A Valuable Customer Experience
– an explorative study of technology infusion in customer interactions with the hair-salon industry

Abstract: This thesis aims at contributing to a somewhat clearer picture of the notion of Customer Experience. More specifically, the purpose is to generate ideas on how technology as a touch-point for interaction could enhance customer experience in the hair-salon industry. While technology has expanded the interaction opportunities between companies and customers, and can have a profound impact on customer experience, the hair-salon industry has remained relatively unchanged. The question is whether customer experience could be enhanced by balancing the ‘high-touch’ of this traditional face-to-face service industry with technology touch-points for interaction.

Based on an analysis of relevant theories and an explorative case study of three hair-salon companies and their customers, the thesis indicates that there is potential for a more mature customer experience focus in the hair-salon industry. Few hair-salons devote attention to the entire customer cycle, and the variety of touch-points used for interaction is limited. The study concludes that technology can be one way of enhancing customer experience in the hair-salon industry. It can be used to empower the customers, to engage with them beyond the service encounter, and to enrich the content of the hair-salon visit. To this end, I present some ideas on possible technology touch-points for interaction. Their combined impact on customer experience could be significant.

Keywords: customer experience, hair-salon industry, face-to-face service industry, technology infusion, technology touch-point, touch-point map, customer value, service-dominant marketing logic, customer-dominant marketing logic, customer interaction, customer cycle, modern customer
# Table of contents

1 **Introduction**  
1.1 Background  
*Service economies*  
*Technology is changing the nature of the economy*  
*Towards an experience economy*  
1.2 The hair-salon industry  
1.3 Problem areas  
*Modern customer and experience*  
*Customer Experience approach*  
*Technology and customer experience*  
1.4 Purpose and research questions  
1.5 Expected contribution  
1.6 Delimitations  
*Theoretical delimitations*  
*Empirical delimitations*

2 **Theoretical framework**  
2.1 Services  
2.2 Customer Value  
*Product-dominant logic / value-in-exchange*  
*Service-dominant logic / value-in-use*  
*Customer-dominant logic / value-in-life*  
2.3 Customer Experience  
*Defining Customer Experience*  
*Interactions*  
*Touch-points*  
*Customer Cycle*  
2.4 Technology and Customer Experience  
2.5 Illustration of Touch-point map

3 **Methods**  
3.1 Choice of subject  
3.2 Study approach  
3.3 Study design  
3.4 Case selection  
3.5 Data collection  
*Primary data sources*  
*Secondary data sources*  
3.6 Research quality
1 INTRODUCTION

“A good experience enriches my life”

Unknown

“No sensible decision can be made any longer without taking into account not only the world as it is, but the world as it will be.”

Isaac Asimov, author (1920-1992)

1.1 Background

Service economies

“Service economies” is how we characterize recent developments in the economies of such countries as Sweden, our Nordic neighbours and why not many others. For instance, the current Fortune 500 list contains more service companies and fewer manufacturers than in previous decades. The concept of service in the present competitive market is as important in production firms as in service companies. In many surveys of both consumer and business purchasing, service often ranks higher than price in the customers’ priorities.

Technology is changing the nature of the economy

The interaction opportunities between companies and customers have been expanded by the profound development of technology. Many service companies are closely connected to, or emergent from, some kind of information technologies: e-commerce and electronic social communities, just to name a couple. Some service companies exist both off-line and on-line, for example grocery shops stretching out their business model to internet shop sales. The business of the modern service companies is increasingly connected to technology in some way.

The opportunities offered by modern technologies make life easier and more complicated at the same time, depending on which point of view to take. To exemplify, one can make his or her purchases online but the security issues of safe internet payment are there, so the opportunity to save time buying things online may create at the same time a feeling of insecurity. Generally

---

1 Kotler et al., 2009, p. 8.
2 Hayes et al., 1998, p. 3.
speaking, the use of technologies within organisations is having a profound impact (both positive and negative) on service provisioning and customer experience.³

The changing nature of the economy is especially noticeable if compared to the last century. With manufacture in focus, the telephone era allowed one to obtain knowledge but not change or spread it. The economy of now can be typified as the “information technology economy”, i.e. when knowledge can be easily obtained and shared via computer technology, and as the “digital network economy”, i.e. when knowledge can be shared but also created, altered and improved by the participants.⁴ Thus the changing role-distribution is emphasized. In the modern economy both the company and the customers are active players.⁵

Towards an experience economy

The customers of today increasingly desire experiences, and more and more companies are responding to this demand by explicitly designing and promoting them. Thus, it is possible to speak about an emerging “experience economy”. While services are delivered on demand, experiences are staged over a duration of time. In the experience economy, as compared to the service economy, the buyer is a guest rather than a client, the offering is personal and memorable instead of just customized and intangible, and the factors of demand are more about sensations than benefits.⁶

In the full-fledged experience economy, businesses will deliberately design engaging experiences which can sell as such. We are not yet there. Most companies, if they at all think in terms of experiences, still see them as part of services, or just wrap experiences around their traditional offerings to increase sales.⁷

However, also in more traditional service companies, experiences matter. For example, as pointed out by Pine and Gilmore, “the easiest way to turn a service into an experience is to provide poor service – thus creating a memorable encounter of the unpleasant kind”. This is something that probably all of us have come across, myself for instance in several less positive experiences with hair-salons.

⁴ Ibid.
⁵ Ibid.
⁷ Ibid.
1.2 The hair-salon industry

The hair-salon industry can be described as a rather traditional, face-to-face service industry. The core business is naturally hair-care services – the customer taking him- or herself physically to the salon and having the hair cut, dyed, curled and what more. In addition to that, most if not all hair salons also include retail sale of hair-care products in their customer offering. Further, it should be noted that in many salons, hair services are integrated with other beauty services such as manicure and pedicure, sometimes labelled day spas.8

Some of the current trends in the industry, which might mark a gradual shift towards more focus on customer experience, are the following.9

- “Go organic”. We are likely to see a move towards natural hair care.
- More focus on thorough consultation with the client. There is more and more emphasis on the need to over-deliver on the client’s expectations on every single visit. Careful consultation with the client is increasingly seen as a key to ensuring that the clients get exactly what they want from their visit.
- Salon design with dedicated consultation areas (customer-stylist) and social space (customer-customer).

The hair-salon industry is large, and rapidly growing. In Sweden, the number of companies in hair- and beauty services grew from 15,788 in 200210 to 21,451 in 200711, equivalent to an increase by 36% in 5 years. During the same period, the total net turnover of Swedish companies in hair- and beauty services grew by over 65%, from 5,5 billion SEK in 2002 to 9,1 billion SEK in 2007. Correspondingly, there has been a dramatic increase in turnover per capita. In other words, we spend more and more money on hair services.

The industry is strongly dominated by small companies, and is thus very fragmented. In 2002, the 15,788 companies in hair- and beauty services in Sweden had a total number of 4,597 employees, whereas in 2007 there were 6,384 employees in 21,451 companies. The fact that there are many more companies than employees indicates that most hair service companies are run by self-

---

8 Retail sales and other beauty services are not included in the scope of this thesis. See Chapter 1.6 Delimitations.
10 Statistiska Centralbyrån, 2002.
employed persons.\textsuperscript{12} A common practice seems to be that a hair-salon rents out chairs to several different self-employed hairdressers.

The picture of a large and growing industry dominated by small companies is similar in other countries. In Finland, where my case study is done, personal consumption of “other goods and services” increased by 22 percent from 2001 to 2006, with a significant part of the growth referred to personal welfare services such as hairdressing.\textsuperscript{13} In the US, by comparison, about 70,000 hair-care salons generate combined annual sales of about 19 billion USD. Just like in Sweden, the US hair-salon industry is highly fragmented with the 50 largest companies generating only about 15 percent of total revenue.\textsuperscript{14}

\textbf{1.3 Problem areas}

\textit{Modern customer and experience}

Customers have become more demanding and sophisticated, wanting transparency and collaboration with the companies.\textsuperscript{15} The modern customer is also called the “social customer”, who is living in the customer ecosystem with an easily accessed and shared vast knowledge base.\textsuperscript{16} The needs and expectations fulfilled by the core service delivery are no longer enough. For example, there would not have existed any high-end hair salons with fancy interiors, nice and skilful personnel, advanced treatments etc., if we just wanted to change the hair length.

The Nobel Prize-winning psychologist Daniel Kahneman said we only remember two things from our experiences: how we feel at peak (best or worst) and at the end. These memories direct our next buying decisions, whereas the proportion and duration of pleasure/pain throughout the whole experience process do almost nothing on our memories.\textsuperscript{17} This sounds especially true to the hair-salon experience, for instance the nice head massage with the haircut turned out too short. Or do we remember more from our hair-salon encounter? The notion of experience in marketing terms is interesting to study.

\textsuperscript{12} Statistiska Centralbyrån, 2002.
\textsuperscript{13} Official Statistics of Finland (OSF), 2008.
\textsuperscript{14} Hoovers, 2011.
\textsuperscript{15} GCCRM Associates, 2006, p. 6.
\textsuperscript{16} Ibid.
\textsuperscript{17} Ibid.
One can always address an issue from different perspectives. Marketing is no exception. Reality can be explained and structured in various constellations of layers and angles. Personally, after several unsatisfying experiences with hair-salons (concerning miscommunication, misunderstandings, failure to give feedback to each other etc.), I became curious of how to address the issue of customer experience in an industry, the success of which seems to build upon good relationships between the stylist (company) and the customer. As it has been said: “Why do people need a psychotherapist – One should simply go to the hairdresser more often.”

Customer Experience approach

By highlighting such notions as relationship, customer value, process, experience, and interaction, I have examined various marketing relations studies, finding the Customer Experience framework a promising discipline to support and explain my reflections. With examining the notion of services in the economic studies as a starting point, I have traced the shift of topics of interest from products to services and relationships to the customer and customer value through customer experience.

One of the concepts used in the Customer Experience approach is “touch-points” crucial in the end-to-end customer experience. Among the definitions of Customer Experience is that this approach is about process, i.e. the entire experience the customers have with the company throughout the whole customer cycle, via multi-channel touch-points. These touch-points may include retail (in-store), call, Internet, face-to-face, advertising, direct mails, public relations, etc. The interaction and the touch-points are crucial components in the framework for building customer experiences.

Technology and customer experience

The demanding customer of today is both well-informed about new technology trends and well-educated in its usage. Moreover, modern technology has the capacity to empower the customers, be it choosing the appropriate company with one click on the internet or chatting about his/her service experience with other customers via a social network. The customer knowledge therefore makes it more challenging for the companies to stay competitive, to obtain new customers, to retain the existing ones or “simply” be the best on the market. In recent managerial praxis, the focus on marketing as a campaign has switched to marketing as a commitment with the main goal to engage and take care of existing customers, for example via social media.

21 Jaffe, 2010.
In a world of change, some things remain the same. On the one hand, technology has become part of the companies and people. Take my current home country of Finland for example. According to a Statistics Finland survey, the Internet is used not only more commonly but also more often. Of Finns, 72 per cent are on the web daily or almost daily.\textsuperscript{22} We are friends with technology. On the other hand, the core offering in such a face-to-face service industry as hair-salons has remained relatively unchanged and uninfluenced by technology. Small businesses in the service industry (such as hair-salons) often lag behind larger companies in using modern IT tools. One explanation is of course that it can be difficult for small business, with limited revenue and margins, to invest in potentially costly IT solutions.

Yet even the hair-salon industry, demanding physical interaction for the service delivery, has its relations to technology. For instance, time-bookings or browsing in styling pictures as inspiration for the customers are available on-line.\textsuperscript{23}

The question is if the two opposites, technology and personal interaction in a physical environment, can complement each other in the hair-salon economic offering. In other words, can “high-touch” and high-tech be better balanced?\textsuperscript{24} And could this contribute to enhancing customer experience, or even to a shift from providing services to staging experiences?

\textbf{1.4 Purpose and research questions}

This thesis examines the current customer experience process with the hair-salons, in Finland as an example. The concept of Customer Experience is taken as a framework with emphasis on the customer cycle and touch-points. Focus is more on the person who has the experience (the customer) than on the profit generator (the company). By adding the technology angle, the question is:

\textit{How can technology as a touch-point be combined with the customer activities in the end-to-end hair-salon customer cycle in order to enhance customer experience?}

\textsuperscript{22} Official Statistics of Finland (OSF), 2010.
\textsuperscript{23} E.g. Tony&Guy.
\textsuperscript{24} The term “high-touch” is borrowed from Salomann et al., 2006.
In order to answer this question the following sub-questions should be answered:

\[ a) \text{ Is there potential for a shift in focus from traditional services to experiences in the hair-salon industry?} \]

\[ b) \text{ What activities in the customer cycle comprise the end-to-end experience with the hair-salon?} \]

\[ c) \text{ How can technologies be combined with the touch-points in order to enhance customer experience?} \]

**1.5 Expected contribution**

From a theoretical point of view, the thesis aims at contributing to a somewhat clearer picture of the notion of customer experience. The relatively modern approach of customer experience is also analyzed through the prism of the service-dominant and customer-dominant marketing logics, which is believed to bring understanding to the new approach of the “customer as a person”.\textsuperscript{25}

From a more operational point of view, the expected contribution of the thesis is to generate ideas on how technology as a touch-point could enhance customer experience in the hair-salon industry. The study may depict a positive correlation between new technology use in the offerings and a valuable customer experience. A tangible result of the thesis will be a draft hair-salon customer experience management tool, which specifies the potential use of technology in the whole customer cycle: a “Touch-point map”.

My findings may be of certain relevance also to other traditional face-to-face service industries.

**1.6 Delimitations**

*Theoretical delimitations*

In order to formulate hypotheses to be tested in my study, to develop a draft hair-salon customer experience “Touch-point map”, and to design the case studies, a profound analysis of relevant theoretical frameworks was carried out. Still, certain theoretical delimitations had to be made.

*Service Quality.* In research, the efforts to define “service” awoke the necessity to consider the concept of service quality and measurements. This concept is often referred to as perceived service

\textsuperscript{25} Voima et al., 2010, p. 9.
quality, implying the customer’s perspective. Service quality was believed by various researches to be an individual judgment defined by the customer regarding the excellence or superiority of a service provider’s performance.\textsuperscript{26} There are different definitions of the notion of service quality. Most of them, however, focus on the difference between customer expectations and the perceived outcome of the service.\textsuperscript{27} The service quality evaluation includes three different dimensions in time: before the service, during the service and right after the delivery of the service. In labour intensive services, such as hair-salons, quality occurs during service delivery, usually in an interaction between the client and the service representative.\textsuperscript{28} There are obvious links between the concepts of service quality and customer experience. It is for instance hard to imagine a genuinely good customer experience with a service company if service quality is bad. However, there are also differences. As discussed in the theoretical framework chapter, customer experience is something holistic and subjective, stretching over the customer’s whole life. Service quality is a narrower concept in terms of time dimensions. It emphasizes the role of the service provider more than the role of the customer. The concept of service quality as such will not be further addressed in this thesis.

**Service Quality measurement.** The measurement of service quality is interesting not least from a managerial point of view. A theoretical framework for measuring the customers’ perceptions of service quality has been developed in the form of measurement scales such as SERVQUAL and SERVPERF.\textsuperscript{29} Yet, as the purpose of my study is not to measure present effects but to explore future possibilities, the measurement scales for service quality fall outside the scope of the thesis. The same goes for measurement models and tools for evaluating other theoretical concepts in practice.

**Customer Satisfaction.** Customer satisfaction can be defined as an attitude or evaluation that is formed by the customers comparing their pre-purchase expectations of what they would receive to their subjective perceptions of the performance they actually did receive.\textsuperscript{30} If the perceived performance is less than expected, customers will be dissatisfied.\textsuperscript{31} Satisfaction could help explain the relationship between service quality and behavioural intentions.\textsuperscript{32} Both perceived service quality and customer satisfaction are positively related to customer retention and buying behaviour.\textsuperscript{33}

\textsuperscript{26} Takahashi, 2007.
\textsuperscript{27} A good overview of leading definitions is given by Seth et al., 2006.
\textsuperscript{28} Parasuraman et al., 1985.
\textsuperscript{29} Ibid.; Cronin and Taylor, 1992.
\textsuperscript{30} Oliver, 1980.
\textsuperscript{31} Kang, 2006.
\textsuperscript{32} Takahashi, 2007.
\textsuperscript{33} Mittal and Kamakura, 2001.
Customer satisfaction, just like service quality, has its connections to customer experience but will not be addressed as such.

**Customer Behaviour.** Customer behaviour, reflected in repeated purchase, loyalty, word-of-mouth, complaining etc., is considered to appear as a response to positive service quality perceptions and customer satisfaction. The concept of customer behaviour will not be studied in detail in this thesis, but considered as part of the whole customer experience.

**Empirical delimitations**
Concerning the empirical scope of the study, the main delimitations are the following.

**High-end hair-salons.** The study is limited to high-end hair-salons, for reasons explained in the chapter on methodology.

**Types of services.** A clear trend in the hair-salon industry is to include also beauty services other than hair treatment in the customer offering, such as face, body, hand and feet treatments. Most hair-salons also offer retail sale of hair-care products. These offerings are however not included in the present study, which focuses on customer experience in relation to core hair-care services and hair-salons in general.

**Types of technology.** The focus of my study is primarily on new information and communication technologies (ICT) available via such channels as computers and mobile phones. To keep the door open to new ideas, the scope is not strictly limited to any specific type of technology. Hair-treatment technology used directly for the core service delivery (such as various hair-care machines) is excluded. The technologies mentioned in the thesis are not described or analysed in any detail from a technological point of view.

**Technology acceptance analysis.** No technology acceptance analysis is made, but the issue is mentioned in the analysis and conclusions.

---

34 Ibid.
35 Information and communications technology (ICT) is a general term referring to all technical means used to handle information and aid communication, including information technology (IT) as well as telephony, broadcast media, all types of audio and video processing and transmission and network based control and monitoring functions (Wikipedia).
Cost analysis. No cost analysis is made of the ideas put forth in this thesis, as the purpose of the study is to explore the potential of technology infusion for customer experience and not to calculate its costs and benefits for the company. The question is however briefly discussed in the analysis and conclusions.

Employees. The importance of employees for customer experience is obvious, especially in such labour intensive industries as hair-salons. The employees are the ones who are in contact with the customers. The company makes the promises, and it is to a great extent up to the employees to fulfil them. The role of the employees for the customer experience should be studied more profoundly and cannot be the focus of this study.


2 THEORETICAL FRAMEWORK

In this chapter, theories of relevance to the study are presented and analysed. After a brief discussion of the notion of services, I examine the development of the concept of customer value, tracing a shift in focus from products and services to the customer and customer experience. From this starting point, I analyse the notion of customer experience through the prism of different marketing logics. Interactions and touch-points in the customer cycle are highlighted. This is followed by a discussion about the relationship between technology and customer experience. Lastly, I present a conceptual illustration of a hair-salon customer experience concept: a “Touch-point map”.

2.1 Services

Already in the 1960s’ marketing research, services were contrasted to goods and characterized as intangibles,\(^{36}\) which resulted in the concept of Service Management with Services Marketing as the most active area.\(^{37}\) The 1980s’ focus on relationships in economy established various relational approaches in marketing, embracing both goods and services and both business-to-consumer and business-to-business marketing: Relationship Marketing, Customer Relationship Marketing, among others.\(^{38}\) The nature of services has been summarized in the research literature by four characteristics, i.e. the services as intangible, heterogeneous, produced and consumed simultaneously, and perishable.\(^{39}\) In the 1990s this definition of services was questioned, because it was defined in the era of face-to-face and telephone service encounters.\(^{40}\)

From examining the variety of definitions of services, Edvardsson, Gustafsson and Roos in 2005 concluded that most scholars consider services to be activities, deeds or processes, and interactions.\(^{41}\) The same authors identify three ways to characterise services: performances, processes, and deeds, adding the definition of service as the experience created for the customer.\(^{42}\)

\(^{37}\) Gummesson et al., 2010.
\(^{38}\) Ibid.
\(^{39}\) Parasuraman et al., 1985.
\(^{40}\) Helkkula, 2010, p. 3.
\(^{41}\) Edvardsson et al., 2005, p. 108.
\(^{42}\) Ibid, p. 111.
2.2 Customer Value

Customer value is commonly defined as the difference between what consumers give up for a product and the benefits they receive.\(^{43}\) It has been expressed in the service marketing literature in different semantic constellations such as customer value, consumer value, consumption value, perceived value, customer perceived value, subjective expected value, and value for the customer.\(^{44}\) However, the definition of value for customers in marketing terms has developed over time depending on the marketing logic, from product-dominant logic through service-dominant to customer-dominant marketing logic.

*Product-dominant logic / value-in-exchange*

The initial product-dominant logic is about standardized production away from the market done in order to maximize production control, efficiency and profit, i.e. considering the producer and the consumer as separate. According to this view, the product that is exchanged includes value, and this value is delivered to customers for their use, or *value-in-exchange*.\(^{45}\)

*Service-dominant logic / value-in-use*

The focus in service marketing research was then shifted to interactions.\(^{46}\) In the service economy, transactions as the basis for the economy were said to be insufficient. Instead, the service-dominant marketing logic was introduced by Vargo and Lusch.\(^{47}\) They stated that goods and services should not be separated, and that we should instead consider the whole economy as service economy.\(^{48}\) This logic refers to service as the foundation for all business, with products as part of the phenomenon of service.\(^{49}\) The service-dominant marketing logic focuses on the interaction of the producer and the consumer and other network partners as they co-create value through collaborative processes.\(^{50}\) The notion of value thus stretches further than just value-in-exchange between a firm and a customer to the *value-in-use*, referring to the fact that the value is derived from the use of the service, i.e. the service process.

\(^{43}\) Blackwell et al., 2006, p. 744.
\(^{44}\) Voima et al., 2010, p. 6.
\(^{45}\) Grönroos, 2005, p. 2.
\(^{46}\) Voima et al., 2010, p. 6.
\(^{48}\) Helkkula, 2010, p. 12.
\(^{49}\) Ibid.
\(^{50}\) Lusch et al., 2006, pp. 274-275.
Customer-dominant logic / value-in-life

Unlike the service-dominant logic with the interaction in focus, the customer-dominant logic focuses on the customer as a person. The starting point is not the processes within the service encounter but the customer’s reality and life. It is argued that co-creation is not always an activity orchestrated by the company. The service created is not limited to the recourses of the company; instead value is formed in the customer’s multiple spaces (e.g. biological, physical, mental, social, geographical and virtual). However, the role of the service company is not reduced. It remains in supporting the customer’s creation of value.

The scope of value in services is no longer attributed to the exchange of goods or services; neither is it connected to the use of service within the service process. In the customer-dominant logic, the value-in-use extends beyond the interactive process. In other words, value is experienced before, during and after the service, e.g. anticipating the service, experiencing the service and then having memories about it, and all of this constitutes value for the customer. This time-extended notion of customer value is called value-in-life with the service being only a part of the customer’s dynamic reality.

2.3 Customer Experience

In service research, customer value is conceptualized among others as experience, i.e. that the value is formed primarily during the customer’s experience with the service or process. The concept of Customer Experience has lately earned much appreciation in practice and has been persuasively covered in research. Customer Experience can be said to be a continuation of issues like expectations, service quality, satisfaction and behaviour, all in strive for market differentiation. It provides more guidance for adding value to customers because it forces the company to identify the details that result in satisfaction. Experience – far more than satisfaction alone – will differentiate the company in the eyes of the customers.

51 Voima et al., 2010, p. 9.
52 Ibid., p. 4.
53 Heinonen et al., 2009, p. 8.
54 Voima et al., 2010, p. 7.
55 Heinonen et al., 2009, p. 7.
56 Ibid., p. 9.
57 Voima et al., 2010, p. 7.
Defining Customer Experience

Customer Experience is a complex concept in terms of defining it and applying it in practice. In the following, customer experience will be defined vis-à-vis the service-dominant and the customer-dominant marketing logics.

With the service-dominant logic, the customer experience is considered to emerge solely within the context of a service encounter, and is about the customers’ internal and subjective response to any direct or indirect contact with the company.60 The service supplier thus has a crucial role in experience creation and is assumed to manage customer experience. The company is the one in charge for creating a holistic experience when interacting with its customers. With this view, the often used notion of customer satisfaction is the culmination of a series of customer experiences, or the net result of the good experiences minus the bad ones.61 Of course the memorable experience cannot be created only partially; the complete service process should first be built up flawless in order to grow into experience. In other words, “we create experience by first removing such customer dissatisfiers as quality and procedural issues. And then move beyond the parity established by dissatisfaction removal to create differentiation”.62

Relationships matter here. Customer experience in the service-dominant logic can be said to be about how customers interact with the systems, processes and people of organizations. “Every customer interaction may include an event, an activity or simply a perception. The output of the experience may be a mutual beneficial relationship between the customer and the firm”, as described by GCCRM Associates.63

In the continued research, focusing on delivering the right experience to the customer in order to influence the desired behaviour has started to be considered as rather narrow. With the customer-dominant logic, the customer is in charge. In this view, the customers orchestrate their experiences themselves and within their own activities.64 The retailer of home furnishings, IKEA, can serve as example of how customers create value for themselves. IKEA’s customers contribute to their value by taking part in the manufacturing, design and delivery processes.65 The activities may include contact with several other companies. Moreover the customer is not alone. The reality (including friends,

60 Meyer and Schwager, 2007, p. 118.
61 Ibid.
64 Heinonen et al., 2009, p. 11.
65 Wilson et al., 2008, p. 298.
relatives, strangers, etc.) is around and influencing the customer. Such aspects as personal mood, understanding and frame of interpretation also constitute the experience outcome. In other words, “customer experience is the situational impression a person has about your company based on all the information in his or her environment, and their interactions with you and your competitors, plus their reflections on what this means to them.” All these aspects are impossible for the company to take control of, which is why the customer-dominant view on experience negates total experience control by the company. Although Customer Experience Management “widens the foundation of the service-dominant logic recognizing a longitudinal ‘total experience’, including search, purchase, consumption, and after-sale phases of the experience, the [customer-dominant] logic shifts the focus from the service or relationship to the customer and her personal, multi-contextual reality.”

In consumer behaviour studies there is a related notion of customer intimacy. Customer intimacy refers to the detailed understanding of and focus on customers’ needs, lifestyles and behaviours in an effort to create a deep cultural connection with the customers.

To sum up, the marketing view on customer experience has elaborated over time. The main differences lie in two approaches, the one focusing on the producer and its resources (service-dominant logic) and the other focusing on the customer and his or her life (customer-dominant logic). With the former view, the scope and stretch of the experiences are limited to the service encounter. With the latter view, experiences stretch over the customer’s whole life and are not necessarily something extraordinary and delightful connected to the company-orchestrated experiences, but also ordinary and everyday experiences. The differences are summarized in Table 1, developed by Heinonen et al.

Table 1: Escaping the provider-dominant logic of service

<table>
<thead>
<tr>
<th>Customer experience</th>
<th>Provider-dominant logic</th>
<th>Customer-dominant logic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Locus</td>
<td>Formed within the service</td>
<td>Emerges in customers’ life</td>
</tr>
<tr>
<td>Character</td>
<td>Extraordinary and special</td>
<td>Also mundane and everyday</td>
</tr>
</tbody>
</table>

Source: Heinonen et al., 2009.

---

66 Heinonen et al., 2009, p. 11.
68 Voima et al., 2010, p. 9.
69 Blackwell et al., 2006, p. 538.
70 Heinonen et al., 2009, p. 14. The table is presented only partially.
The study will investigate the extent to which these different views are prevalent in the hair-salon industry, and I will revert to the two approaches when analysing research question A (customer experience focus).

Another illustrative summary of the notion of experience has been developed by Pine and Gilmore in their description of the experience economy. They present the view that “an experience occurs when a company intentionally uses services as the stage, and goods and props, to engage individual customers in a way that creates a memorable event”. In the full-fledged experience economy, companies would in their view charge customers an admission fee to the event rather than just getting paid for concrete goods or services. Their comparative table of different stages in the history of economic progress is here presented partially, to highlight the main differences between the service economy and the experience economy.

<table>
<thead>
<tr>
<th>Economic Offering</th>
<th>Services</th>
<th>Experiences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economy</td>
<td>Service</td>
<td>Experience</td>
</tr>
<tr>
<td>Economic Function</td>
<td>Deliver</td>
<td>Stage</td>
</tr>
<tr>
<td>Nature of Offering</td>
<td>Intangible</td>
<td>Memorable</td>
</tr>
<tr>
<td>Key Attribute</td>
<td>Customized</td>
<td>Personal</td>
</tr>
<tr>
<td>Method of Supply</td>
<td>Delivered on demand</td>
<td>Revealed over duration</td>
</tr>
</tbody>
</table>


Pine and Gilmore also describe the characteristics of experiences with a model they call the “four realms of an experience”. The model has two dimensions, one corresponding to customer participation (passive vs. active) and the other to the connection or environmental relationship that unites customers with the event (absorption vs. immersion). With this model, experiences can be sorted into four broad categories, as shown in the figure below. Pine and Gilmore generally find that

---

72 It could be argued that Pine and Gilmore’s definition of experiences is more influenced by the service-dominant than the customer-dominant logic since it clearly focuses on the seller. This is rather natural, since their definition aims at presenting services and experiences as distinct economic offerings. Thus, the event-like experience defined by Pine and Gilmore is a somewhat different notion than customer experience in the sense discussed in the foregoing. At the same time, Pine and Gilmore clearly acknowledge that experiences matter also in the service economy.
the richest experiences, such as going to Disney World, encompass aspects of all four realms, forming a “sweet spot” around the area where the spectra meet (which I have marked with a dotted circle in the figure).

Figure A: The Four Realms of an Experience

![Diagram of the Four Realms of an Experience]


I find the theories and models of Pine and Gilmore useful to my study and will come back to them in the analysis of research question A (customer experience focus).

*Interactions*

The definitions of customer experience are as said numerous, but the main parts of the customer experience approach include the concepts of *interactions* and *touch-points* in a complete *customer cycle*.

Interactions are defined as the activities in which customers engage. For example, with a bank you can deposit money, withdraw money, write a check, pay a bill, move money between accounts, open or close accounts, apply for a loan, etc.  

As presented by Arrusy, “customer experience is the total value proposition provided to a customer, including the actual product, and all interactions with the customer pre-sale, at point of sale, and post-sale. This value includes experience attributes such as on-time delivery and the quality of products, as well as the experience attitudes, such as the

---

73 Merholtz, 2009.
emotional engagement created during interaction with the customers. This is about the complete value proposition.”

Touch-points

Touch-points are defined as the “instances of direct contact either with the product or service itself or with representations of it by the company or some third party”, or as “the liminal spaces where engagement with customers occurs.” The touch-points, which can also be described as contact points, are for example shop windows, call centres, receptions, websites, onsite service, emails, postal mail, account management, etc. In other words, customer experience arises over time through the combination of all touch-points between the customer and the company. A customer experiences the company in his mind even before he or she becomes a customer – with the perception and expectation the customer builds up from the company’s activities. When the consumer decides to ‘choose’ the company to solve his or her needs, the experience gets manifested in the form of tangible, physical and emotional ‘touches’.

Obviously, not all touch points are of equal value for the customer’s experience. For instance, service interactions matter more when the core offering is a service.

Customer Cycle

In the service-dominant logic, the experience is co-created within the company-customer interaction. This co-creation includes the pre-service, at-service, and post-service time intervals. As suggested by the customer-dominant logic, by contrast, the experiences with the company are not limited to a particular service encounter. Instead, the customer’s activities, use and experiences stretch over time. This life-time perspective is illustrated in Figure B by “History”, “Pre Service”, “Service”, “Post Service” and “Future” intervals. They illustrate the view on value both from the customer’s and the company’s point of view. From the customer-dominant viewpoint, the experience is not limited to the company-customer interaction, but embraces also related and other activities and experiences the customer may have in life. A successful marketing offer would then understand customers’

---

74 Arussy, 2010, p. 28.
75 Meyer and Schwager, 2007, p. 119.
76 Merholtz, 2009.
77 Heinonen et al., 2009, p. 11.
80 Heinonen et al., 2009, p. 11.
intentions for the service, experiences throughout the service and also resultant activities and experiences.

Figure B: Customer-dominant logic of service contrasted with service management and service-dominant logic

Source: Heinonen et al., 2009.

The theories and definitions of interactions, touch-points and customer cycle presented in the foregoing sections are relevant to all three research questions of this thesis. They were used in the design of the study, and I will return to them in the analysis and conclusions.
2.4 Technology and Customer Experience

“Technologies have turned us into kids”
Sergey Mitrofanov, Brandflight

As already pointed out, the advancement of technology is changing the ways in which customers interact with service providers. Therefore, technology can no doubt influence the customers’ experience.

As described by Froehle and Roth, there are five possible modes or conceptual archetypes of customer contact in relation to technology,81 or in other words of technology as a touch-point.

A. Technology-free customer contact. The customer is in physical proximity of, and interacts with, a human service provider, and technology as such does not play a direct role in providing the service (e.g. a medical doctor’s in-clinic consultation with a patient).

B. Technology-assisted customer contact. The service provider employs technology as an aid to improve the face-to-face contact, but the customer does not have access to the technology (e.g. airline check-in at the counter).

C. Technology-facilitated customer contact. Both the service provider and the customer have access to the same technology, which is used to enhance communication during the face-to-face service encounter (e.g. when a consultant uses PowerPoint in a meeting with a client).

D. Technology-mediated customer contact. The customer and the service provider are not physically in the same place, and technology is used to enable communication between them (e.g. when a customer calls the company).

E. Technology-generated customer contact. The human service provider in the service encounter is entirely replaced by self-service technology (e.g. automated online order).

The five different modes are illustrated in the following figure. The first three modes represent different types of face-to-face contact, whereas the latter two archetypes can be described as face-to-screen modes of contact.

---

Figure C: Conceptual archetypes of customer contact in relation to technology


My case study will cover all of these modes of customer contact in relation to technology, naturally with focus on the latter four given the purpose and research questions of the thesis. When analysing question C (technology as a touch-point) I will also explore whether there are additional modes of using technology as a touch-point for enhancing experience in the customer cycle.

2.5 Illustration of Touch-point map

In order to understand customer experience, as pointed out by Meyer and Schwager, companies need to map the “corridor” of touch-points, i.e. the series of touch-points that a customer experiences. At each touch-point, the gap between customer expectations and experience signifies a difference between customer delight and something less.82

With this in mind, and based on the theories presented in the foregoing sections of this chapter, I have developed a draft hair-salon customer experience management tool, which specifies the customer activities and touch-points in the entire customer cycle and indicates the potential use of technology at every applicable step: a “Touch-point map”. The map (appendix 1) resulted from the analysis of primary data collected in the case study. It is not aspiring to be exhaustive, but is rather intended as a draft tool for hair-salons to develop further.

82 Meyer and Schwager, 2007, p. 120.
The map is based on the main steps in the hair-salon customer cycle, as confirmed by the study. These steps are history, pre-service, at-service, post-service, and future. Since history and future are both about the customer’s life in general, and thus two sides of the same coin, I have clustered them together. The resulting four steps are illustrated in figure D.

Figure D: Basis for the Touch-point map – main steps in the hair-salon customer cycle

![Figure D: Basis for the Touch-point map – main steps in the hair-salon customer cycle](image)

The Touch-point map consists of one sheet for each step in the cycle respectively. As illustrated in figure E, showing the at-service stage as an example, the horizontal axis of the map specifies the customer activities in the step in question. This corresponds to research question B (*what activities in the customer cycle comprise the end-to-end experience with the hair-salon?*). The vertical axis accounts for the touch-points currently used, i.e. the “corridor” of touch-points that a customer presently experiences in the step in question. There are certainly links between the two in the sense that for any customer activity involving interaction with the hair-salon, one or more touch-points are used. Mapping these intersections in general, however, is not directly relevant to the research questions. Instead, in the fields where customer activities and touch-points meet, I have indicated the potential use of technology as identified in the study. This corresponds to research question C (*how can technologies be combined with the touch-points in order to enhance customer experience?*).
Figure E: Conceptual illustration of the Touch-point map. Example: at-service experience.

<table>
<thead>
<tr>
<th>Customer activities</th>
<th>Waiting time</th>
<th>Consultation</th>
<th>Hair treatment</th>
<th>XXX</th>
<th>XXX</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salon interior</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Reception</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Check-in</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>with NFC</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Waiting area</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>WiFi access</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Dedicated</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>consultation area</td>
<td></td>
<td>Consultation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>database</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>with customer</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>photos etc.</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- XXX</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Stylist</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>XXX</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>XXX</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3 METHODS

This chapter describes the methodology used in the thesis, which is an explorative study of technology infusion in customer interactions with the hair-salon industry. The study design is based on a deductive analysis of relevant theoretical frameworks, with focus on Customer Experience. The study is of qualitative kind. I include both primary data with personal interviews and own observations in hair-salons, as well as secondary data such as literature and online sources. To collect the primary data, I have chosen to study different actors – customers, stylists and owners/managers – in three hair-salon companies in Finland. The data is analysed with a combination of deductive and inductive approaches, aiming at generating ideas on how technology as a touch-point could enhance customer experience in a traditional face-to-face service industry. The chapter is completed by a discussion on reliability and validity of the study.

3.1 Choice of subject

The three main building blocks of this thesis are customer experience, the hair-salon industry and technology infusion. Customer experience has increasingly caught my interest – through different courses on marketing at the Stockholm School of Economics, while working for a branding company, and as a customer of different companies in my everyday life. After several unsatisfying experiences with hair-salons, I became curious of the issue of customer experience in this specific line of business. The hair-salon industry is large and growing, and therefore directly relevant to study from an economic point of view. Although hair-salons like any other businesses have certain distinctive features, they represent a rather typical kind of traditional face-to-face services, implying that a study in this field might be of relevance also to other industries. Further, since all of us are hair-salon customers, the choice of this industry also seemed appealing in terms of the possibility of readers to relate to my findings. However, studying customer experience in the hair-salon industry in general was not an option since this would have been a too broad scope for a master thesis. I wanted a more specific angle, a clearer focus and a suitable delimitation of the study. The choice of technology infusion as the third building block came naturally. It is impossible to neglect the impact of technology developments on customers, companies, and the economy as a whole. Hence the subject of my thesis – how can technology as a touch-point be combined with the customer activities in the end-to-end hair-salon customer cycle in order to enhance customer experience?
3.2 Study approach

From a theoretical point of view, qualitative and quantitative methods differ. A qualitative approach allows for generalizing and drawing own conclusions, and is suitable for exploring new and unknown areas of research. Regarding data collection, with a qualitative approach the researcher uses him- or herself as the instrument, referring to his or her own assumptions and also to the data. As a consequence, the conclusions of a qualitative study are mainly based on the researchers own interpretation of the empirical data.83

In this thesis I use a qualitative approach, and conduct a case study mainly through personal interviews and own observations in selected hair-salons. I have chosen this approach for several reasons. Most importantly, my study is of an exploratory nature aiming at testing and generating new ideas in a rather unknown research area. The data required to answer my research questions could therefore not be collected in a standardized and structured way like quantitative data. Instead, a qualitative approach was the natural choice. It brought the additional advantage of providing a general understanding of the research subject and the possibility to continuously reshape my interviews and other forms of data collection along with growing experience and knowledge.

A study can be performed by using either a deductive or inductive approach, or why not both. With a deductive approach the initial hypothesis is defined from an existing theoretical framework and is later tested on the results of the study. An inductive approach, on the other hand, is performed by first identifying a problem area, which is then examined and analyzed. The inductive method begins with data collection and then theories are drawn, in contrast to the deductive method where existing theories are being tested. In this thesis, I use parts of both approaches. The initial design of the case studies was based on a deductive analysis of relevant theoretical frameworks, with focus on Customer Experience. I also found it useful to revert to parts of the existing theoretical framework in the analysis of collected data, and to test it on the results of the study. As a supplement I also used an inductive approach to reach my conclusions, which is natural in a qualitative and exploratory study. I believe that this combination of approaches gives a more vivid perspective on the research questions.

83 Brannen, 1992, p. 4.
3.3 Study design

As stated above, I have followed an exploratory study design, which is appropriate when the problem is not fully understood, but the researcher has certain hypotheses. My hypotheses and the initial design of the study were based on relevant theoretical frameworks. As more new information was obtained, I adjusted the path towards answering the research questions. In other words, the process of data collection was rather interactive.

The natural approach was to design the research as a case study, in order to take into account the complexity of the issue and the contextual conditions of hair-salons and their customers. A case study is a method that reviews one or few cases from real life which are studied in detail as the empirical base for the research, and is especially suitable when knowledge about a certain area is limited and when dealing with complex phenomena. A case study also allows a combination of deductive and inductive approaches, and can be said to be a theory-generating method. Addressing my research questions through a case study allowed a deeper understanding of the problem, not least how the relevant actors in the hair-salon business view the situation.

3.4 Case selection

The case selection was preceded by a rather extensive investigation of the hair-salon industry in general, and more specifically the hair-salon market in my current hometown of Helsinki, Finland. I mainly used online sources such as hair-salon industry data, hair-salon websites, and blogs or chat rooms where customers share their hair-salon experiences with others. In the final choice of hair-salons to approach, I also got valuable advice from the Embassy of Sweden in Helsinki. As it turned out, the Embassy had through the years acquired a good picture of high-end hair-salons in Helsinki, as a by-product of its broad assistance to the frequent high-level visits from Sweden.

The criteria I used in the case selection were the following. Firstly, I decided to study high-end salons rather than those offering quick fixes at low price. From a customer perspective, I could assume that customers interested in experiences would be easier to find in high-end salons. From a company perspective, it was obvious from my market investigation that the high-end salons devote more attention both to customer experience in general and to the use of technology. I could therefore assume that they would be more interested in participating in the study, and that the collection and

---

84 Ghauri and Gronhaug, 2005.
86 Ibid., p. 118.
quality of data would benefit from targeting high-end salons. Secondly, I wanted to find relatively large salons, i.e. with more than just one or a couple if stylists. The reason for this is the logical assumption that the smaller the business is, the more difficult it is for the company to invest in technology. Thus, larger salons could be assumed to have a greater interest in the subject. Thirdly, within the sphere of relatively large high-end salons, I wanted to find salons with somewhat different profiles in their offerings and target customer groups in order to get different perspectives on the research questions.

This resulted in a list of some 5-10 potential cases. On the one hand, I wanted to study more than just one hair-salon and its customers in order to get different perspectives on the issue. On the other hand, it would have been too time-consuming to study a large number of salons. I decided that the right balance would be around three companies and some of their customers respectively. The choice fell on the hair-salon companies A, B and C, the latter a chain with four salons.⁸⁷ I approached them with a phone-call and a pitch by e-mail (see appendix 3). They all agreed to participate in the study.

In short, A is a popular high-end salon with customers from different segments. B offers ecological hair-services and hair-care products. Many customers are women. C is a chain of four hair-salons with different themes in style. Most customers are men.

3.5 Data collection

In general terms there are two sources of data – primary and secondary. Primary data is the original information collected by researchers with a particular aim in mind, and usually includes interviews, surveys, observations and experiments. Secondary data is information collected by others for purposes that can differ from the researcher’s purpose, and include books, articles, online data sources etc.⁸⁸

Primary data sources
I used two primary data sources – observations and interviews, with emphasis on the latter.

The choice of interviews and observations as primary data sources is supported by existing research on eliciting information on customer experience. According to Meyer and Schwager, there are three

---

⁸⁷ I have chosen to keep the names of the participating companies anonymous.
⁸⁸ Ghauri and Gronhaug, 2005.
different patterns of customer experience information which can be monitored and analysed – past, present and potential patterns. Each pattern requires its own type of data collection. As follows from the subject and research questions of this thesis, my study focuses on potential patterns. Such patterns are uncovered by probing for opportunities, which can emerge from interpretation of customer data as well as observation of customer behaviour. In line with this thinking, I chose customer interviews and observations of hair-salon customer behaviour as one of the main methods for collecting data.

I also interviewed and observed hair-salon owners/managers and stylists. This is for several reasons. First and foremost, also the company perspective is necessary in order to answer my research questions. Second, my possibilities to perform even deeper or more customer interviews were limited, given the scope and timeframes for a study like this, but more importantly because I wanted to avoid that the interviews themselves would become an unfortunate aspect of the customer experience with the salons that I studied.

Observations were made both online and in hair-salons, and covered hair-salon customers as well as companies. Regarding online observations, I studied a large number of hair-salon websites and Facebook pages, as well as blogs and similar media where customers are active. The aim was to get an impression of the customer experience approach in the hair-salon industry in general, and more specifically to study the current level of technology use. The observations gave me a general understanding of the research area, generated some hypotheses, and helped me to form and structure the interviews.

The interviews were, as already mentioned, the main primary data source. Naturally, it was crucial to hear the respondents’ views and thoughts on the subject matter and on my hypotheses. The interviews also allowed me to uncover details that could not be directly observed. All of the interviews were made in the selected hair-salons in Helsinki, Finland, during the period 10-20 June 2011. As shown in table 3, a total number of 31 interviews were made (3 owners/managers, 7 stylists, 21 customers). The interviews with owners/managers lasted 1-3 hours each, with stylists approximately 30 minutes each and with customers 10-20 minutes each.

---

90 Ibid.
Table 3: Overview of conducted interviews

<table>
<thead>
<tr>
<th>Company</th>
<th>A</th>
<th>B</th>
<th>C (4 salons)</th>
<th>= 6 salons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owner/manager</td>
<td>X</td>
<td>Y</td>
<td>Z = 3 owners</td>
<td></td>
</tr>
<tr>
<td>Stylists</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>= 7 stylists</td>
</tr>
<tr>
<td>Customers</td>
<td>7 (all women)</td>
<td>6 (all women)</td>
<td>8 (all men)</td>
<td>= 21 customers (13 women, 8 men)</td>
</tr>
</tbody>
</table>

I used semi-structured interviews, where the main questions to be asked had been determined beforehand. As a supporting framework for the interviews with owners/managers and stylists, I used the conceptual ‘touch-point map’ described in the theory chapter above, whereas in the shorter customer interviews I used a more simple questionnaire as support (see appendix 2). To the appropriate extent, I asked the same questions to all respondents in each respective group, while leaving room for unexpected discussions and necessary adjustments. During the study, it quickly became apparent that open-ended questions were a good tool in the interviews with owners/managers, whereas many customers needed firmer guidance and specific questions or hypotheses to react to.

The owners/managers had been prepared for the interviews by a pitch which I sent them by e-mail a few days prior to the meeting (see appendix 3). In some cases, the stylists had taken part of the same material prior to the interview. For practical reasons, it was not possible to prepare the customers with any information before their interviews.

Most of the interviews were conducted in English. A couple of them were done in Swedish upon request by the respondents. The information received was simultaneously written down in order to minimize loss of data.

In my presentation of empirical data in the analysis chapter, I have chosen to summarize the interview results for each category of respondents. For one of the respondents, the owner and manager of company C, a short record of the interview together with related observations is presented individually since this interview generated particularly much data.

Secondary data sources

I used a large selection of literature, articles, reports, online data sources etc., mainly to get a general understanding of relevant theoretical frameworks and the hair-salon industry, and to lay the foundation for the collection of primary data (i.e. to design the case study and formulate early
hypotheses to be tested on respondents). The secondary data which has been of direct relevance is noted in footnotes and included in the reference list.

To some extent, the secondary data was also used for triangulation of the study results.

### 3.6 Research quality

Research quality is often described in terms of reliability and validity. However, in the past decades, several leading experts on qualitative research have argued that these terms are primarily relevant to quantitative studies. In the 1980s, Lincoln and Guba suggested that for qualitative research, reliability and validity should be substituted with the parallel concept of “trustworthiness”. The basic question, according to Lincoln and Guba, is how a researcher can persuade his or her audiences that the research findings of an inquiry are worth paying attention to.\(^9^1\) The notion of trustworthiness and related concepts have evolved over time, but the original four criteria developed by Lincoln and Guba are still widely seen as the main aspects: credibility, transferability, dependability, and confirmability.

**Credibility** in qualitative research corresponds to internal validity in the quantitative paradigm (the extent to which the findings accurately describe reality or in other words if the researcher is really measuring the concept he or she wants to measure). According to Lincoln and Guba, strong credibility includes making segments of the raw data available for others to analyze, and the use of “member checks” in which respondents are asked to confirm findings.\(^9^2\) An assessment of the credibility of my study gives a mixed picture. On the one hand, I did not have the possibility to perform a second round of interviews (“member checks”) with respondents to corroborate my findings. Furthermore, some of the questions, especially on the possible use of technology, were of an explorative character, sometimes even bordering the hypothetical. It could therefore be questioned to what extent I actually succeeded in measuring what I wanted to measure. On the other hand, I tried to balance this problem by collecting data from several different sources, and the information often pointed in the same direction. This is shown in the account for collected data (chapter 4) which includes segments of the raw data. The fact that the study was conducted in a real hair-salon environment should also be positive for the credibility of my findings.

**Transferability** corresponds to external validity (the ability to generalize findings across different settings). Lincoln and Guba argue that the researcher cannot specify the transferability of findings,

---

92 Ibid., pp. 313-316.
but only provide sufficient information that can then be used by the reader to determine whether the findings are applicable to another situation. Although I believe that some of my findings could be of relevance also to certain other face-to-face service industries, it is probably better leaving it to others to assess the transferability of the study based on the information provided in the following chapters.

Dependability in the qualitative paradigm is related to reliability in quantitative research (the extent to which a study can be repeated with the same results). Lincoln and Guba contend that there can be no credibility without dependability, and that a demonstration of the former is sufficient to establish the latter. Nevertheless, they propose a measure which might enhance the dependability of qualitative research, namely the use of an “inquiry audit” where reviewers examine both the process and the product of the research for consistency.93

The final criteria is confirmability, a notion related to objectivity. Lincoln and Guba refer to the degree to which the researcher can demonstrate the neutrality of the research interpretations, by providing a “confirmability audit trail” consisting of raw data, analysis notes, process notes, personal notes etc.94 I have tried to provide such a “trail” in the following chapters by a thorough account for collected data and analysis. Regarding the related notion of objectivity, there is obviously a possibility that I have made subjective interpretations of the data sources. There is also a risk that some respondents might have misunderstood some of the questions, or given incorrect information for whatever reason. However, with a large number of interviews following a certain structure, and having made notes during each interview, I would still consider the overall confirmability of the study as relatively strong. This assessment is to some extent supported by the fact that certain clear trends could be noticed for each group of respondents respectively.

93 Ibid., pp. 316-317.
94 Ibid., pp. 320-321.
4 COLLECTED DATA

This chapter accounts for the results of the primary data collection. With 31 interviews and numerous observations, a presentation of raw data company by company would have been long-winded. It would also have been repetitive – for instance, customers and stylists in all companies gave rather similar answers. Instead, I have extracted the data of particular relevance to the research questions. These findings, summarized in comprehensible ‘take-aways’ in the form of bullet-points, have been structured as follows. Firstly, the interview results are presented by category of respondents (customers; stylists; hair-salon owners/managers). Secondly, I account for observations made in the hair-salons and online, to the extent that the observations are not covered by the interviews. Thirdly, since the interview with the manager and owner of company C generated particularly much data, a summary of that interview is presented individually together with related observations.

4.1 Interviews

Customers

– Customers see the hair-treatment and styling as most important for their experience with the hair-salon. The result comes first, but also the process matters.

– Good stylists are crucial for the customers. Several of the interviewees (especially women) talked about “finding the One”. A good stylist is described as someone you can trust, and with whom the customer experiences a relationship (or even friendship). The bottom line for many customers is that the stylist must understand what they want.

– Consultation is important. However, many customers say that it can be difficult to explain what they want, and for the stylist and customer to understand each other. Customers appreciate continuous consultation throughout the duration of the treatment.

– Several male customers in the study also underlined the importance of proximity of the hair-salon in order to save time.

– Word-of-mouth is of great significance for customers when choosing a hair-salon. Many customers say they choose salons only by recommendation. Blogs and similar online forums are increasingly seen as good tools. Some customers also say that telling others about the hair-salon and/or stylist is part of the experience.

– Customers say they rarely give feedback to the hair-salons or stylists. As one customer put it: “If I am not happy, I never come back. If I am just slightly unhappy, I say it the next time I come. And I have a bad experience until then.”
- Customers have a lot of waiting time in the hair-salons before and during treatment. Many of them appreciate small talk with the stylist. Due to a lack of other things to do, most use the waiting time to read magazines.

- Customers displayed a general interest in technology infusion. There were some exceptions, who wanted the salon to be a “safe haven” for relaxation and personal time. Of the technology touch-points presently utilized by the studied hair-salons, time-booking on the internet was the one most commonly used. Those who booked online appreciated sms reminders, when available. Most customers, however, still booked time by phone. Some customers visited salon websites and Facebook pages to check for contact info and news. Regarding possible new technology touch-points, WiFi access in the hair-salons was the most requested. Some customers also wanted the possibility to borrow a smartphone or similar device during the salon visit. Further, customers displayed an interest in picture databases to facilitate consultation.

Stylists

- The interviewed stylists all displayed a strong focus on the core service result. Almost none of the interviewed stylists looked beyond (before/after) the hair-salon customer encounter. A couple of them would occasionally call clients after a treatment, if the stylist was uncertain of the result.

- Stylists say that customer consultation is important. As some of them put it, the stylist should “listen but not obey”. They emphasize that although the customers’ ideas are important, the stylist has professional skills and the responsibility to do what is best for the customer from a professional point of view.

- Stylists often feel that it can be difficult to understand what the customer wants. Most customers use only words to explain their wishes during the consultation. Some bring pictures from magazines or photos of themselves.

- Some stylists see consultation as an ongoing process throughout the salon encounter, whereas most consult the client only at the beginning of the treatment and then at the end when styling.

- Stylists emphasize the customer-stylist relationship and trust. It is important for the stylists to be nice. They try to remember things about the individual customer (such as preferred style) but often find that difficult.

- Stylists generally showed a low interest in technology use (except for hair-treatment equipment). Some were interested in a customer database of some sort. A couple of the interviewed stylists had their own pages on Facebook, but used it only for private purposes and not in relation to their work. They were not active on the hair-salon’s Facebook page.
Hair-salon owners/managers

- **Good stylists** are key in the hair-salon business, in the view of owners/managers.

- **Consultation** with the customer is crucial. A consultation takes anywhere from 30 seconds to 30 minutes. Owners/managers believe it is important for the stylist and customer to consult throughout the encounter and not only at the beginning of the treatment. However, it can be difficult to please the customers who sometimes want the impossible. To explain what they want, customers sometimes use pictures in magazines or photos of themselves. It also happens that customers bring clothes and ask for a hair-style suitable for that particular outfit.

- Owners/managers clearly focus on core service delivery. With the exception of company C (see below), owners/managers do not express themselves in terms of customer experience, at least in the sense that they do not deliberately design experiences.

- Correspondingly, and again with the exception of company C, they clearly focus on the at-service stage of the customer cycle. They focus less on earlier stages for the customer (history, pre-service), and pay little attention to later stages (post-service, behaviour, future).

- Owners/managers showed a clear interest for the thesis subject. They had thought about technology infusion in customer interactions, but had stopped at the impression that it would probably be expensive for the salon and because of uncertainty regarding added customer value. Hence, they had not investigated the question further and remained focused on core service delivery.

- Consequently, technology is not used very much today for interaction with customers. All salons in the study have websites, and some of them offer online time-booking. Also, some invest in Google ads in order to come high on the list of search results. Two of three companies in the study have Facebook pages.

- At the same time, owners/managers say they want to increase the use of technology in the customer interactions, e.g. by shifting more to online time-booking so that the stylists could focus on the customers in the salon instead of constantly having to leave their clients to answer the phone etc.

- There is not much monitoring of customer satisfaction with the service, and almost none of broader customer experience. As one owner/manager put it – “If they are not happy, they don’t come back.” With the exception of company C (see below), there is almost no contact with customers between treatments.

- Two of three owners/managers thought it important to theme the salon. Company B does it by offering ecological hair-services and hair-care products, and company C by more elaborate theme salons (see below).
4.2 Observations

My observations, both in the hair-salons and online, supported the impression from the interviews that hair-salons generally have an almost complete focus on the ‘at-service’ stage of the customer cycle. I noticed very little interaction with the customers before and after the service encounters. Such contacts are more or less limited to advertising and, occasionally, receiving complaints from customers. I could also observe that hair-salons devote little attention to customer experience, at least in explicit or deliberate terms, and stop short of designing experiences.

It was very clear that the stylists have a central role, both for the customers (who emphasize personal relationship and trust) and for the hair-salons (to put it simple, it’s what they sell). The stylists themselves accentuate, and want to concentrate on, their professional hair-service skills. They are sceptical towards technology use, which is perhaps seen as a threat to their central role.

I further noted that regular customers are the bulk of business and thus extremely important, at least for high-end salons. Customers are often closely ‘tied’ to the individual stylist; when the stylist leaves for another hair-salon, the customers follow suit.

In the hair-salons, I observed that customers spend a lot of waiting time before and especially during treatment (e.g. when the hair is dyed). Many customers say they spend the waiting time chatting with the stylist. However, I noted that they actually spend most time alone in the chair while the stylist leaves to do other things.

Another observation, made both online and in the hair-salons in the study, was that most salons have no active management of feedback (customer-salon) or word-of-mouth (customer-customer).

My observations, especially those made online, also confirmed that there is generally little use of technology as a touch-point for interaction. Hair-salon websites are kept rather simple. Some salons have Facebook pages, but few of them seem to use its potential.

Lastly, I noticed that there are obvious differences between different customer segments (men-women, young-old etc.) in terms of expectations, preferences and experiences. For example, a good overall experience for male customers often involves factors such as hair-salon proximity to home/work, and quick service. This seems less important to most female customers, who instead emphasize factors such as the personal relationship with the stylist.
4.3 Company C

The owner and manager of company C demonstrated a conscious and explicit attention to customer experience in general, experience-shaping activities in the entire customer cycle, and technology infusion. In the following summary, the results from this interview together with related observations of company C have been structured according to the three research questions (customer experience focus; customer cycle and touch-points; technology as a touch-point).

Customer experience focus

- Company C is a chain of four hair-salons, each with a distinct and elaborate theme. Everything the customer experiences in connection with the hair-salons is planned to be in line with the theme in question – interior design, stylists’ look, music and magazines in the salon, etc. Even the location of the hair-salons is chosen for the theme to harmonize with the surrounding environment.
- To enrich customer experience, company C practices cross-marketing with other companies, both online and in the salons. Cross-marketing partners are chosen according to the themes, and include fashion companies and mobile phone producers. For example, smartphones are available for customers to use in the salon. The efforts to enrich customer experience are not limited to the service encounter. For example, company C regularly invites customers to music parties organized by a partner in the club business.
- In order to make the experience personal, company C tries to understand the customers’ lifestyle and intentions. This is done both in the salons (by the stylists) and online (mainly by the owner/manager himself), by asking customers about their life, work, experiences, opinions and ideas. Company C also invites other companies as customers, by staging company evening events in the salons.
- To remove customer dissatisfiers which could harm the experience company C probes for feedback from the customers. Expectations are managed both online and in the salons by informing customers in certain detail about the process and what the customer gets with different types of treatment. Things are made easy for the customers; for example every possible payment method is accepted.

Customer cycle and touch-points

- Company C has a holistic view on the customer cycle, and uses a broad variety of touch-points for customer interaction. While the ‘at-service’ stage remains important, the ‘pre-service’ and ‘post-
service’ stages are by no means neglected. The company’s website is a central touch-point in this regard, but also personal emails and communication with customers via Facebook play an important role. As mentioned, company C even invites its customers to club parties, in an effort to take care of the customers also beyond the direct service encounter and to engage in the customers’ life. In other words, company C sees customer experience as revealed over time, taking into account the customers’ history and future.

Technology as a touch-point

− Company C uses technology touch-points more than the other companies in the study. The website is more developed, for instance including an online store for hair-care products. 50% of all time-bookings are made online, with sms reminders. Social media such as Facebook and Twitter are actively used for customer community building and interaction. Company C also publishes videos on YouTube, e.g. with a celebrity guy learning how to shave in one of the company’s hair-salons. All customers are asked for their email addresses, and it is common practice for company C to send short but personal emails to customers between treatments. Smartphones are available for customers to borrow during the hair-salon visit.

− The owner and manager of company C has a simple answer to the question why the company uses technology touch-points. “You get more. More personal, and more customers. It improves the relationship.”
5 ANALYSIS

This chapter contains an analysis of the collected data. The approach is deductive in the sense that the theories presented in chapter 2 is used as frameworks for the analysis, and tested on the results. As a complement, the idea-generating parts of the analysis are of a more inductive character. The analysis is structured according to the three research questions (customer experience focus; customer cycle and touch-points; technology as a touch-point). Conclusions and implications of the analysis are set out in chapters 6 and 7.

5.1 Customer experience focus

The collected data suggests that hair-salons generally focus strongly on the core service result but pay less attention to other factors shaping customer experience, at least consciously. At the same time, the customer interviews and observations clearly indicate that a customer’s encounter with a hair-salon is not only about buying a service, but is indeed an experience emerging in the customer’s life. This is perhaps most obvious when the customer is unhappy with the service quality and nothing is done to correct it, thus creating a memorable experience of the unpleasant kind.

Two of three companies in the study (A and B) displayed a service-dominant marketing logic, where customer experience is seen as created solely within the company-customer interaction. One of the companies (C) gave proof of a more customer-dominant logic, where customer experience is not regarded as limited to a particular service encounter but as also embracing other activities and experiences the customer may have in life. Company C even comes close to designing event-like experiences, with themed salons and other meeting places serving as stages for revealing personal and memorable experiences over a duration of time.

Most hair-salons will probably not go so far as shifting their offering to full-fledged, event-like experiences as defined by Pine and Gilmore. Very few, if any, will ever start charging customers an admission fee for the ‘event’ of entering the hair-salon, rather than for the concrete services received. There might of course be room for certain such actors, but I doubt that the general demand is very high. However, also the bulk of companies in the hair-salon industry have things to gain from shifting their focus from only service result to a more conscious customer experience approach.

Such a shift in focus to broader customer experience would certainly be beneficial both for the customers (a better experience) and for the hair-salons (differentiation in a highly competitive
market). One way of illustrating the possible result is by using Pine and Gilmore’s “Four Realms of an Experience” model, outlined in the theory chapter (section 2.3). Generally speaking, hair-salon customers of today are passive participants in the encounter. If hair-salons were to focus more on customer experience, including with the use of technology, customers could have a more active role. As regards the other dimension of the model, i.e. the connection or environmental relationship that unites customers with the event, hair-salon customers are typically immersed in the salon rather than outside the action. This is not necessarily a bad thing. However, if salons were to devote attention to the entire customer experience and not only focus on the encounter in the salon, the customer connection could also encompass elements of absorption. Thus, as illustrated in figure F, the experience could be more comprehensive and encompass aspects of more of the four realms, moving towards the “sweet spot” where the spectra meet. This could also lead to a closer bond between the customer and the hair-salon, and not only to the individual stylist, which should be positive for retaining customers.

Figure F: Moving towards the “sweet spot”

5.2 Customer cycle and touch-points
The end-to-end customer cycle obviously varies somewhat from customer to customer, and between different segments. An account for customer activities and touch-points in the entire customer cycle is given in the draft Touch-point map (appendix 1). The main activities and most common touch-
points can be summarized as follows. For better overview, the ‘history’ and ‘future’ stages of the cycle have been excluded in this summary.

Table 4: Main activities and touch-points in the customer cycle

<table>
<thead>
<tr>
<th>Main activities</th>
<th>Most common touch-points</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>a) Pre-service</strong></td>
<td></td>
</tr>
<tr>
<td>Realization of need for style change or refreshment</td>
<td>none</td>
</tr>
<tr>
<td>Search for new styles or techniques</td>
<td>Internet, magazines</td>
</tr>
<tr>
<td>Search for salon</td>
<td>Internet, hair-salon window, street stand</td>
</tr>
<tr>
<td>Check-up and selection of salon (word-of-mouth)</td>
<td>Social media, personal recommendations</td>
</tr>
<tr>
<td>Time-booking</td>
<td>Phone, internet</td>
</tr>
<tr>
<td><strong>b) At-service</strong></td>
<td></td>
</tr>
<tr>
<td>Waiting time before treatment</td>
<td>none (customer reading, resting, working)</td>
</tr>
<tr>
<td>Consultation</td>
<td>Stylist</td>
</tr>
<tr>
<td>Pre-treatment (wash, head massage)</td>
<td>Stylist</td>
</tr>
<tr>
<td>Colouring or curling</td>
<td>Stylist</td>
</tr>
<tr>
<td>Waiting time during colouring or curling</td>
<td>none (customer reading, resting, working)</td>
</tr>
<tr>
<td>Hair-cut and styling</td>
<td>Stylist</td>
</tr>
<tr>
<td>Advise on everyday care</td>
<td>Stylist</td>
</tr>
<tr>
<td>Hair-care product suggestions (and purchase)</td>
<td>Stylist</td>
</tr>
<tr>
<td>Payment</td>
<td>Stylist/receptionist</td>
</tr>
<tr>
<td>Time-booking of next appointment</td>
<td>Stylist/receptionist</td>
</tr>
<tr>
<td><strong>c) Post-service</strong></td>
<td></td>
</tr>
<tr>
<td>Feedback to hair-salon (on customer’s initiative)</td>
<td>Phone, next visit</td>
</tr>
<tr>
<td>Telling others about the hair-salon (word-of-mouth)</td>
<td>Social media, personal</td>
</tr>
<tr>
<td>Everyday hair-care until next appointment</td>
<td>none</td>
</tr>
</tbody>
</table>

Clearly, not all activities and touch-points are of the same importance or even applicable to every customer in every situation. In general, however, the most important activities affecting customer experience are hair-service and consultation, and the most important touch-point is the personal encounter with the stylist.

Customers, stylists and owners/managers all testify that *consultation*, while being crucial for the outcome of the service and for the overall customer experience, is often very difficult in the sense
that customers and stylists have problems understanding each other. To put it simple, it can be difficult for the customer to explain what he or she wants, and for the stylist to understand it. Correspondingly, it can be difficult for the stylist to explain his or her professional opinion and suggestions and for the customer to understand it. This is clearly an area to which hair-salons could devote more attention. In positive terms, there is great potential for enhancing customer experience by improving company-customer interaction during the consultation. Simply devoting more time to consultation is however no guarantee. For some customers, a longer salon encounter can be negative for the experience in the context of their time-pressed lives. More importantly, the main problem seems to be about communication quality. One way of improving it is by using additional touch-points as a complement to the stylist, who is often the only touch-point for consultation. I will come back to this question in the following section.

Another activity worth highlighting is the customer waiting in the hair-salon before and during treatment. Although currently not identified as very important by the customers, it is one of the most time-consuming activities during the ‘at-service’ stage of the cycle. The waiting time could very well be filled with experience-enhancing content, i.a. with the help of technology.

While customers testify that ‘at-service’ activities and touch-points matter most, the study shows that customer experience is affected also by interactions during other stages of the customer cycle. For example, many customers highlight the importance of feedback (or lack thereof) for their experience. Indeed, high-end hair-salons often describe themselves as “start-to-finish” businesses. In practice, however, few of them actually seem to devote attention to the entire customer cycle. The variety of touch-points used for interaction is limited. There is a very strong focus on the ‘at-service’ encounter and generally little, if any, interaction with customers during other stages of the customer cycle. Customer interaction is rarely seen as a process, where customer experience is revealed over a duration of time. This signifies a clear potential for hair-salons to broaden and deepen their engagement with the customers. Also in this regard, technology could play an important role.

5.3 Technology as a touch-point

The use of technology for interactions is currently rather limited in the hair-salon industry. Hair-salon websites, sometimes including online time-booking, is the main technology-related touch-point today. Google ads are also a common practice. Social media (mainly Facebook) are used, but to a limited extent. Some hair-salons collect customer email addresses, but few use them systematically. It can be noted that the distinction between retaining existing customers and acquiring new ones
seems blurred in the industry’s technology strategy. More or less the same and limited number of technology-supported marketing services are provided for both potential and existing customers.

Both hair-salons and many customers express an interest in more technology infusion. Stylists are more sceptical. They emphasize their professional hair-service skills and might see technology infusion as a potential threat to their central role. The main reason why hair-salons have not further explored the opportunities of technology infusion is uncertainty about costs and added customer value. Also, not all forms of technology are considered to be in line with a certain hair-salon theme. For instance, the hair-salon with ecological theme preferred to keep handwritten cards with customer information over a computerized system which would require electricity and print-outs.

Although the hair-salons’ interest in technology infusion is mixed with some uncertainty, the observations of existing practices and interviews on possible developments show a clear potential for using technology as a touch-point, or combining it with existing touch-points, in order to enhance customer experience. The question is of course how.

The Touch-point map (appendix 1) accounts for identified possibilities along the different activities in the customer cycle. In summary, technology infusion in the hair-salon industry can be used to empower the customers, to engage with the customers beyond the service encounter, and to enrich the content of the salon visit.

**Empower.** The study generated several examples of how technology could be used to empower the customers, thereby adding to a valuable experience. The activities with most potential in this regard are consultation, feedback and word-of-mouth.

As mentioned, *consultation* is crucial but difficult. Currently, the stylist is often the only touch-point for this activity. To complement the stylist and facilitate customer-stylist communication and understanding, an idea would be to have a database in the hair-salon including ‘classical’ CRM info for the stylist’s use only (customer preferences, previous treatments, purchased products etc.) but also with pictures that the stylist and customer look at and discuss together during the consultation – photos of the customer taken in the hair-salon before and after every treatment for future reference, pictures of models and celebrities showing different styles as inspiration, the customer’s own photos from different situations in life etc. The idea is very simple – a picture is worth a thousand words and can be an empowering tool for better communication.
Feedback from customers to hair-salons and monitoring of customer experience is almost non-existent, at least in any organized form. This is somewhat difficult to understand, given the self-explanatory importance of feedback and monitoring for companies to understand customers and their experiences, correct any mistakes, and in other ways ensure a positive influence on customer experience. Certainly the customer can give spontaneous feedback, but the study indicates that many customers refrain from doing that. Instead, they never come back if they have had a bad experience. In many cases, this is an excessive form of customer power. If hair-salons were to ask for feedback (and act upon it), the customers would instead be empowered within the existing company-customer relationship and rarely feel forced to change hair-salons. An easy and efficient way to get feedback is of course by using simple technology – to send customers a standardized electronic feedback form after the hair-salon visit, and reply personally when needed.

The study shows that word-of-mouth is important in the hair-salon industry. Many customers say they choose salons only by recommendation. Some customers also say that telling others about the hair-salon and/or stylist is part of the experience. Social media (Facebook, blogs, etc.) and similar online forums are increasingly seen as good tools by the customers. Indeed, technology has increased the speed, reach, and utility of word-of-mouth. However, hair-salons do not seem to make much effort to manage word-of-mouth. This is a whole and complex marketing discipline that I cannot go deeper into in this thesis. To mention a basic example, however, hair-salons could do more to identify potentially influential customers and ignite them to spread the word, thus turning offline satisfaction into online loyalty.

Engage. Although both hair-salons and customers highlight the importance of a good relationship, the hair-salons generally have very little interaction with customers beyond the service encounter in the salon. To engage customers more, the relationship could be kept going also in other stages of the customer cycle. As shown by company C, it doesn’t have to be difficult. With easily accessible technology, the hair-salon can send customers newsletters, personal e-mails, invitations to online and offline events, re-booking reminders, etc. Another way of engaging the customers is by connecting them to each other, thereby creating a community. This can be done offline, but certainly also online by offering a meeting place on the hair-salon’s website, Facebook page etc.

Enrich. Hair-salon customers spend a lot of waiting time in the salon. The waiting time is normally not filled with much content other than browsing through the magazines available in the salon and
perhaps having coffee. Some customers like it that way, but for others it is only because of a lack of options. Technology can easily be used to enrich the salon visit by offering more content for those who want it. WiFi access in the salon is a simple example, and something requested by many customers in the study. Tablets, smartphones, games and other devices could be offered for customers to borrow during the visit, why not as a cross-marketing campaign.

These findings on technology as a touch-point can also be illustrated by means of the conceptual archetypes for customer contact in relation to technology, described in the theory chapter. However, the model is somewhat insufficient for the purposes of this thesis as some of the identified possibilities for technology infusion fall outside the five archetypes. I have therefore chosen to add two additional modes – *customer-to-customer contact through technology* and *customer-technology in the hair-salon*. Unlike the five conceptual archetypes these two modes are not directly about company-customer contact, but can nevertheless contribute to a positive customer experience. After all, with the customer-dominant logic the experience is not limited to the company-customer interaction.

Figure G: Examples of technology as a touch-point by archetypes of customer contact

### A) Face-to-face customer contact

1) **Technology-free** customer contact
(customer in hair-salon, interacts with stylist or other hair-salon rep)

   - Most used mode of customer contact today

2) **Technology-assisted** customer contact
(hair-salon rep uses technology as aid to improve face-to-face contact, but customer does not have access to the technology)

   - CRM database

3) **Technology-facilitated** customer contact
(hair-salon rep and customer have access to the same technology, which is used to enhance communication during face-to-face encounter)

   - Consultation database
Figure G: Cont.

B) Face-to-screen customer contact

4) Technology-mediated customer contact
(customer and hair-salon rep not physically in the same place;
technology used to enable communication between them)

– Personal e-mails
– Feedback through electronic form with personal answer from salon
– Social media (Facebook, Twitter, etc.)

5) Technology-generated customer contact
(hair-salon rep entirely replaced by self-service or other technology)

– Hair-salon website
– Online time-booking
– Rebooking reminders by e-mail (or sms)
– Appointment reminders by sms (or e-mail)
– Newsletters
– Tracking of customer experience

C) Other modes of technology as a touch-point for customer experience

6) Customer-technology in hair-salon
(offered by hair-salon)

– WiFi in hair-salon
– Tablets, smartphones, games and other gadgets in hair-salon

7) Customer-to-customer contact through technology

– Word-of-mouth management
6 CONCLUSIONS

Based on the analysis above, this chapter sets out the main conclusions to be drawn about the three research questions of the thesis. The principal question of the thesis is addressed in the final discussion (section 8.2).

6.1 Customer experience focus

Research question A: Is there potential for a shift in focus from traditional services to experiences in the hair-salon industry?

As pointed out in the previous chapter, hair-salons generally see customer experience (regardless if they use that specific term or not) as created solely in the company-customer interaction. Within that sphere, hair-salons focus strongly on core service result. The study shows that while core service result is naturally of critical importance to the customers, there are also other factors shaping customer experience.

It can therefore be concluded that there is potential for a more mature customer experience focus in the hair-salon industry. This is further supported by the approach of company C, which clearly demonstrates a more holistic view on customer experience.

6.2 Customer cycle and touch-points

Research question B: What customer activities in the customer cycle comprise the end-to-end experience with the hair-salon?

An account for customer activities and touch-points in the entire customer cycle, based on the collected data, is given in the Touch-point map (appendix 1). The results of the study support the theory that not all activities and touch-points are of the same value. In the hair-salon industry the core offering is, and will for most hair-salons remain, a service. It follows that the service interactions matter most. In general, the most important activities affecting customer experience are hair-service and consultation, and the most important touch-point is the personal encounter with the stylist.

Still, customer experience is affected not only by activities during the service encounter. Few hair-salons devote attention to this reality. There is an almost complete focus on the ‘at-service’
encounter and generally little, if any, interaction with customers during other stages of the customer cycle. The variety of touch-points used for interaction beyond the hair-salon visit is also limited. There is consequently potential for hair-salons to broaden and deepen their engagement with the customers.

6.3 Technology as a touch-point

Research question C: How can technologies be combined with the touch-points in order to enhance customer experience?

The use of technology is currently rather limited in the hair-salon industry. Correspondingly, there is a clear potential for using technology as a touch-point, or combining it with existing touch-points, in order to enhance customer experience. In summary, technology infusion in the hair-salon industry can be used to empower the customers, to engage with the customers beyond the service encounter, and to enrich the content of the salon visit. Consultation, waiting time, feedback and management of word-of-mouth are among the activities where technology touch-points could be used in order to enhance customer experience. The draft Touch-point map (appendix 1) includes an account for identified possibilities along the different activities and touch-points in the customer cycle.
7 IMPLICATIONS

7.1 Managerial action

What does the suggested focus on customer experience imply for the hair-salons? In theoretical terms, it is about shifting from a service-dominant to a customer-dominant logic where customer experience is not regarded as limited to a particular service encounter but as something emerging in the broader context of the customer’s life over a duration of time. In more practical terms, the hair-salons should try to engage more with the customer in order to understand his or her thoughts, emotions, intentions etc. The easiest way of course is to ask the customer. To a certain extent this is already happening, but it is often limited to the typical chat between stylist and customer, which by the way often is about the weather. The study shows that much more can be done. Company-customer interaction can be improved, both in quantitative and qualitative terms. For instance, almost every interviewee in the study highlighted the importance of consultation. At the same time, it was evident that the consultation often fails because of communication problems. Further, it is almost non-existent for hair-salons to systematically ask customers for feedback. Similarly, almost no efforts are made to manage word-of-mouth although the study indicated that word-of-mouth is of great importance for attracting new customers. As demonstrated by company C, hair-salons could also very well engage with their customers beyond the service encounter in order to understand them better and add to a valuable experience.

Shifting focus to a customer experience approach is by no means an impossible task. The hair-salons should first try to deconstruct the experience into its different components. This brings us to the question of activities and touch-points in the customer cycle. The study confirms that the ‘at-service’ interactions, especially hair-service and consultation, are the most important activities shaping customer experience, and that the personal encounter with the stylist is the most important touch-point. However, the study also shows that activities and touch-points during other stages of the customer cycle also affect customer experience. This implies that hair-salons should remain focused on ‘at-service’ interactions, but at the same time devote more attention also to the other parts of the entire customer cycle. The study also shows that the variety of touch-points is limited and that hair-salons could and should use more channels for interaction, including technology.

Regarding the use of technology as a touch-point, I have made several suggestions on managerial action in the foregoing (sections 5.3 and 6.3). Before taking action, however, hair-salons should
consider the following general remarks implied by the study. Firstly, it is crucial to strike the right balance between the traditional high-touch of today and the possible high-tech of tomorrow. After all, the personal service encounter is and will remain at the heart of the hair-salon industry. Technology should therefore not be used to replace the stylist but rather to enhance and broaden the interaction. And while certain technology-based customer activities can be positive to customer experience, customer satisfaction and long-term customer loyalty may be severely damaged by a bad online experience.\(^95\) Secondly, customer segmentation and freedom of choice is essential. The customer interviews indicated a general interest in technology infusion in interactions with the hair-salons, but the study also revealed dissenting views. Thirdly, the potential for technology infusion depends not only on the individual hair-salon or customer segment. It probably has to be put into a broader context, taking into account the general attitude to innovation and change in a region, country or city. Some markets seem to be more “thirsty” for technology while others are more static with old-fasion ways of doing things.

7.2 Theory development and further empirical studied

As already indicated, some of the ideas presented in this thesis need further examination before being operationalized by the hair-salon industry, including a cost analysis and a technology acceptance analysis. They should also be tested on customers, in order to measure actual impact on customer experience. Moreover, the links between customer experience and behaviour need to be studied further. After all, the companies’ bottom line is ultimately affected by actual customer behaviour rather than by customer experience as such.

A particularly interesting marketing area for further research would be management of word-of-mouth in the hair-salon industry. A related topic for further research could be the impact of word-of-mouth on customer experience from a dual perspective – both for the experience of the customer spreading word-of-mouth and for that of the (potential) customer receiving it. In this context, differences between online and offline word-of-mouth could also be examined.

It would also be interesting to study different customer segments in the hair-salon industry, to examine if and how the drivers of customer experience and the potential for technology infusion differ from segment to segment. Likewise, it would be interesting to compare different markets in the same regard, as well as to compare the hair-salon industry with other face-to-face service industries.

\(^{95}\) Froehle and Roth, 2004, pp. 1-2.
8 CRITIQUE AND FINAL DISCUSSION

This chapter begins with critique of the study, and concludes with a brief final discussion centred around the principal question of the thesis.

8.1 Critique

This thesis aims at generating new ideas through an exploratory study. The perspective is mainly the customer’s, since the main subject is customer experience. The purpose and nature of such a study, together with the necessary limitations in scope, mean that certain questions are left unanswered. In the end, to be truly convincing to the hair-salon industry, the ideas presented have to meet a clear customer need, they must work, they have to be deliverable, and they need to pay off. These things are not fully tested and verified in the study. As pointed out in the section on delimitations (1.6) no cost analysis or technology acceptance analysis is made, and the technologies mentioned in the thesis are not described or analysed in any great detail. This said, I still believe the thesis serves a valid purpose as ‘food for thought’. Based on a thorough analysis of relevant theories and a carefully conducted case study, the study clearly identifies certain areas of concern, a corresponding potential for improvement, and concrete ideas for further consideration.

The study approach also leaves room for discussion. A qualitative study with a mainly inductive method of analysis implies that the researcher primarily uses him- or herself as the instrument. My analysis and conclusions, although based on previous research and collected data, are therefore of a subjective character and can of course be debated.

Also the case selection and data collection can raise questions. Would the results have been different with another selection of hair-salons? Would the study have benefited from other, or more, interviewees? This cannot be excluded, but I tried to balance these possible problems by collecting data from several different sources, and the information often pointed in the same direction. A bigger question mark is perhaps how the interviews were conducted, especially with the customers. For practical reasons it was not possible to prepare the customers with information beforehand, and the interviews were kept rather short. It would probably have been fruitful to conduct deeper customer interviews, but I wanted to avoid that the interviews themselves would become an unfortunate aspect of the customer experience with the hair-salons that had been gracious enough to take part in the study. It would also have been interesting to conduct a second round of customer
interviews after a complete analysis of the first round, in order to test more specific ideas and hypotheses. This was not done given the limitations in scope and timeframes for a thesis like this.

**8.2 Final discussion**

| Principal question: How can technology as a touch-point be combined with the customer activities in the end-to-end hair-salon customer cycle in order to enhance customer experience? |

The study shows that technology as a touch-point can indeed be combined with the customer activities in the end-to-end hair-salon customer cycle in order to enhance customer experience.

The hair-salon business, although a classical face-to-face service industry, is very much about customer experience. In fact, customer experience is probably even more important here than in many other industries. Experience is something in the customer’s mind – it is thoughts and emotions. Since the hair-style to many people is something very personal and important, the service encounter with the hair-salon can evoke strong thoughts and emotions. And it doesn’t stop there. The experience – good or bad – is not limited to the service encounter or other interactions with the hair-salon. If strong enough, it is something we carry with us for a long time. Customer dissatisfaction, stemming from bad experiences, is not uncommon. This is increasingly dangerous given the empowerment of the modern ‘social’ customer. On a more positive note, a clear focus on customer experience is an opportunity for differentiation and customer engagement and loyalty on a highly competitive market.

Adding to a valuable customer experience in the hair-salon industry does not start or end with technology. The starting point is more about taking a new perspective, where customer experience is not regarded as a synonym to service quality or as limited to a particular service encounter, but as something broader emerging over time in the context of the customer’s life.

Total experience control by the company is of course impossible. Nevertheless, there are certainly ways for hair-salons to affect customer experience. Technology infusion is not the only one, but the study shows that it can be one way of enhancing customer experience in the hair-salon industry.

It can be used to empower the customers, to engage with them beyond the service encounter, and to enrich the content of the salon visit.
To this end, I have presented some ideas on possible technology touch-points. Their combined impact on customer experience could be significant. Thus, returning to the title of this thesis, technology infusion in the hair-salon industry can add to ‘a valuable customer experience’.
9 REFERENCES

*Academic articles and books*


Grönroos C. (2005), “What can a service logic offer marketing theory”, Swedish School of Economics and Business Administration Working papers, Nr 508, Hanken School of Economics, Finland


Jaffe J. (2010), “Flip the Funnel”, Wiley, USA


Wisniewski J. (2001), “Loneliness on the Net” (own translation into English)

Electronic sources

Available online: http://www.smithcoconsultancy.com/wp-
10 APPENDICES

Appendix 1: Draft Touch-point map
Appendix 2: Questionnaire (supporting customer interviews)
Appendix 3: Pitch to hair-salons
## Appendix 1 Draft Touch-point map

### Stage of customer cycle: Pre-service

<table>
<thead>
<tr>
<th>Customer activities</th>
<th>Realizing need for hair style change or refreshment</th>
<th>Searching for hair style and/or treatment technique</th>
<th>Searching for salons</th>
<th>Checking up and choosing salon</th>
<th>Time-booking</th>
<th>Remembering appointment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Touch-points</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Internet search engines</td>
<td>• Google ads</td>
<td></td>
<td></td>
<td></td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Salon website</td>
<td>• Informative and inspirational salon website, including - detailed information about different types of treatment - pictures and videos illustrating hair styles and treatment techniques - customer reviews - links to salon Facebook page - etc.</td>
<td></td>
<td></td>
<td>• Online time-booking on salon website</td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Phone</td>
<td>• Re-booking reminder by sms (existing customers)</td>
<td>• Ads in online phone directories</td>
<td></td>
<td>• Time suggestion by sms, confirmation by sms (existing customers)</td>
<td>• Appointment reminder by sms</td>
<td></td>
</tr>
<tr>
<td>E-mail</td>
<td>• Re-booking reminder by e-mail (existing customers)</td>
<td></td>
<td></td>
<td>• Time suggestion by e-mail, confirmation by e-mail (existing customers)</td>
<td>• Appointment reminder by e-mail</td>
<td></td>
</tr>
<tr>
<td>Social media (Facebook, Twitter, chats, blogs, etc.)</td>
<td>• Encourage potentially influential existing customers to spread the word on relevant social media (facilitate by e-mailing them links to relevant sites)</td>
<td></td>
<td></td>
<td></td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>YouTube</td>
<td>• Marketing videos, e.g. with celebrities getting treatment in the salon</td>
<td></td>
<td></td>
<td></td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Magazines</td>
<td>• Ads in magazines’ online editions</td>
<td></td>
<td></td>
<td></td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Personal recommenda-</td>
<td>• Encourage existing happy customers to spread the word to their friends (facilitate by e-mailing them links to salon website etc.)</td>
<td></td>
<td></td>
<td></td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>tions (word-of-mouth)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>Hair-salon (customer randomly passing by)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>--------------</td>
<td>--------------------------</td>
</tr>
</tbody>
</table>
### Stage of customer cycle: **At-service**

<table>
<thead>
<tr>
<th>Customer activities</th>
<th>Arriving to salon</th>
<th>Waiting time (before and during treatment)</th>
<th>Consultation (before and during treatment)</th>
<th>Hair treatment, styling, advise on everyday care</th>
<th>Giving feedback</th>
<th>Paying</th>
<th>Time-booking of next appointment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salon exterior</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Salon interior</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Reception</td>
<td>• Check-in with NFC</td>
<td>• WiFi access</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Payment with NFC or any other means</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Tablets, smartphones, other gadgets to borrow</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Online time-booking on salon website</td>
</tr>
<tr>
<td>- Waiting area</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Dedicated consultation area</td>
<td></td>
<td></td>
<td>• Consultation database with customer photos, inspiration pix of models etc.</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Hair treatment areas</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Stylist</strong></td>
<td>• CRM database for salon personnels’ use only, including info on - previous treatments - previous advise given to customer - previous feedback received</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Other personnel</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Notes:**
- **Pre-service**
- **At-service**
- **Post-service**
### Stage of customer cycle: Post-service

<table>
<thead>
<tr>
<th>Customer activities</th>
<th>Evaluating result afterwards</th>
<th>Everyday hair-care until next visit</th>
<th>Giving feedback to salon</th>
<th>Telling others about the salon experience (word-of-mouth)</th>
<th>Contact with hair-salon between visits</th>
<th>Contact with other customers between visits</th>
<th>Time-booking of next appointment</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salon website</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• General hair-care advise on salon website</td>
<td>• Feedback form on salon website</td>
<td>• Customer review section on salon website</td>
<td>• Offer online meeting place for customers on salon website</td>
<td></td>
<td>• Online time-booking on salon website</td>
</tr>
<tr>
<td><strong>Phone</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Invitations by sms to online and offline events</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>• Re-booking reminder by sms; reply by sms</td>
</tr>
<tr>
<td><strong>E-mail</strong></td>
<td></td>
<td>• Send feedback form by e-mail to all customers</td>
<td>• Encourage happy customers to spread the word to their friends (e-mail them links to salon website etc.)</td>
<td>• Newsletters by e-mail</td>
<td>• Invitations by e-mail to online and offline events</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Social media (Facebook, Twitter, chats, blogs, etc.)</strong></td>
<td></td>
<td>• Encourage potentially influential customers to spread the word on relevant social media (facilitate by e-mailing them links to relevant sites)</td>
<td>• Use “Facebook like”</td>
<td>• Interact with customers between visits on salon’s Facebook page; update Twitter regularly etc.</td>
<td>• Offer online meeting place for customers on salon’s Facebook page etc.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

62 (66)
Stage of customer cycle: **Future, History**

<table>
<thead>
<tr>
<th>Customer activities</th>
<th>Customer’s life in general; activities are highly individual</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Touch-points</strong></td>
<td></td>
</tr>
<tr>
<td><strong>E-mail</strong></td>
<td>• Check in on selected customers by personal e-mail, as deemed appropriate, asking how they are doing, about their experiences with the salon, about opinions and ideas etc.</td>
</tr>
<tr>
<td><strong>Phone</strong></td>
<td>• Sms greetings from salon, e.g. on customer’s birthday</td>
</tr>
<tr>
<td><strong>Social media (Facebook, Twitter, chats, blogs, etc.)</strong></td>
<td>• Follow target customer groups on social media to pick up general trends, thoughts, emotions, needs, expectations etc.</td>
</tr>
</tbody>
</table>
Appendix 2 Questionnaire (supporting customer interviews)

Gender: ____________________
Age: 10-20; 20-30; 30-40; 40-50; 50-60; 60-70
How many times have you been to this salon? ____________________
How long time do you spend in the salon? ____________________ minutes.

1. What activities give value/benefit you? Please, mark with a line these activities in the list below:

<table>
<thead>
<tr>
<th>Searching</th>
<th>for a salon, a hairdresser, a hair style, hairdressing technologies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time-booking</td>
<td>via phone, via internet, in-salon, time-booking sms-reminder</td>
</tr>
<tr>
<td>Receiving information from salon</td>
<td>news, invitations to events, personal notes, haircare product</td>
</tr>
<tr>
<td>Wating time in salon</td>
<td>in reception area, outside if weather is good</td>
</tr>
<tr>
<td>Consultation</td>
<td>explaining what I want – in words, with photos in magazines, with</td>
</tr>
<tr>
<td></td>
<td>my own photos,</td>
</tr>
<tr>
<td></td>
<td>my hairdresser tells me more about my hair, hair styles and haircare</td>
</tr>
<tr>
<td></td>
<td>products</td>
</tr>
<tr>
<td></td>
<td>my hairdresser asks more about my lifestyle, my background, other</td>
</tr>
<tr>
<td>Wash, massage, cut, colour, extensions, perms, hair-do, other</td>
<td></td>
</tr>
<tr>
<td>Waiting time during treatment</td>
<td></td>
</tr>
<tr>
<td>Styling by hairdresser</td>
<td>with hands, with blowdryer</td>
</tr>
<tr>
<td>Evaluating my style</td>
<td>like it, do not like it</td>
</tr>
<tr>
<td>Consultation</td>
<td>about how to style at home, recommend me haircare products</td>
</tr>
<tr>
<td>Payment</td>
<td>with cash, credit cards, other</td>
</tr>
<tr>
<td>Time re-booking</td>
<td></td>
</tr>
<tr>
<td>Evaluating result afterwards</td>
<td>First day, after first wash, everyday until next visit</td>
</tr>
<tr>
<td>Everyday care till next visit</td>
<td>Have enough information about hair care, styling tips</td>
</tr>
<tr>
<td>Telling others about salon</td>
<td></td>
</tr>
<tr>
<td>Complaining to salon</td>
<td></td>
</tr>
<tr>
<td>Other ?</td>
<td></td>
</tr>
</tbody>
</table>

2. What do you usually do while you are in the salon:
   - Chat with the hairstylist;
   - Read in-salon magazines, newspapers, other;
   - Read my own magazines, newspapers, other;
   - Do nothing, just relax;
   - Work – via my mobile, computer, papers;
   - Other: ____________________
3. Which technology you would like to use in your salon experience:

<table>
<thead>
<tr>
<th>Technology</th>
<th>Yes</th>
<th>No</th>
<th>Maybe</th>
</tr>
</thead>
<tbody>
<tr>
<td>Internet</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salon website</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Salon internet booking</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Internet (WiFi) access in salon</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronic database with hair style pictures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Electronic database with my own pictures</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>In-salon fashion TV</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Game devices</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Other?</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Appendix 3 Pitch to hair-salons

Creating VALUE for hair-salon customers

“A good experience enriches my life”
Unknown

“No sensible decision can be made any longer without taking into account not only the world as it is, but the world as it will be….”
Isaac Asimov, author (1920-1992)

Customer – companies – experiences – technologies
The customer is different from before. In the more competitive market, the customer is more impulsive and free to choose; and more difficult to keep. The customer can get knowledge easily, not least via the internet and social media. The customer can also create knowledge, for example, spread the word about your company via the internet.

Strong and enthusiastic companies search for new ways to treat their customers. It is no longer only about profit maximization. Creating relationships with the company’s customers is not enough either. The focus is increasingly on the customer as a person, who can him/herself decide what is needed, with the company there to assist.

The company should create memorable experiences throughout every single customer touch-point with the company (from the point the customer experiences the need for the service to the service memories).

In many service industries, technology is increasingly used as a touch-point to create or enhance the customer experience.

Master Thesis
In my master thesis for the Stockholm School of Economics, I am exploring the drivers of customer experience in the hair-salon industry. The specific purpose is to know:

in what way technology as a touch-point can be combined with the customer activities in the complete customer experience in such a ‘traditional’ face-to-face service industry as the hair-salon.

To carry out this study, I would like to interview your company and a few of your customers. The discussion with your company would take approximately an hour, whereas the interviews with customers would be significantly shorter. As a result, I will present you with a hair-salon customer experience concept, which specifies the potential use of technology in the whole customer cycle – a “Touch-point map”.

I would be happy to present myself and my study in some more detail in a short meeting at any time convenient for you.

Thanks for your attention!

Katia Tideström
☎️ +358 466 196724
✉️ 19342@student.hhs.se

* Touch-point = contact point, e.g. shop window, call centre, reception, website, onsite service, emails, postal mail, account management, etc.