Customer experience management in hospitality
A literature synthesis, new understanding and research agenda

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Abstract
Purpose – In the contemporary hospitality industry, superior customer experiences are essential in gaining customer loyalty and achieving a competitive advantage. However, limited research addresses this subject. The purpose of this study is to advance scholarly research on customer experience management (CEM) in the hospitality field by providing a comprehensive overview of the key elements of CEM, a framework for managing customer experience and a rich agenda for research.

Design/methodology/approach – An extensive literature review produces a comprehensive overview of the existing knowledge of CEM. A synthesis of previous literature reveals the need for additional, contemporary information sources. The study is, therefore, supplemented by invited commentaries on CEM from senior scholars and hospitality managers.

Findings – The proposed model takes a holistic perspective on managing a positive customer experience, through collaboration among marketing, operations, design, human resources and strategy, in association with technology and social media.

Research limitations/implications – The literature review and commentaries from leading experts reveal six areas for further research on CEM in the hospitality industry.

Originality/value – This study provides a comprehensive, systematic review of CEM literature and detailed understanding of the mechanisms for managing customer experiences in the hospitality industry. It integrates state-of-the-art CEM knowledge in the generic business context, along with principles of hospitality management, and advances CEM research by emphasizing the need for collaboration among marketing, operations and human resources.

Keywords Social media, Technology, Hospitality, Customer experience management, Customer-to-customer relationships

Paper type Conceptual paper

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Introduction

Firms are recognizing the critical roles played by positive customer experiences (CEs) – and subsequent word of mouth – across all industry sectors (Teixeira et al., 2012). Today’s technology-driven, digitally advanced customers expect personalized experiences at every point of interaction. A survey by Gartner (2014) shows that 89 per cent of firms expect to compete primarily on the basis of CE, and it is now one of the key strategies adopted by hospitality firms; leading firms such as Marriott, Hilton, Starbucks, Disney and Starwood excel by creating a distinctive CE both offline and online. Although it is a nascent field, customer experience management (CEM) has become a key interest also in academia (Grewal et al., 2009; Puccinelli et al., 2009; Jaakkola et al., 2015), highlighted by the Marketing Science Institute as a “tier 1 research priority” for theory and practice for 2014-2016 (MSI, 2016).

From a marketing perspective, customers are the reason for the firm’s existence, and “to satisfy the customer is the mission and purpose of every business” (Drucker, 1973, p. 79). Yet, satisfying the customer ultimately has limited effects on the firm’s competitive advantage in the market. Instead, positive CEs offer a more powerful concept for explaining firms’ market performance (Verleye, 2015). Providing compelling CE can set a firm apart from its competitors (Schmitt, 2010), and superior CE has been acknowledged as key to gaining customer loyalty (Klaus and Maklan, 2011). Practitioners hail CEM as one of the most promising approaches for consumer industries (Homburg et al., 2015).

CE reflects the customer’s journey through all interactions with the firm – pre-consumption, consumption and post-consumption (Kandampully and Solnet, 2015). CE is, therefore, more than the result of a single encounter: it is affected by every episode of the customer’s interaction process with a firm (Verhoef et al., 2009) and is often co-created through interactional activities among the actors (Ponsignon et al., 2015). The CE in hospitality settings is not only derived from food, beverage, accommodation and entertainment but also from a myriad of supporting features and processes, such as websites, technology, online and offline interactions, in-room entertainment, facility designs and interactions with service personnel and other customers. Management of CE, thus, is a complicated task for hospitality firms. Indeed, Forrester Research (2014) reveals that most CE initiatives fail; very few companies reach the stage of CEM maturity. The topic, therefore, warrants further academic attention.

Despite its importance, academic research on CEM in hospitality fields is limited, with little integration between the CEM research and principles of hospitality management. The current article seeks to advance scholarly research on CEM through an extensive review and synthesis of fragmented CEM research in hospitality management and business management. We provide a comprehensive overview of state-of-the-art knowledge on CEM and identify its emerging directions in both research and practice, complementing the review with commentaries from senior academics and hotel general managers. In this manner, we extend the understanding on CEM in the hospitality industry.

This analysis highlights the diversity of disciplinary approaches to CEM in the hospitality context and demonstrates the importance of bringing together marketing, operations, human resources and technology to manage CE. Ultimately, this study broadens the current perspectives by providing a detailed understanding of the mechanisms for managing CE in the hospitality industry.

Methodology

To map the existing research knowledge and emerging CEM topics, we undertook an extensive review of literature and combined it with invited commentaries from a
selection of leading hospitality scholars and hotel general managers. We identified research relevant to our study, analyzed and synthesized the research findings and developed conceptualizations and conclusions on the basis of this evidence (Denyer and Tranfield, 2009).

To identify relevant research, we performed an article search in October 2014, using the Business Source Complete (EBSCO) and ProQuest databases. We supplemented the initial search with a new search in February 2016, in the Scopus and Web of Science databases. Together, these databases offered a comprehensive range of business-related, peer-reviewed journals. Maintaining the focus on CEM research, we searched for titles, abstracts and keywords that featured some combination of the search words “customer experience” and “management”. Because CEM is a relatively new topic, most relevant articles have been published in the past 25 years. Therefore, we narrowed our search to literature published between January 1990 and December 2015. The searches returned a total of 571 hits (Table I).

Next, we screened the 571 articles to select papers for detailed analysis. Following Guillet and Mohammed (2015), we limited the evidence base to international peer-reviewed journal articles; this was for two reasons. First, we assumed that scholarly works such as research notes, commentaries, book reviews and reprinted articles do not make original or significant contributions to knowledge development (Tsang and Hsu, 2011). Second, we assumed that in comparison with books and edited monographs, academic journals represent the most advanced source of knowledge in any field (Muskat et al., 2013). Our next step was to remove duplicate entries. We then reviewed titles, abstracts, introductions and conclusions of the articles to determine their relevance, that is, whether CEM was among their key topics (Denyer and Tranfield, 2009). The above screening produced 59 articles for further analysis (Appendix 1).

Torraco (2005) calls for reviews that examine literature according to a particular lens, defined by the objectives, to focus on specific aspects of previous research for critical evaluation. Accordingly, our analysis involved three stages. First, we sought an overview of published CEM research, by examining the study context, the definition of CEM and the literature base or theoretical approach of the papers in the sample. Second, we separately assessed studies in the hospitality context (9) and other contexts (49) to identify specific features or determinants of CEM, as well as which CEM topics were examined in the hospitality context relative to broader CEM literature. From this effort, we developed a comprehensive overview of the key aspects of CEM in hospitality and formulated questions for continued research into CEM. Because we aimed not only to summarize what is already known in the hospitality field but also to explore potential new avenues for CEM research, we expanded our literature review beyond studies in hospitality. By incorporating research outside the hospitality context, we were able to gain insights from other sectors.

The study obviously has some limitations arising from the chosen research approach. Conducting a literature review by using selected keywords inevitably means that some

<table>
<thead>
<tr>
<th>Database</th>
<th>Time of search</th>
<th>No. of hits</th>
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<tbody>
<tr>
<td>Business Source Complete (EBSCO)</td>
<td>October 2014</td>
<td>187</td>
</tr>
<tr>
<td>ProQuest</td>
<td>October 2014</td>
<td>52</td>
</tr>
<tr>
<td>Scopus</td>
<td>February 2016</td>
<td>208</td>
</tr>
<tr>
<td>Web of Science</td>
<td>February 2016</td>
<td>124</td>
</tr>
</tbody>
</table>

Table I. Databases used for searching relevant customer experience management articles.
relevant papers that used different terminologies may have been missed. We used four databases to achieve as wide a cover of relevant literature as possible, but research published, for example, in book chapters or conference proceedings, or written in other languages was excluded from this study. Nevertheless, the review method allowed us to achieve a good cover of relevant peer-reviewed research on the topic, and focus on a manageable number of papers to analyze.

To complement and enrich the literature review, we invited established scholars and practitioners in the field to submit short commentaries on the topic of CEM. From a methodological standpoint, this “reflections of experts” procedure is fairly new for the hospitality discipline. The infusion of expert opinions, knowledge and descriptions of managerial practices increased the external validity of our findings and allowed us to gain insight into timely, emerging topics not yet observable in existing journal publications.

From academia, we chose eight professors who represent four key approaches to hospitality research:

1. marketing;
2. operations and design;
3. human resources and strategy; and
4. technology and social media.

Each invited scholar is a distinguished expert in the selected area, as demonstrated by, for example, numerous widely cited articles and influence in key hospitality journals, education or industry affiliations (Appendix 2). Our list is naturally not exhaustive, but other scholars could have been invited; our aim was to approach a broad set of scholars who could provide complementary perspectives. Given below is the list of the invited scholars (listed alphabetically):

- Srikanth Beldona, University of Delaware, USA (technology);
- Byron Keating, Australian National University, Australia (operations and design);
- Bonnie Knutson, Michigan State University, USA (marketing);
- Anna Mattila, Pennsylvania State University, USA (marketing);
- Khaldoon Nusair, Sultan Qaboos University, Oman (social media);
- Chris Roberts, DePaul University, USA (strategy);
- David Solnet, University of Queensland, Australia (human resources); and
- Beverley Sparks, Griffith University, Australia (marketing).

We contacted these scholars by e-mail in August 2015. Each scholar agreed to provide a short written commentary that summarized his or her views on the meaning and influence of CEM in the field, as well as predictions about future CEM developments that likely will be important for research, practice or society.

In February 2016, we contacted (by e-mail) general managers in high profile full-service hotel companies in the hospitality industry. We chose senior managers from full-service hotels because such hotels offer multiple hospitality services such as accommodation, restaurants, bars, café, events and conferences. Therefore, their managers represent perspectives from multiple hospitality sectors.

The commentary request began by explaining the goal of the study. Managers were asked to briefly describe what aspects they found most essential in their company’s CEM
efforts and what they regarded as important issues or problems related to CEM that academic research should tackle in the future. We contacted 12 managers, 8 of whom provided commentaries. The commentaries primarily reflected their company policies and priorities. To protect the informants’ anonymity, the managers’ names and company names are not included; we refer to them as hotels a, b, c, d, e, f, g and h.

We analyzed a total of 16 commentaries, from eight academics and eight practitioners, to identify important themes and aspects of CEM in a hospitality context. In particular, we relied on the commentaries to identify emerging research topics. We read the commentaries and used thematic content analysis (Kolbe and Burnett, 1991) to identify and categorize themes; we then, compared and revised the themes until we found common perceptions. The commentaries are not empirical research data, and we do not claim that the views of our informants are generalizable to the industry as a whole. The role of the commentaries is to broaden the study’s perspective and identify issues related to the phenomenon. Excerpts from these commentaries are incorporated throughout this text.

Defining customer experience management

Customer experience is an elusive and indistinct notion. It’s a difficult construct to define, let alone measure, because of its multiple elements and individualized, personal nature. Think about the last time you went to a movie with someone. You both sat in the same theatre, ate the same popcorn, and saw the same film, yet you each walked out with a totally different experience. This is because each consumer is unique. Each person brings a different background, values, attitudes, and beliefs to the situation; everyone experiences it through individualized “rose-colored glasses”.

( Bonnie J. Knutson)

Professor Knutson captures the elusive nature of CE. A multitude of CE definitions appear in literature; Gentile et al. (2007), for example, propose that CE consists of interactions between customers and companies. Through various interactions with the firms, customers develop sentiments that reflect their involvement from rational, emotional, sensorial, physical or spiritual angles. Meyer and Schwager (2007) stated that CE refers to internal feelings of customers when facing various interactions with firms, whether direct (e.g. usage, service consumption and purchase) or indirect (e.g. online reviews, word-of-mouth and advertising). According to this definition, companies that compete to achieve a satisfactory CE must orchestrate all customer contacts, direct or indirect, during the service process. Therefore, the CE construct should be holistic and involve customers’ cognitive, affective, emotional, social and physical (behavioral) responses. Managing CE might not be completely under firms’ control; it might involve elements that companies have difficulty influencing, such as other customers in the service setting (Harris and Daunt, 2013) or online reviews (Sparks and Browning, 2011).

Verhoef et al. (2009) note that CE encompasses activities in different stages, such as search, purchase, consumption, disposition and other related activities. Puccinelli et al. (2009, p. 15) examine CE from a consumer behavior perspective, and connect specific aspects of those behaviors – “goals, schema, information processing, memory, involvement, attitudes, atmospherics, consumer attributions, and choices” – with CEM strategies. According to Grewal et al. (2009), because CE encompasses every moment of truth in which customers interact with a firm, product or service, CEM must entail a business strategy that results in a mutually beneficial relationship between the firm and its customers. Palmer (2010) suggests three key constructs – involvement, emotions and interpersonal relationships – that either parallel or contribute to CE.
Recent research suggests that CE is derived not only from interactions in employee–customer dyads but also from broader networks of actors, stakeholders, customers, suppliers, managers, frontline employees and brands (Jaakkola et al., 2015; Verleye, 2015). This interactive, co-created perspective reflects the rise of customer collectives organized around shared interests and complicated service delivery networks that encourage various suppliers and providers to contribute to the creation of CEs (Akaka et al., 2015; Verleye, 2015). CE is the result of co-creation during interactions among customers, employees and a range of other stakeholders (Carù and Cova, 2015). Therefore, CEM in contemporary markets must go beyond the customer–provider dyad and service encounters.

**Disciplinary perspectives on customer experience management**

Our review of extant research reveals that CEM studies reflect three disciplinary perspectives: *marketing* (including technology and social media), *operations* (including service design) and *human resources* (including organizational behavior and strategy) (Table I). Marketing scholars study the positive implications of creating superior CE and advocate for the importance of this concept (Grewal et al., 2009; Klaus and Maklan, 2013). Several studies connect CE to the management of customer relationships in multichannel environments, noting the importance of insights into the experiences customers have through various encounters with firms or brands (Chan, 2005; Frow and Payne, 2007). Retailing research with a marketing focus also addresses constructs that affect CEs, with a strong emphasis on characteristics and stimuli in the servicescape (Baskaran, 2011; Verhoef et al., 2009).

The operations management perspective directs attention to service delivery and the role of service design in facilitating superior CEs (Teixeira et al., 2012). In this view, CEs are created during the navigation of the service process; the smoothness and efficiency of the process is a key concern for managers, especially when the service involves multiple channels and service providers (Patrício et al., 2008).

Studies that draw their theoretical foundation from human resource management (HRM) research highlight the importance of the people factor, that is, of employees within the organization who help shape CEs. The HRM perspective also emphasizes the importance of selecting service-minded employees and providing them with service-focused training; in addition to an empowered environment and the overall service climate, such factors are critical for managing CEs (Gazzoli et al., 2013; Zhang et al., 2014a).

Table II illustrates the various disciplines that inform effective CEM. It also shows that extant research has focused mainly on a single perspective; studies that integrate multiple perspectives are rare.

**Key aspects of customer experience management in the hospitality context**

Although hoteliers and restaurant managers embrace CEM as a key goal (Bharwani and Jauhari, 2013), only a limited number of hospitality studies focus on CEM (Johnson et al., 2009; So and King, 2010). The following section provides a summary of the few studies that explicitly address CEM in the hospitality sector.

Johnson et al. (2009) examine the management of *service quality* and *emotions* across customer relationships. They find that it is important to balance service quality and price to enhance joyful experiences. Ryu and Jang’s (2008) study reveals six *service facility* factors – aesthetics, ambience, lighting, service product, layout and social – that have positive influence on customers’ perception of upscale restaurant experiences. Morgan et al. (2008) examine the role of *employees, processes* and *physical evidence*, and how they can be used to manage customer’s meal experiences in dining rooms.
Using a case study of Ritz-Carlton Hotels, Nixon and Rieple (2010) highlight the importance of service design and systems that help create employee customer engagement and manage CEs. Johansson and Naslund (2009) show how cruise ship experiences are created by the effective management of spaces, passengers and emotions (emotional labor of the service providers). So and King (2010) develop a measure to evaluate hotel brand equity as an
outcome of brand strategies. Their findings suggest that CE can be influenced by three service dimensions: core, servicescape and employee. Nicholls (2011) examines the role of culture and the value it brings to customer-to-customer interaction and its subsequent influence on CE in the hospitality industry.

With a conceptual model to test CEs in a coffee outlet, Sathish and Venkatesakumar (2011) find that a customer’s coffee experience – and resulting level of satisfaction and loyalty – is influenced by employee interaction and product quality. Miao et al. (2014) examine hedonic aspects of hospitality consumption experience at pre-consumption, during and post-consumption phases and find a hedonic value dynamic over the course of the experience. These findings are summarized in Table III.

As Table III highlights, research on CEM in the hospitality field is limited. However, researchers and managers have pointed out that CEM is particularly important for the hospitality industry (Bharwani and Jauhari, 2013; Kandampully et al., 2015) because it entails extensive customer–employee relationships (Bujisic et al., 2014) and service aspects that are integral to the hospitality experience (Kandampully et al., 2014). Hospitality services involve relatively longer interactions between customers and employees, which provides unique opportunities to create relationships. Thus, customer–employee relationships often contribute to customers’ positive experience (Hur et al., 2015). In service contexts, shared experiences between customers and employees result in the co-creation of memorable experiences (McColl-Kennedy et al., 2015). Thus, employees help create unique, memorable experiences (Bharwani and Jauhari, 2013). In most hospitality services, experiences are created not only by the firm and their employees but also by other customers; customer-to-customer interaction is critical to the hospitality experience (McMillan et al., 2011). We, therefore, expand this understanding by drawing on insights from CEM literature as well as commentaries from scholars and practitioners. Four themes emerge from this synthesis, which have implications on CEM in the hospitality context:

1. Service aspects are integral to the hospitality experience.
2. Employees’ role is imperative in creating unique and memorable experiences in the hospitality industry.
3. Hospitality service involves extensive customer–employee relationships.
4. Customer-to-customer interaction is a critical part of hospitality experience.

The following sections provide detailed discussions of these themes (Table IV).

**Service aspects are integral to the hospitality experience**

As we noted previously, service is integral to a hospitality experience. Within hospitality contexts, many typical service research topics such as service quality (Johnson et al., 2009), servicescape factors (Ryu and Jang, 2008; Morgan et al., 2008) and service design (Nixon and Rieple, 2010) emerge as pivotal determinants of CE. A service orientation is an organization-wide embrace of policies, practices, systems, people and behaviors focused on service, to ensure customer satisfaction (Carraher et al., 1998; Fearon et al., 2013; Homburg et al., 2015; Kim et al., 2012; Lytle et al., 1998). As a core component of hospitality, service is essential to ensure that customers perceive value and also is critical for long-term business sustainability (Ariffin et al., 2013; Salem–Mhamdia and Ghadhab, 2012):

“The only proven way to manage best customer experience is through legendary service which is also known as operations excellence” (Hotel-d)
<table>
<thead>
<tr>
<th>Authors</th>
<th>Method</th>
<th>Constructs</th>
<th>Setting</th>
<th>Key findings</th>
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<tbody>
<tr>
<td>Kisang and Soocheong (2008)</td>
<td>Scale development</td>
<td>IV: facility aesthetics, ambience, lighting, service product, layout and social factors; DV: DINESCAPE</td>
<td>hospitality</td>
<td>On the basis of quantitative analyses, a six-factor scale was identified, consisting of facility aesthetics, ambience, lighting, service product, layout and social factors.</td>
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<tr>
<td>Morgan et al. (2008)</td>
<td>Conceptual</td>
<td>theatrical metaphor</td>
<td>restaurant</td>
<td>An analysis of the service encounter as drama can reveal the role the customer plays, the super-objective behind their visit to the restaurant and the unspoken subtext behind critical incidents.</td>
</tr>
<tr>
<td>Johnson et al. (2009)</td>
<td>Survey</td>
<td>IV: perceived price/perceived quality; DV: customer satisfaction/emotions</td>
<td>Hotel</td>
<td>The weaker the relationship segment, the more quality-based and disappointing the customer experience. The stronger or closer the relationship segment, the more balanced (price and quality) and joyful the experience. One segmentation method seems more efficient than the other.</td>
</tr>
<tr>
<td>Zehrer (2009)</td>
<td>Conceptual</td>
<td>Service experience/service design/small and medium-sized enterprises (SMEs)</td>
<td>Tourism</td>
<td>Service experience must be appropriately managed by SME operators who collect and evaluate relevant customer experience data. Service design must be holistic, embedded in the organizational culture of the service provider using tools such as “blueprinting”. Synergistic cooperation and learning regions among traditionally fragmented tourism providers are essential for achieving long-term competitiveness.</td>
</tr>
<tr>
<td>Gopalan and Narayan (2010)</td>
<td>Scale development</td>
<td>IV: stakeholder DV: customer become a promoter/customer become a detractor Mediator: customer experience</td>
<td>Hotel</td>
<td>Effective management of customer satisfaction entails cross-functional collaboration and transparent measurement schemes that clearly delineate the impact of each stakeholder’s actions on overall customer experience.</td>
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<th>Authors</th>
<th>Method</th>
<th>Constructs</th>
<th>Setting</th>
<th>Key findings</th>
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<tbody>
<tr>
<td>Coghlan and Pearce (2010)</td>
<td>Diaries</td>
<td>IV: motivations/activities; DV: emotions/satisfaction/experience</td>
<td>tourism</td>
<td>Emotional variability occurs across time with distinct phases of positivity, annoyance and receptivity. Variability appears linked to daily activities and personal characteristics. Satisfaction levels do not always follow patterns of emotional variability, which are weakly related to expectations and motivations recorded at the start of the trip.</td>
</tr>
<tr>
<td>Nixon and Rieple (2010)</td>
<td>Case study</td>
<td>Employee engagement/memory creation/identity/scenography</td>
<td>Hotel</td>
<td>The Ritz-Carlton no longer sees itself as a hotel company but considers itself an “experience and memory creator”</td>
</tr>
<tr>
<td>So and King (2010)</td>
<td>Survey</td>
<td>IV: Company’s presented brand/external brand communications/customer experience with company; DV: brand equity; and Mediator: brand awareness/brand meaning</td>
<td>Hotel</td>
<td>For experienced hotel customers, service experience is most influential in determining brand meaning (i.e. the customer’s dominant perceptions and impression of the brand)</td>
</tr>
<tr>
<td>Nicholls (2011)</td>
<td>Conceptual</td>
<td>Cross-culture/customer-to-customer interaction</td>
<td>Hospitality</td>
<td>Customer-to-customer interactions are relevant to hospitality management; opportunities for future investigations are identified. Hedonic pleasure and personal progression are two core experiences valued by customers. Core experiences generate surreal feelings and incomparable and memorable evaluations of the overall experience. Social interaction facilitates core experiences; efficiency enables them.</td>
</tr>
<tr>
<td>Klaus and Maklan (2011)</td>
<td>Longitudinal study</td>
<td>IV: hedonic pleasure, personal progression, social interaction, efficiency and surreal feeling; and DV: customer experience</td>
<td>Tourism</td>
<td>Services offered by staff and quality of products offered are more important in creating customer’s coffee experience than other variables.</td>
</tr>
<tr>
<td>Sathish and Venkatesakumar (2011)</td>
<td>Survey</td>
<td>IV: offered services/assortments provided/pricing factor/quality of products provided/atmospherics/staff/value added services provided; DV: satisfaction/loyalty; and</td>
<td>Coffee retail outlets</td>
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</table>
Because of the importance of service to hospitality experiences, a service climate is also pivotal. A service climate is defined as the subjective perception of organizational support that employees receive from the firm, in the form of policies, practices and procedures (He et al., 2011; Schneider et al., 1998) that create unique environments in which employees become customer-focused or service-minded after receiving organizational resources, such as empowerment or managerial assistance. Therefore, a service climate is not an organizational attribute; instead, it is an individual attribute, and its measurement is the perceptions of individual’s psychology rather than organizational features. The creation of an appropriate service climate is a key aspect of CEM in the hospitality industry.

Employees’ role in creating unique and memorable experiences in the hospitality industry
Both theory and practice have recognized the growing importance of employees not only from an operational perspective but also from the perspective of value that leads to business success (Karatepe, 2013). Hospitality employees engage in frequent, intimate interactions with customers (Sathish and Venkatesakumar (2011) and are, therefore, in a key position to ensure customer satisfaction (Tsai, 2013) and prompt repeat business and customer loyalty (Van Doorn et al., 2010).

<table>
<thead>
<tr>
<th>Authors</th>
<th>Method</th>
<th>Constructs</th>
<th>Setting</th>
<th>Key findings</th>
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<tbody>
<tr>
<td>Prebensen et al. (2013)</td>
<td>Survey</td>
<td>Mediator: customer experience</td>
<td>Tourism</td>
<td>Tourist resources, in addition to personal service, environment and other visitors, enhance the experienced value of a trip significantly</td>
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<tr>
<td></td>
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<td>Tourist resources/value perception/personal service/environment/other tourists</td>
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<tr>
<td>Miao et al. (2014)</td>
<td>Quasi-experiment</td>
<td>Hedonic experience value during pre-consumption, consumption and post-consumption</td>
<td>Hospitality</td>
<td>Perceived hedonic value (predicted, experienced and remembered) of hospitality consumption is dynamic over the course of the experience. Predicted hedonic value is largely a function of temporal distance from a hospitality experience, with an upward pattern as the date draws near</td>
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<td>A comparison of the findings shows a substantial degree of overlap in the themes and results that have been generated to date. Context-specific factors should be considered in efforts to advance our understanding about the ways in which hospitality HR systems may impact a wide array of individual and organizational outcomes</td>
</tr>
<tr>
<td>Tracey (2014)</td>
<td>Conceptual</td>
<td>HR management; and context-specific factors</td>
<td>Hospitality</td>
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Table III.
Employees act as an interface that provides positive CEs and gains customer commitment (Bharwani and Jauhari, 2013). During service delivery, employees guarantee service quality and live up to customer expectations (He et al., 2011; Jung and Yoon, 2015; Namasivayam et al., 2014). They also act as brand ambassadors (Veleva et al., 2012) who deliver value and maintain the corporate or brand image (De Roeck et al., 2013; Harris, 2007). Employees are, thereby, primary drivers of competitive advantage, accentuating the importance of attracting the right employees (He et al., 2011). This notion is reaffirmed by Professor Solnet:

Having spent many years working in the service sector I have always known that what is in the mind of the service employee undoubtedly “leaks out” to the customer. The importance of the connection between worker attitude and customer experience was well argued by Ben Schneider and David Bowen in the mid 1990s. Their contention was that in service organization, there are “flimsy and permeable boundaries” [1993: 40] between the organization and its customers, so that having the right people in the right jobs who are motivated to try hard and are committed to the firm is critical. (David Solnet)

Scholars have sought to identify factors that influence indicators of employee commitment and engagement, such as reduction of employee turnover (Jung and Yoon, 2015; Karatepe, 2013), retention (Deery and Jago, 2015; Milman and Dickson, 2014) and citizenship behavior (Hui et al., 2014; Liu and Tsaur, 2014; Wang, 2014). In particular, fun at work appears essential for enhancing employee motivation and productivity while reducing their stress. A fun working environment is a frequently cited employee need and, according to employees, the boundaries between work and play are melting away (So and King, 2010). In many cases, fun at work creates an environment that promotes an organizational culture, leading to positive experiences in the workplace. As a hotel manager notes, “Nurturing our culture is our first priority among our associates by engaging their hearts and minds” (Hotel d).

Employees share their experiences, both with co-workers and during the co-creation of value to create memorable experiences with customers (Akaka et al., 2015). Because employees’ experiences at work are key success factors for service firms (e.g. Zappos.com;
Perschel, 2010), managing human resources within the service organization is critical to managing CEs in the hospitality industry.

**Hospitality service involve extensive customer–employee relationships**

In highly interactive services, such as hospitality, the service quality that customers perceive depends greatly on their interactions and subsequent relationships with employees. As a hotel manager notes, customer–employee interactions serve as unique moments of truth, “Regardless of our technological advancements, human interaction will continue to be the most crucial aspect of providing a unique customer experience” (Hotel a).

More interpersonal interactions over time influence customers’ emotional consideration of the service firm (Powell and Greenhaus, 2012; Shemwell et al., 1999; Johnson et al., 2009) because consumers often lack the skills, expertise or education needed to evaluate the service immediately (Powell and Greenhaus, 2012). Only through on-going interaction and mutual dependence can service providers and customers form strong emotional bonds and trust (Kandampully et al., 2015; Shemwell et al., 1999). Both Professors Roberts and Solnet note the role of emotions in customer–employee interactions:

Central to service-based firms is the role of the employee with the guest. However, current understanding about this guest/employee interaction suggests that there is more going on than just what these independent domains may explain. There is human emotion and memory at play, too, creating an experience based upon the interaction of these business domains. Both customer and worker share this emotional and memorable experience. Thus, as a memory, it can carry over to future interactions with other customers or workers – for good or for bad. (Chris Roberts)

Researchers have become more sophisticated and scientific in relation to the human resource connection to service and customer experience and have introduced a psychological perspective. For example, it is understood that authentic emotional displays by service employees are critical to the way the customer experience is developed and evaluated (Hennig-Thurau et al., 2006). In addition, emotions are known to be contagious, which means that service organizations must proactively ensure that positive emotions, not negative ones, are the ones being spread around. Interest in the importance of employee emotions can be traced back to the concept of “emotional labor”, coined by Hochschild et al. (1983). For example, serving a customer at the front desk involves “intellectual” labor but also “emotional” labor in that the employee is expected to do their job correctly and accurately, but also to convey happiness, welcoming, hospitality even if they don’t feel those emotions. (David Solnet)

In the hospitality industry, customers interact with a service provider over longer periods than in many other service sectors (e.g. retailing and banking). Hotel customers often stay for more than one night, and during the course of that stay, they may have multiple interactions with hotel employees. Relationship studies suggest that customer–employee relationships are key influences on CEs during hotel stays, which affect both customer satisfaction and loyalty (Bujisic et al., 2014; Kandampully et al., 2015; Prentice, 2013).

Previous studies also examine factors that influence customer–employee relationships. For example, employee commitment affects employee performance and contributes to customer–employee relationships (Hur et al., 2015; Kandampully et al., 2015; Karatepe, 2012). According to the Marriott hotel chain’s philosophy, employees should receive good care because they take care of guests (Namasivayam et al., 2014). The importance of customer–employee relationships accentuates the relevance of fostering a service climate (Bowen and Schneider, 2014; He et al., 2011). Therefore, facilitating favorable interactions between employees and customers is another key aspect of CEM in the hospitality context.
Customer-to-customer interaction is part of the hospitality experience

The hospitality context provides customers with a unique opportunity to share services with fellow customers. It is these collective experiences that enhance the individual’s perception of a personal experience, such as a crowded music concert or nightclub experience. Therefore, customer-to-customer interaction is a critical factor in many hospitality services. Nicholls (2011) highlights the role of culture, the value it brings to customer-to-customer interaction and its subsequent influence on CE in hospitality contexts. Businesses pay close attention to building relationships with their customers, but another important interaction that can exert a profound impact on the service experience is with the social environment (Verhoef et al., 2009). The social environment refers to interactions among customers in a service setting (Garg et al., 2012); it is an important focus of investigations in hotel and restaurant settings. For example, in their investigation of customers’ dining experiences, Andersson and Mossberg (2004) uncover evidence that other customers are one of six key drivers of customer satisfaction. As Professor Nusair suggests, the interaction that determines service experiences is not a customer–provider dialogue but rather a “trialogue” involving other users too:

Social media sites such as Facebook, Instagram, TripAdvisor, and blogs represent platforms that facilitate a trialogue-based communications between the users with one another and the hospitality/tourism enterprise. Through social media, users not only share their positive/negative experiences within their community but also share that same message with thousands of people around the world. The creation of positive customer experiences is associated with successful performance outcomes (Rose et al., 2012); therefore social media is redefining the way hospitality/tourism researchers examine the customer experience construct. (Khaldoon Nusair)

Commentaries from hospitality managers further highlight the relevance of customer-to-customer interaction and experience sharing:

Social media has become so much part of everyone’s life that one can post just about anything either positive or negative about their experience. So we have to articulate and manage the experience which at least will not result in any negative listing. As you know most millennials make buying decisions based on what these social media sites are reporting about your hotel. (Hotel d)

[...] a hotel’s ability to manage its online ecosystem (social media, travel review sites, e-commerce sites) is becoming increasingly important to a hotel’s success. Customers are now able to provide instant feedback which the rest of the world is privy to and therefore the hotel’s ability to manage these channels is critical to their reputation. (Hotel a)

The increasing focus on co-creation leads many hotels and restaurants to encourage customers to use their knowledge, resources and passions to co-innovate products and services. Starbucks established MyStarbucksIdea.com to engage fans to share, vote, discuss and consider ideas in themed product and service categories (Sigala, 2012). This practice makes good use of customer-to-customer interactions to improve CEs and relationships sustainably. Facilitating and tapping into customer interactions is a key aspect of CEM in the hospitality context.

Future research agenda

Our analysis of extant research, coupled with the commentaries of leading experts in the field, enables us to provide a rich agenda for further studies of CEM in the hospitality industry. Specifically, we propose six research avenues.
Multidisciplinary view on customer experience management

The expert commentaries confirm that extant CEM research has been constrained by disciplinary silos. Future research should adapt a multidisciplinary approach, as Professors Mattila, Nusair and Keating argue:

In the future, I believe that it is important to examine service experiences from a multidisciplinary perspective, and to that end, I would like to see more collaboration among marketing, human resources and operations management scholars. (Anna Mattila)

In my opinion, the customer experience construct is an eclectic area of study that builds upon multidisciplinary contributions. The customer experience concept is relatively complex and there is no prior holistic theoretical model in hospitality/tourism research that has examined all the elements that form the customer experience. For the advancement of hospitality/tourism research, integrating the marketing perspective with other multidisciplinary teams can help in building a model-based framework that captures the holistic nature of the customer experience. (Khaldoon Nusair)

[...]

Capturing all aspects of customer interactions with the firm

CE, in most cases, extends far beyond service delivery, to include the phases before and following service delivery (Nicholls, 2011; Nixon and Rieple, 2010; Gopalan and Narayan, 2010). Firms seek ways to create relationships with customers during the pre- and during-consumption stages, and then continue to engage in active participatory relationships with customers in post-consumption stages (Kandampully and Solnet, 2015). They attempt to entice customers to serve as contributors and promoters of the brand through positive word of mouth. Therefore, research should address the emergence of CEs throughout the customer journey (MacGillavry and Wilson, 2014), within and beyond direct interactions in the service setting:

Because the [CE] concept is complex, it must be viewed as holistic in nature. Therefore, research requires a holistic model:

• pre-experience – everything involved before the actual consumer experience;
• participation – the actual involvement of the consumer in the event; and
• post-experience – the aftermath (banked memories) of the participation. (Bonnie J. Knutson)

One of the challenges for marketing researchers is to be able to fully understand the service experience at different phases of the consumer purchase cycle. For products such as accommodation or flights, the service experience starts in the pre-consumption phase and flows through the consumption and post-consumption phases. People often search and book online and the experiences at that point are likely to influence the brand perceptions, as well as experiences in the main delivery phases. (Beverly Sparks)
Role of people in shaping customer experiences

Many well-admired service firms recognize the important role of people – both within and outside the organization – to maintain their success. According to former Starbucks executive Howard Behar, “We’re not in the coffee business serving people; we are in the people business serving coffee”. However, this domain remains relatively poorly understood from a CEM perspective. Therefore, researchers could focus on understanding CEM by considering people as a driving force (O’Reilly and Paper, 2012; Pandey et al., 2009). In addition, managing employee wellness comes into play because employees may experience strain – both emotionally and physically – in the work environment. Given that it is employees, especially frontline employees in the hospitality industry, who directly serve customers, their status strongly determines customers’ service experience. According to Tracey (2014), human resources affect – both positively and negatively – many organizational performance outcomes, which ultimately define the CE. Professor Solnet and a hotel manager elaborate on how research might further understanding of CE from a human resource perspective:

The inclusion of employee-related issues in a recent review of service research (Ostrom et al., 2015) further endorses the need to more deeply consider employees and human resource management in service research and the absolute truth in the interconnectedness between employees and customer experience. We will continue to see growth in the human resource management/customer experience nexus, with emerging insights from many academic disciplines. For example, psychological researchers will be paying more attention to the impacts that organizational practices have on customer service behaviors and customer experiences. […] Even with the rise of technology in service organizations, employees and the way they are managed has always and will always matter. (David Solnet)

For me, hotels are only as successful as the people who value and care for the property, its guests and each other. I am curious if there would be a way to track high performing hotels and the impact major staffing reductions have on future hotel performance for key metrics such as ADR, RevPar, customer service ranking in the brand, team member turnover and longevity, etc. It seems as though there is a trend where hotel companies are hiring asset managers who recommend staffing changes who justify immediate financial benefit without regard to its long-term impact on service and these other key metrics. Once these staffing changes are made are we able to correlate any impact on the business outside the bottom line financial? If so how many years does it take to see the staffing changes impact these other areas ultimately impacting bottom line financial performance in loss of ADR, RevPar, Reputation, Trained team members etc. (Hotel g)

Changing role of customers

The need for researchers to explore how the social environment affects CEM in hospitality contexts persists. For example, types of patronage at a hotel or restaurant (e.g. business vs leisure) could influence expectations related to customer-to-customer interactions during a service experience (Nicholls, 2011). Today’s increasingly diverse demographic setting may create new challenges for managing customers and employees alike:

We have for the first time in American history four different generations either working side by side or having our customers from all four generations. As you know, each generation has very distinct attitudes, expectations, habits, life styles, exposure to life experiences and service levels, motivational levels, risk takers willing to try new food and beverage, etc. So what this means to us is that as a brand we should be able to completely satisfy from veterans to baby boomers, to Gen X and Gen Y! We have to ensure that we offer our product, service, and people which can cater to all four generations. (Hotel d)
The frequency and depth of exchanges among customers also might influence CEs to different degrees. The types of interactions (e.g., intellectual vs humorous, family gatherings vs business meetings and online vs offline) might determine a customer’s experience; for example, a delightful dining partner would enrich a pleasant meal. For different types of customers, who might be more comfortable with human contacts or addicted to virtual communities, online and offline interactions are likely to make a significant difference to their experiences (Garg et al., 2012).

In particular, by noting customers’ extensive use of mobile devices and social media, firms are increasingly realizing customers’ roles as brand ambassadors. Engaging and enticing customers to offer positive online reviews and electronic word of mouth (eWoM) is, thus, a strategy discussion point in many boardrooms (Novak et al., 2000). We foresee the need for research to explicate this new, active role of the customer, as well as the challenges associated with extending customers’ access to broader service systems, beyond firm–customer dyads:

Future challenges include the growth of eWoM and how to better manage this by taking a proactive approach and intervening more at the point of contact, where possible. Another challenge is to better design the servicescape for enhancing customer experiences, taking into consideration the complexity of the service ecosystem. (Beverly Sparks)

**Role and influence of information technology and social media**

The connected marketplace, created through the adoption and extensive use of the internet and mobile devices, forces firms to adopt new customer mind-sets, regarding them not only as individuals but also as social customers within communities, both offline and online. As customers in the connected business world take on extended roles, even beyond the co-creation of value (Frow and Payne, 2007; Payne et al., 2009), they embrace co-ownership of the brand and its success or failure (Kandampully et al., 2015). Further research, therefore, might address a broader range of CEM issues in the hospitality industry, reflecting individual customer perspectives and customer communities in both offline and online worlds. In such increasingly connected marketplaces, it is important to study the role of human interaction in the hospitality industry. Both academic experts and managers highlight the importance of this topic:

Technology, Internet and mobile social media are of critical importance to the hospitality industry today as it appeal to the younger customers [...] (Hotel f).

Expanding the servicescape research to the area of sensory marketing is important as today’s digital world is able convey personalized advertising messages via multiple sensory channels. Finding the right balance between technology and human touch is also critical for many segments of the hospitality industry. Given the power of today’s social media, I think that it is also important to investigate ethics violations in social media and to understand customer engagement in social media from a holistic perspective across various channels. (Anna Mattila)

The future of the service experience and how customers evaluate its efficacy will depend on a firm’s ability to seamlessly converse with the customer in both physical and virtual worlds simultaneously. Firms should be prepared to adapt quickly and re-engineer the delivery of service experiences based on what lifestyle technologies customers acquire and use. This is all the more important in the lodging industry, whose product is to a large extent, a “home away from home” experience. At a macro level, lodging firms need to match, if not exceed, guests’ technology-enabled lifestyles. For example, some hotels now offer guests the ability to stream content onto guest room TVs from their own tablets and smartphones, and through their own subscriptions at
select providers. Put differently, the proliferation of consumer-owned high-tech equipment is forcing hospitality providers to play catch-up and deliver superior technology-enabled experiences. The provision of technology-enabled experiences should captivate guests and also maximize their potential to communicate about their experiences effectively. Academic research should pave the way towards the development of a service experience management framework that effectively articulates the role of technology in the customer co-creation of value. (Srikanth Beldona)

Creating better measures and tools for customer experience management

Technological advancements and the internet have contributed to the growing importance of interaction and the relationship between the firm and its customers (Nambisan and Baron, 2007). This has compelled marketers to view customers not as a single entity but as “social customers”, with a concomitant shift from marketing to customers to marketing with customers. Understanding the CE and ensuring that it is managed effectively at every point of the customer’s interaction with the firm has become a key target for firms that aim to be at the leading edge in the market. The question then arises as to whether and how well firms deliver the experience that customers expect. Creating a mechanism to measure how well firms are meeting customer’s expectations is critical. According to Maklan and Klaus (2011) and Klaus and Maklan (2013), CEM should include product experience, outcome focus, moments of truth and peace of mind (emotional factors). We, therefore, suggest the need for appropriate CEM measures and methods that can address the contemporary challenges of increasingly complex, fragmented markets. Our expert informants share this view:

There is an old business axiom that says, “You cannot manage what you cannot measure”. Assuming this to be true, and accepting the belief that [CEM] is the future of an increasingly fragmented, complex and global hospitality industry, researchers have to develop a valid model for identifying and measuring what is meant by the customer experience. While several [CE] elements have been the subject of extensive research (i.e. service quality, customer value and customer satisfaction), to date, the dimensions of the total integrated [customer experience] have not been extracted, only assumed. To do so will be an exciting challenge. (Bonnie J. Knutson)

Managing the service experience entails developing an in depth understanding of the complex nature of what consumers do, think and feel when they interact with a business. By knowing more about the lived experience (in situ) at all phases of the buying cycle, a manager can better enhance customer experience. This has resulted in a renewed interest in multi-method approaches in my research. I have applied methods like scenario experiments, eye tracking, photo elicitation, experienced based sampling and cross-sectional and longitudinal surveys to delve deeper into service experiences. (Beverly Sparks)

Conclusions and implications

Theoretical contributions

This study provides a synthesis of literature and expert commentary that fills a void in CEM in the hospitality field. It combines business and hospitality knowledge and provides a multidisciplinary perspective of marketing, operations and human resources. Previous reviews have not integrated CEM knowledge with the principles of hospitality literature; this review, therefore, advances the understanding of CEM in hospitality contexts.

Our analysis reveals that CEM entails collective functions and various activities within the organization, including strategy (providing a clear customer focus), marketing (directing firms’ efforts toward building long-term relationships, both inside and outside the organization), operations (building customers’ trust in the firm’s efficiency and uniqueness),
service design (orchestrating front-office and back-office operations to support both internal and external customers), human resources (providing a source of creativity, innovations and energy that support the firm in all situations), technology (enabling and contributing to the firm’s innovativeness across all aspects of the organization) and social media (nurturing channels of communication to engage individual and communities of customers). Thus, CEM is not confined to one organizational aspect but entails an organization-wide endeavor, co-created through the contributions of customers and employees. Figure 1 illustrates a framework of the essential factors for creating an organization-wide collective focus on CEM.

The proposed model (Figure 1) takes a holistic perspective and provides a broad illustration of some of the factors that are essential for a hospitality firm to manage the CE effectively. It provides a new, organizational perspective to interconnect various internal factors of a hospitality organization (strategy, human resources, marketing, social media, technology, design and operations). The importance of integrating firms’ internal functions has been suggested previously (Berry, 1980; Greene et al., 1994; Grönroos, 1983; Rafiq and Ahmed, 2000; Zhang et al., 2014b). In this study, we contend that the alignment of functional factors is essential in managing the CE. Although most previous research on CEM has been grounded in marketing, we find only a limited number of studies that have roots in human resource management and operations management, or that combine various perspectives. None of the commentaries from managers connect marketing with CEM, indicating that CEM practice is also restricted by organizational silos.

Managerial implications
This study highlights the need for a holistic understanding of all aspects of the firm to effectively manage CE. In the early 1980s, both theory and practice focused on measuring service quality to improve services and gain success in the competitive market. Today, service quality is a core foundation for building the firm’s image and a core strategy for the most successful service companies (e.g. Singapore Airlines, Southwest Airlines, Ritz-Carlton Hotels, Four Seasons Hotels and Disney). These firms transform ideas of service quality from a measurement to a vision on which to base the image of their firm.

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**Figure 1.**
Essential factors for creating an organization-wide collective focus on CEM
Similarly, CE cannot be created in isolation, through marketing strategies alone. To create and manage CE that pertains to a firm’s unique brand identity, they must be part of the firm’s strategic vision and unify the efforts of the entire organization. We argue that hospitality firms that consider customers’ positive experiences part of their vision also must understand that experiences are not created; they are co-experienced by customers and employees during service delivery. Management of CE, therefore, can be achieved through an orientation that places employees at center stage. Highly successful hospitality firms create a service environment that encourages employees to adjust their service provisions to cater to customers’ unexpected needs. We propose the term “people innovations” to describe the ability of service employees on the front line to innovate as they creatively modify their services. At this critical moment in the service delivery process, co-experience takes place, providing a unique opportunity to develop the all-important employee–customer relationship. While technology leads to innovation among globally connected customers, service employees continue to hold the key that transforms simple hospitality interactions into memorable CEs. Recognizing the importance of its people, Ritz-Carlton uses the term “select” rather than “recruit” as an important distinction in how it competes for the talent that is critical to creating the unique Ritz-Carlton experience.

Our study clarifies that a positive CE is the outcome of a cleverly orchestrated, multifunctional approach that uses marketing, operations, human resources, strategy, technology, social media and design. Neglecting certain perspectives might be detrimental to success, as illustrated by a comment from a manager of a major hotel chain, “Designing the hotel with operations in mind is not common, which has an adverse effect on the guest experience […]” (Hotel e). We suggest that for hospitality firms, it is imperative to have a collective focus on creating the all-important customer relationship, as confirmed by a hotel manager, “Customer experience is an outcome of total team effort” (Hotel f).

Comments by Professor Roberts further illustrate the importance of combining human resource management, marketing and operations elements to provide an individualized, memorable experience, seamlessly supported by cues in the service setting:

Hospitality firms have adopted different strategies where the delivery of a service plays a significant role in the product design, reputation and brand identity. In such instances, deep, repeating relationships are desired with guests. Individualized records are often kept of customer preferences and business transactions. Guests are encouraged to strengthen their relationships by building recognition through frequent guest programs. Employees are coached to treat guests as known and regular customers. For these firms, the employee role in service delivery is a key aspect of the product design. Starbucks is an example of this strategy. The comfortable seating, the free Internet service, and the pleasant ambiance are combined with the friendly and attentive staff member to create a memorable experience. Starbucks’ intention is that the memory is one that the guest will want to consciously repeat. (Chris Roberts)

Our study also highlights the crucial role of technology, the internet and mobile social media in fundamentally changing how people live and providing powerful dissemination capabilities to connect with others. These changes provide new opportunities for firms to engage and co-create with customers for mutual benefit (McColl-Kennedy et al., 2015); they result in the personalization of services and enhancement of customers’ perceived value and relationships with firms (Füller, 2010). Customers are no longer passive recipients of a firm’s value proposition; they now participate actively in brand co-creation and co-ownership (Verleye, 2015).
References


**Further reading**


## Appendix 1

<table>
<thead>
<tr>
<th>Source</th>
<th>Method</th>
<th>Key findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angelis et al. (2010)</td>
<td>Conceptual</td>
<td>Operations need to be designed with customer perception and experience in mind, with corresponding performance measures and management</td>
</tr>
<tr>
<td>Baskaran (2011)</td>
<td>Conceptual</td>
<td>Several ways (e.g. brand, price, promotion, supply chain management, location, advertising, packaging and labelling, service mix and atmosphere) to deliver a superior customer experience should result in higher customer satisfaction, more frequent shopping visits, larger wallet shares and higher profits</td>
</tr>
<tr>
<td>Berry et al. (2006)</td>
<td>Conceptual</td>
<td>By fundamentally enhancing the ease with which customers can experience a service, companies can attract new customers and even create new markets</td>
</tr>
<tr>
<td>Berry et al. (2002)</td>
<td>Conceptual</td>
<td>Offering products or services alone is not enough these days: Organizations must provide their customers with satisfactory experience. Competing on that dimension means orchestrating all the “clues” that people pick up in the buying process</td>
</tr>
<tr>
<td>Bihari (2012)</td>
<td>Conceptual</td>
<td>CRM enhances the customer experience by account and transaction accuracy and carefulness, efficiency in correcting mistakes and friendliness and helpfulness of the personnel</td>
</tr>
<tr>
<td>Botha and Van Rensburg (2010)</td>
<td>Conceptual</td>
<td>Defines a step-by-step model for linking the customer experience to business processes and translating the needs of the customer into technical design characteristics for each process</td>
</tr>
<tr>
<td>Carbone and Haeckel (1994)</td>
<td>Conceptual</td>
<td>Managing experience clues requires judgment, skills and investments to create competitive advantage and customer loyalty</td>
</tr>
<tr>
<td>Carbone (1998)</td>
<td>Conceptual</td>
<td>Businesses should develop a systematic method for managing customer experience to effectively differentiate their products and services from competitors</td>
</tr>
<tr>
<td>Chen et al. (2012)</td>
<td>Conceptual</td>
<td>Experience sharing is value creation efforts for the direct benefits of others. Value-in-experience is an effort-based meaning of value creation. Value initiators are actors who perform experience sharing</td>
</tr>
<tr>
<td>Chakravorti (2011)</td>
<td>Literature review</td>
<td>Develops a framework of knowledge and organizational culture enhanced customer experience management</td>
</tr>
<tr>
<td>Clatworthy (2012)</td>
<td>Qualitative</td>
<td>Underlines the importance of aligning the customer experience with the company brand and how. A key element is the development of a service personality and consideration of service touch point behaviors through a combination of analytical work and experience prototyping</td>
</tr>
<tr>
<td>Dawes and Rowley (1998)</td>
<td>Case studies</td>
<td>As customers become more proficient at taking on an IT role, traditional models of the service experience may need to be revisited</td>
</tr>
<tr>
<td>Donne (2009)</td>
<td>Qualitative</td>
<td>The critical influences on participants’ experiences are instructors’ behaviors and attitude through intrinsic service values, participants’ interactions with one another in their own peer socialscape and their own performance in developing skilled and hedonic consumption</td>
</tr>
</tbody>
</table>

Table AI. Previous CEM findings (continued)
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<thead>
<tr>
<th>Source</th>
<th>Method</th>
<th>Key findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fawcett et al. (2014)</td>
<td>Critical incident technique</td>
<td>A holistic view of customer service that emphasizes policy, people, performance measurement and processes</td>
</tr>
<tr>
<td>Frow and Payne (2007)</td>
<td>Case study</td>
<td>Organizations seeking to deliver a perfect customer experience should focus on recognizing the problem and opportunities for improvement and co-creation</td>
</tr>
<tr>
<td>Garg et al. (2012)</td>
<td>Conceptual</td>
<td>Research gaps are identified; this paper also offers a generalized framework for customer experience measurement that applies to online and offline experiences</td>
</tr>
<tr>
<td>Gilmore and Pine (2002)</td>
<td>Conceptual</td>
<td>Each company should examine its own situation and determine which levels, among the five physical (flagship location, experience hubs, major venues, derivative presence and world-wide markets) and five virtual (flagship site, experience portals, major platforms, derivative placement and World Wide Web) make marketing sense</td>
</tr>
<tr>
<td>Gopalan and Narayan (2010)</td>
<td>Scale development</td>
<td>Effective management of customer satisfaction entails cross-functional collaboration and a transparent measurement scheme that delineates the impact of each stakeholder’s actions on overall customer experience</td>
</tr>
<tr>
<td>Grewal et al. (2009)</td>
<td>Conceptual</td>
<td>The role of macro factors in the retail environment and how they shape customer experiences and behaviors</td>
</tr>
<tr>
<td>Henneberg (2005)</td>
<td>Exploratory, qualitative</td>
<td>An approach based on CEM, with a decentralized, interaction and learning skills-based approach, is rare, though successful CRM consists of elements of both dimensions</td>
</tr>
<tr>
<td>Ismail et al. (2011)</td>
<td>Literature review</td>
<td>Examines the impact of customer experience on brand loyalty through a comprehensive review of existing literature on customer experience and service brand literature</td>
</tr>
<tr>
<td>Johansson and Naslund (2009)</td>
<td>Survey</td>
<td>The weaker the relationship segment, the more quality-based and disappointing is the customer experience. The stronger or closer the relationship segment, the more balanced with respect to price and quality) and joyful the experience. One segmentation method seems more efficient than the other</td>
</tr>
<tr>
<td>Klaus and Maklan (2007)</td>
<td>Conceptual</td>
<td>The authors offer the concept of experience quality, which incorporates service quality but also extends to aspects of customer experience not related directly to service to predict consumer behavior with respect to brands</td>
</tr>
<tr>
<td>Klaus and Maklan (2011)</td>
<td>Longitudinal study</td>
<td>Hedonic pleasure and personal progression are two core experiences valued by customers. A core experience generates surreal feelings, incomparable and memorable evaluations of the overall experience. Social interaction facilitates core experiences; efficiency enables them</td>
</tr>
<tr>
<td>Kisang and Soocheong (2008)</td>
<td>Scale development</td>
<td>Quantitative analyses reveal a six-factor scale: facility aesthetics, ambience, lighting, service product, layout and social factors</td>
</tr>
<tr>
<td>Kulkarni (2011)</td>
<td>Survey</td>
<td>Retail chains need to compete by extending convenience, assortments, variety, good quality merchandize, after-sales service and an overall wonderful shopping experience to the customers</td>
</tr>
<tr>
<td>MacGillavry and Wilson (2014)</td>
<td>Case study</td>
<td>DHL Freight enhances the customer experience by bringing the voice of the customer into the organization, improving customer interactions and developing an organization-wide</td>
</tr>
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<table>
<thead>
<tr>
<th>Source</th>
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<th>Key findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Maklan and Klaus (2011)</td>
<td>Conceptual</td>
<td>Market researchers serve their service organizations and customers better if they take an active role in updating CEM, commensurate with advances in the conceptualization of what firms offer</td>
</tr>
<tr>
<td>Miao et al. (2014)</td>
<td>Quasi-experiment</td>
<td>Perceived hedonic value (predicted, experienced and remembered) of a hospitality consumption experience is dynamic over the course of the experience. Predicted hedonic value is largely a function of temporal distance from a hospitality experience, with an upward pattern as the date draws near</td>
</tr>
<tr>
<td>Mohamed and Borhan (2014)</td>
<td>Survey</td>
<td>Customers’ emotional experience has positive significant effects on customer attachment behavior but not commitment. Consumers in general look for the trustworthiness of promotional activities when purchasing local or international products</td>
</tr>
<tr>
<td>Morgan et al. (2008)</td>
<td>Conceptual</td>
<td>An analysis of the service encounter as a drama reveals the role the customer is playing, the objective behind their visit to the restaurant and the unspoken subtext behind critical incidents</td>
</tr>
<tr>
<td>Muskat et al. (2013)</td>
<td>Mobile ethnography</td>
<td>Service experience must be appropriately managed by museum operators who collect, evaluate, store and reuse CEM relevant data</td>
</tr>
<tr>
<td>Nambisan and Nambisan (2008)</td>
<td>Multiple cases</td>
<td>Having the right technology-based system can enhance the customer experience and help companies improve both their innovation and customer relationship management capabilities</td>
</tr>
<tr>
<td>Nicholls (2011)</td>
<td>Conceptual</td>
<td>The relevance of customer-to-customer interaction to hospitality management is highlighted and opportunities for future investigations identified</td>
</tr>
<tr>
<td>Nixon and Rieple (2010)</td>
<td>Case study</td>
<td>The Ritz-Carlton no longer sees itself as a hotel company; it now considers itself an “experience and memory creator”</td>
</tr>
<tr>
<td>Novak et al. (2000)</td>
<td>Survey</td>
<td>The study developed and tested a structural model that embodies the components of what makes for a compelling online experience</td>
</tr>
<tr>
<td>O’Reilly and Paper (2012)</td>
<td>Qualitative</td>
<td>Organizational changes initiated by management create strategically constructed silos that force implementation through people and systems to control and standardize the service interface and resultant customer experiences</td>
</tr>
<tr>
<td>Otnes et al. (2012)</td>
<td>Interview and observation</td>
<td>Marketplace rituals can enhance CEM. These rituals are planned, symbolic and repeated performances executed for and with customers</td>
</tr>
<tr>
<td>Palmer (2010)</td>
<td>Conceptual</td>
<td>By incorporating emotions and perceptual distortion over time, customer experience overcomes many problems associated with static, partial measures of service quality</td>
</tr>
<tr>
<td>Patricio et al. (2008)</td>
<td>Interview</td>
<td>Service experience blueprint method enabled an efficient service design, in service multichannel delivery</td>
</tr>
<tr>
<td>Paula and Iliuţă (2008)</td>
<td>Conceptual</td>
<td>To succeed or survive, companies need a new way of thinking. Success belongs to those that put the customer in the center of their activity and offer superior value</td>
</tr>
<tr>
<td>Source</td>
<td>Method</td>
<td>Key findings</td>
</tr>
<tr>
<td>-------------------------</td>
<td>-------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Payne et al. (2009)</td>
<td>Case study</td>
<td>Examines the co-creation of value in the service dominant logic, proposes a conceptual model of co-creation for managing brand relationship experiences and develops a case study about an innovative service that uses opportunities for co-creation that reflect changing consumer preferences and new mobile technologies.</td>
</tr>
<tr>
<td>Pandey et al. (2009)</td>
<td>Survey</td>
<td>Positive impact of spiritual climate on customers’ experience of employees’ service is substantiated empirically.</td>
</tr>
<tr>
<td>Prebensen et al. (2013)</td>
<td>Survey</td>
<td>Tourist resources, in addition to personal service, environment and other visitors, enhance the experienced value of a trip significantly.</td>
</tr>
<tr>
<td>Puccinelli et al. (2009)</td>
<td>Conceptual</td>
<td>The key domains are goals, schemas and information processing; memory; involvement; attitudes; affective processing; atmospherics; and consumer attribution and choice. They are not exhaustive but offer a wealth of insights for the retailing arena.</td>
</tr>
<tr>
<td>Petre et al. (2006)</td>
<td>Conceptual</td>
<td>This research moves customer-centered design and evaluation beyond websites to address value, loyalty and retention in e-commerce, and then integrates perspectives and strategies to encompass the total customer experience.</td>
</tr>
<tr>
<td>Rhea (1992)</td>
<td>Conceptual</td>
<td>Organizations need to shift their focus from designing products to designing a cycle of customer experiences. The dynamic model of this process-one that is reiterated to varying degrees with each consumer decision-moves from life context to engagement to experience to resolution.</td>
</tr>
<tr>
<td>Rowley (1999)</td>
<td>Case studies and walk-through audits</td>
<td>This methodology offers an important approach to the evaluation of the total customer experience, which encompasses consideration of the way in which the variety of individual service exchanges come together to provide an integrated experience.</td>
</tr>
<tr>
<td>Ryder (2007)</td>
<td>Survey</td>
<td>The recent trend in the marketing practices is to create engaging and long-lasting shopping experiences for customers.</td>
</tr>
<tr>
<td>Sharma and Chaubey (2014)</td>
<td>Survey</td>
<td>Strong relationship between customer experience with the overall feeling, trust and satisfaction is helpful in delighting the customer.</td>
</tr>
<tr>
<td>Sathish and Venkatesakumar (2011)</td>
<td>Survey</td>
<td>Services offered by staff and product quality are more important for creating customers' coffee experience than other variables.</td>
</tr>
<tr>
<td>Stone (2012)</td>
<td>Conceptual</td>
<td>For customer service, suppliers increase their focus on efficiency and margin and seek win-win of self-fulfilled customer experience with minimal human intervention from staff.</td>
</tr>
<tr>
<td>Tax et al. (1998)</td>
<td>Survey</td>
<td>The results support a quasi “brand equity” perspective whereas satisfaction with complaint handling has a direct impact on trust and commitment previous positive experiences mitigate the effects of poor complaint handling.</td>
</tr>
<tr>
<td>Tracey (2014)</td>
<td>Conceptual</td>
<td>A comparison of the findings shows a substantial degree of overlap in the themes and results that have been generated to date. Context-specific factors should be considered in efforts to advance our understanding about the ways in which...</td>
</tr>
<tr>
<td>Source</td>
<td>Method</td>
<td>Key findings</td>
</tr>
<tr>
<td>---------------------</td>
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</tr>
<tr>
<td>Tumbat (2011)</td>
<td>Ethnography</td>
<td>Hospitality HR systems may impact a wide array of individual and organizational outcomes Customer emotion management is essential for understanding customer performance in co-construction of service experiences</td>
</tr>
<tr>
<td>Verhoef et al.</td>
<td>Conceptual</td>
<td>Previous customer experiences influence future customer experiences; social environment, self-service technologies and the store brand are important</td>
</tr>
<tr>
<td>Wall and Envick</td>
<td>Conceptual</td>
<td>Experiences clues are (1) functional, or the technical performance of the service; (2) mechanic, or tangibles associated with the service; and (3) humanistic, or behavior and appearance of service providers. These clues are important in creating the customer’s service experience, influencing both rational and emotional perceptions of service quality</td>
</tr>
<tr>
<td>Yin et al. (2013)</td>
<td>Ethnography, interviews</td>
<td>Senior consumers face difficulties in various areas, including understanding where certain products are placed on shelves and why; access to products (shelf height), poor signage, labelling and inappropriate portion sizes</td>
</tr>
<tr>
<td>Zehrer (2009)</td>
<td>Conceptual</td>
<td>Service experience must be appropriately managed by small firms that collect and evaluate relevant customer experience data. Service designs must be undertaken in a holistic manner embedded in the organizational culture of the service provider using blueprinting. Synergistic cooperation and learning regions among traditionally fragmented tourism providers are essential for achieving long-term competitiveness</td>
</tr>
</tbody>
</table>

Table AI.
Appendix 2. Motivation for inclusion of commentators

We used the following criteria to invite commentators from hospitality management academic leaders:

- recognize academic leaders in hospitality management;
- strong knowledge of customer experience management theory and practice;
- previous publications in service management; and
- expertise in marketing, operations, human resources or technology/social media.

<table>
<thead>
<tr>
<th>Commentator, affiliation</th>
<th>Main perspective to represent in this study</th>
<th>Indicators for expert or thought leader status in the field</th>
</tr>
</thead>
<tbody>
<tr>
<td>Srikanth Beldona, University of Delaware, USA</td>
<td>Technology</td>
<td>Ranked 15th in the world in research among hospitality faculty and selected as one of 2015’s Top 25 Most Extraordinary Minds in Hospitality Marketing by Hospitality Sales and Marketing Association International (HSMAI). Research interest includes hospitality and digital marketing, with research appearing in the publications such as <em>Cornell Hospitality Quarterly, Journal of Travel Research, Tourism Management</em> and <em>International Journal of Hospitality Management</em>.</td>
</tr>
<tr>
<td>Byron Keating, Australian National University (ANU), Australia</td>
<td>Operations and design</td>
<td>Published more than 100 articles on the role and impact of emerging technologies on the design and delivery of complex service operations. The Director of Research School of Management at the Australian National University, with a particular interest in the role of emerging technologies in supporting the design and delivery of complex services. Presently the Vice President of the Service Science Society of Australia and on the International Advisory Board for the Service Education and Research Initiative.</td>
</tr>
<tr>
<td>Bonnie Knutson, Michigan State University, USA</td>
<td>Marketing</td>
<td>The Director of the Hospitality Management program at Michigan State University. Work has been featured in publications such as <em>The Wall Street Journal, USA Today</em> and on CNN. One of the most highly cited hospitality management authors and distinguished professors; has been honored with the Hospitality Business Alumni Association Lifetime Academic Achievement Award.</td>
</tr>
<tr>
<td>Anna Mattila, Pennsylvania State University, USA (marketing)</td>
<td>Services marketing</td>
<td>She is the Marriott Professor of Lodging Management, an Associate Editor, <em>Cornell Hospitality Quarterly</em>, a recipient of Founder’s Award – Annual Graduate Education &amp; Graduate Students’ Research Conference (2010), University of Delaware Olson Lifetime Research Award (2007) and winner of the John Wiley &amp; Sons Lifetime Research Award, International Council on Hotel, Restaurant and Institutional Educator Convention (2006).</td>
</tr>
</tbody>
</table>

Table AII. Introduction to commentators
<table>
<thead>
<tr>
<th>Commentator, affiliation</th>
<th>Main perspective to represent in this study</th>
<th>Indicators for expert or thought leader status in the field</th>
</tr>
</thead>
<tbody>
<tr>
<td>Khaldoon Nusair, Sultan Qaboos University, Oman</td>
<td>Hospitality marketing, technology and social media</td>
<td>He is the Head of Marketing Department in the College of Economics &amp; Political Science at SQU. Before joining SQU, he was the author of one book and more than 75 refereed papers in leading academic journals. He is also a recipient of seven international awards for research contributions, and serves on the Editorial Advisory Board of six international journals. He is also the Ad hoc Reviewer for <em>Cornell Quarterly, Journal of Service Management, Journal of Information and Management, International Journal of Hospitality Management</em> and <em>Tourism Analysis</em>. He has served as the Vice President of International Hospitality Information Technology Association (iHITA), 2009-2012, and has an industry experience that includes working for multinational companies in the USA and the Middle East</td>
</tr>
<tr>
<td>Chris Roberts, DePaul University, USA</td>
<td>Strategic management</td>
<td>He is a Professor of Strategic Management and director of DePaul University’s new School of Hospitality Leadership in the Driehaus College of Business, and the Editor of <em>Hospitality and Tourism Research</em>. His research and teaching efforts focus on leadership, strategy and operational issues in casinos, resorts and hotels</td>
</tr>
<tr>
<td>David Solnet, University of Queensland, Australia (human resources)</td>
<td>Human resources</td>
<td>The Head of service management and hospitality at The University of Queensland’s Business School in Brisbane, Australia, he is the Managing Director of Shift Directions, a management consulting firm specializing in business improvement programs, financial analysis, service quality improvement and management development programs. He has a restaurant management background, with 18 years of experience including senior management roles in the USA and Australia. His research, teaching and consulting focus on managing and leading service organizations, with particular emphasis on managing the employee–customer interface through various organizational psychology lenses. David has been widely published in leading academic journals, books, book chapters and trade publications in the areas of service management, managing and motivating service employees and organizational service climate</td>
</tr>
<tr>
<td>Beverley Sparks, Griffith University, Australia (marketing)</td>
<td>Marketing</td>
<td>She is a Professor at Griffith University, Australia, and the Director of the Tourism, Sport and Service Innovation Research Centre. She is also an active researcher, with a strong track record of grants and journal publications. The professor has built an international reputation as a marketing researcher and educator in the hospitality field, with research work published in international journals such as <em>Journal of Service Research, Journal of Service Management</em> (continued)</td>
</tr>
</tbody>
</table>

Table AII.
Commentator, affiliation | Main perspective to represent in this study | Indicators for expert or thought leader status in the field
--- | --- | ---
 |  | Business Research, Tourism Management, Journal of Travel Research and Journal of Hospitality and Tourism Research. She serves on the editorial board of several journals, including Journal of Service Research, Journal of Hospitality and Tourism Research and Cornell Hospitality Quarterly, and has previously held the management positions of the Head of the School of Tourism and Hotel Management, Dean International (a university-wide appointment) and Director of Education for the Sustainable Tourism CRC

Table AII.