CEM PART III PAPER DUE**