

## Unit 2: Managing the Customer Experience

<b>Unit code</b>	<b>D/616/1789</b>
<b>Unit type</b>	<b>Core</b>
<b>Unit level</b>	<b>4</b>
<b>Credit value</b>	<b>15</b>

### **Introduction**

The aim of this unit is to provide students with background knowledge and understanding of how hospitality businesses manage the customer experience from the initial needs analysis through to after sales follow-up.

During the unit, students will be able to map the journey that a customer makes through a hospitality business, identifying crucial touch points and recognising how these touch points can be managed to optimise the customer's experience.

Students will consider how technology is changing the way customers interact with hospitality businesses and how digital initiatives should complement existing customer journeys whilst recognising that online and offline consumers are distinctly different. Students can then use this knowledge to provide customer service both within business and services and on-line contexts to meet required standards.

## **Learning Outcomes**

By the end of this unit students will be able to:

1. Explain the needs and expectations of market segments for the service industry
2. Explore the customer experience map to create business opportunities and optimise customer touch points
3. Investigate the impacts of digital technology in customer relationship management
4. Apply effective customer experience management within a service sector business to maximise customer engagement.

## Essential content

### L01 Explain the needs and expectations of market segments for the service industry

#### *Target markets:*

Defining the customer profile and characteristics of the target audience through market segmentation

Use of individual characteristics such as age, gender, income, occupation, geographic location, education, ethnicity

#### *Customer behaviours and attitudes:*

Understanding the customer behaviours and attitudes of different market segments to build brand loyalty and trust

The four clusters of emotions which drive or destroy value (Shaw)

#### *Engagement factors:*

Different opportunities for customer engagement

Onboarding and post-boarding strategies for customer engagement

Different factors that drive and influence customer engagement e.g. compelling offers, competitive prices and accessibility

### L02 Explore the customer experience map to create business opportunities and optimise customer touch points

#### *The customer journey and experience mapping:*

Definition of the customer journey experience map

The stages of the customer journey and how the customer journey map supports businesses to understand how to interact with customers

Deconstructing the customer journey and building the customer narrative to provide strategic insights

The use of experience mapping as a strategic process of capturing and communicating complex customer interactions

#### *Touch points:*

Identifying critical moments when customers interact with the organisation pre, during and post the customer experience

The key building blocks of doing, feeling and thinking

### **L03 Investigate the impacts of digital technology in customer relationship management**

#### *CRM systems:*

Definition of Customer Relationship Management (CRM) systems

Different types of CRM systems e.g. operational, analytical and how each of these contribute to the management of customer relationships

#### *On-line customer experiences:*

How hospitality businesses interact with current and potential customers via a choice of integrated digital marketing channels

How digital content and the speed and consistency of exchanges and transactions impacts on individual businesses

#### *Social media:*

The use of different social media platforms to raise awareness of products and services and communicate with customers

### **L04 Apply effective customer experience management within a service sector business to maximise customer engagement**

#### *CEM Strategies:*

Definition of Customer Experience Management (CEM)

The goals of CEM

The use of touch point analysis

The stages of the customer experience strategy: assessing market needs, experience mapping, identifying and designing the brand experience and structuring touch points to measure and evaluate

## Learning Outcomes and Assessment Criteria

Pass	Merit	Distinction
<p><b>LO1</b> Explain the needs and expectations of market segments for the service industry</p>		<p><b>D1</b> Evaluate a broad range of different target customer groups' needs and expectations in terms of customer engagement for a service sector organisation</p>
<p><b>P1</b> Explain the value and importance of understanding the needs, wants and preferences of target customer groups for a service sector industry</p> <p><b>P2</b> Explore the different factors that drive and influence customer engagement of different target customer groups within a service sector organisation</p>	<p><b>M1</b> Review how customer engagement factors determine customer on-boarding strategies for different target customer groups within a service sector organisation</p>	
<p><b>LO2</b> Explore the customer experience map to create business opportunities and optimise customer touch points</p>		<p><b>D2</b> Analyse how a selected service sector organisation can optimise each of the customer touch points to influence the behaviour, responses and actions of its customers to enhance the customer experience</p>
<p><b>P3</b> Create a customer experience map for a selected service sector organisation</p> <p><b>P4</b> Discuss how the customer touch-points throughout the customer experience create business opportunities for a selected service sector organisation</p>	<p><b>M2</b> Create a detailed customer experience map that charts the customer journey model and examines the activities and actions taken at each customer touch point to create business opportunities for a selected service sector organisation</p>	
<p><b>LO3</b> Investigate the impacts of digital technology in customer relationship management</p>		<p><b>D3</b> Critically evaluate the advantages and disadvantages of CRM systems used in service sector businesses for acquisition and retaining of customers</p>
<p><b>P5</b> Examine how digital technology is employed in managing the customer experience within the service sector, providing specific examples of customer relationship management (CRM) systems</p>	<p><b>M3</b> Evaluate how digital technologies employed in managing the customer experience within the service sector are changing CRM systems to effectively acquire and retain customers</p>	

Pass	Merit	Distinction
<p><b>L04</b> Apply effective customer experience management within a service sector business to maximise customer engagement</p>		
<p><b>P6</b> Illustrate customer service strategies in a specific service sector context</p> <p><b>P7</b> Demonstrate how customer service strategies create and develop the customer experience in a way that meets the needs of the customer and required business standards</p>	<p><b>M4</b> Review the application of customer service strategies of a specific service sector organisation in creating the customer experience and make recommendations for improvement</p>	<p><b>D4</b> Evaluate the delivery of customer service strategies and communication, justifying and making valid recommendations for improvement for developing a quality customer experience</p>

## Recommended resources

### Textbooks

BARROWS, W., POWERS, T. and REYNOLDS, D. (2012) *Introduction to Management in the Hospitality Industry*. 10th ed. Chichester: John Wiley and Sons.

BUTTLE, F. (2015) *Customer Relationship Management: Concepts and Technologies*. 3rd ed. Oxford: Routledge.

GOODMAN, J. (2009) *Strategic Customer Service: Managing the Customer Experience to Increase Positive Word of Mouth, Build Loyalty, and Maximize Profits*. Maidenhead: Amacom.

GRONROOS, C. (2015) *Service Management and Marketing: Managing the Service Profit Logic*. 4th ed. Chichester: John Wiley and Sons.

### Websites

[www.cca-global.com](http://www.cca-global.com)

CCA Global

Research, publications  
(General Reference)

[www.mckinsey.com](http://www.mckinsey.com)

Mckinsey and Company

The expanding role of design in creating an end-to-end customer experience  
(Article)

[www.opentext.com](http://www.opentext.com)

Global Customer Service Ebook  
Ebook  
(General Reference)

### Links

This unit links to the following related units:

*Unit 19: Hospitality Consumer*

*Behaviour and Insight Unit 27:*

*Front Office Operations*

*Management*

*Unit 31: Hospitality Digital Marketing*

*Unit 33: Integrated Hospitality*

*Marketing Communications Unit 34:*

*Hospitality Brand Management*