EXAMINING AND RECOGNIZING THE INTERACTION EFFECT OF CUSTOMER EXPERIENCE MANAGEMENT

(CASE STUDY: ISFAHAN CITY CENTERHYPER)

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Abstract. It is important to pay attention to the effective role of customer experience in making decisions about the sustainability of purchasing from an organization in the competitive environment of today's businesses. In fact, the concept of customer experience is used as an optimal strategy for gaining competitive advantage. Therefore, the purpose of this research is to investigate and identify the interactions between the dimensions of customer experience management. In this research, a descriptive survey method has been used. The questionnaire has been answered by 450 customers in the center of the survey center who have been selected by available random sampling method. Finally, 400 questionnaires were analyzed. In this study, using Smart PLS6 software, convergent validity, composite reliability and Cronbach's alpha have been analyzed. Also, to determine the interaction of customer experience management dimensions, Pearson test was used with SPSS software. The results of Pearson correlation test showed a positive correlation between all aspects of customer experience and the interactive and practical experience with 0.98 had the highest correlation and sensory experience and practical experience with 0.513 least correlation. Considering the results of the Pearson correlation test, it is recommended that the store plan to enhance interactive and practical experience.

Key words: customer experience, sensory experience, interactive experience, meaningful experience, intellectual experience, practical experience

The customer experience is rooted in a set of interactions between the customer and the product of a company, a part of an organization, a shop, a seller, and... as it creates a response from the other side. This experience refers to the involvement of the client at various levels of emotional, emotional, spiritual, rational, physical, and is completely personal (Gentile et al., 2007). In general, we can say that the customer experience requires a client-to-client interaction and if this experience leads to a positive and desirable formation, the customer becomes a loyal customer and this leads the customer to personally carry out the most important marketing activities of the company, namely, to make a favorite brand to others (Smilansky, 2009).

In fact, it intends to buy a consumer's willingness to buy a product or service in the future, and an increase in purchases will increase the likelihood of buying (Schiffman & Kanuk, 2007). Repetitive purchase behaviors and word of mouth advertising directly affect the survival and profitability of the organization (Jamal & Naser, 2002, p. 147). Positive experiences after the purchase are the most important reason for the purchase of goods and services from a long-term store that is intended to replicate the purchase (Hellier et al, 2003).

Companies have come to the point that the cost of attracting new customers is five times that of maintaining current customers and losing a customer is not just a loss of a sales item, but beyond that, it means losing the entire customer and the flow of purchases which the customer could do throughout life (Kotler & Armstrong, 2016). Preserving existing customers is much more important than targeting new customers, with the number of competitors in the market reaching saturation points (Ahmad & Buttle, 2002). The key to success in the sales process is that preserving the previous customer, along with identifying potential and new customers, and attracting the share of other competitors' customers, is even more important. Today, organizations are convinced that they can only achieve long-term profits by repeating their purchases. Therefore, they are always trying to take steps to facilitate the customer re-purchasing process. Replication of customer purchases is a specific brand after using the same brand (Grace et al., 2003). Given the world of business excellence and the great similarity of goods and services and the efforts of organizations to satisfy customers, and considering the importance of customer experience in the decision to re-purchase from the organization and, in fact, to

1. INTRODUCTION

It's very difficult to stay in a competitive environment in today's modern world and customers face a massive range of products that are delivered through various channels to meet their needs and organizations have come to the realization that they are more concerned with the process of creating value for the customer than the mere use of service and goods. Today, the term "customer experience" has become one of the common words in business literature which organizations gain with competitive advantage over their competitors (Richardson, 2010).

In the new era, corporate marketing regardless of whether goods or services provide, effect and influence on customers in new, stimulating, innovative, innovative methods considered (Hulton et al, 2011). According to the new philosophy of marketing, namely, customerism, businesses must look at the issues from customers' point of view and, in fact, focus their customers. This clustering approach represents the most important competitive advantage of organizations and its importance and role in business success Holmlund & kock, 1996). In today's business environment, the customer is an active and influential member of all business activities. Because if the goods and services meet customer expectations, they will feel satisfied and the customer will play a key role in the growth and survival of the company by repeating its purchase and introducing the service and product to others (Gilbert & Voloutsou, 2006). In today's business environment, marketers learn about consumers, their desires, their thoughts, perceptions, values, satisfaction, and how to keep that information (Schiffman & Kanuk, 2007).

The first thing that affects the attitudes of individuals towards goods and services is the direct consumer experience (Schiffman & Kanuk, 2007: 342). In fact, empirical marketing gives organizations the power to create a memorable experience, earn high return on long-term investment, increase customer loyalty, gain credit towards target customers, create word of mouth advertising, and increase sales. Therefore, empirical marketing is necessary in corporate strategies (Smilansky, 2009). Businesses have created and managed many years of experience without really understanding their importance and characteristics in terms of creating value for the customer. While today the concept of customer experience is widely used as an optimal strategy by market leaders to gain competitive advantage and create perceived value (Carbon, 2004, 39).
In theoretical literature, a variety of dimensions have been mentioned for the concept of customer experience. This is because this concept is multidimensional, complex and of a totalitarian nature. In this section, the concept of dimensions of customer experience is expressed. Sensory experience: it is an experience that a customer has achieved in the organization with respect to his five senses and can have a significant impact on customer performance. Sensory experiences are created with various effects of the five senses in the customer. In particular, sensory experiences are primarily focused on the visual experiences of a person, in this regard the shape, color, appearance, position, size, volume and, in particular, the aesthetics of the subject.

Of course, the passion, interest and diverse cultures determine the various symbols of the aesthetics of products and services, which requires marketing management to take steps to study the aesthetics of products. Other senses of the customers also affect their performance in the organization, for example, hearing sensation affects the relaxation of the environment and the utility of the audio, the sense of smell to create a sense of appetite, the sense of touch on the utility of the heating and cooling of the environment. Sensory experience specifically emphasizes the fact that if it is environmentally friendly from the perspective of the customers' five senses in the environment, it can have a positive effect on individuals and guarantee the continuation of customer travel to the organization (Chichen & Penglin, 2015).

Experiential Meaning: A meaning is the result of secondary interactions of individuals in dealing with different social entities. In fact, the meaning of the positive and negative emotions created in humans appears mainly in the face of social and physical phenomena in individuals. Experience has the meaning of positive and negative emotions created by customers based on the type, manner, and suppliers of products and services (Karbasi et al., 2015).

**Intellectual experience:** In fact, the degree of adaptation of the organization to the thoughts and mental background of individuals that the perceptions of individuals from the organization with what is observed in practice and it can be the basis for intellectual experiences. To this end, the study of the intellectual gap is essential for marketing management. To the extent possible, the gap between the organization's performance and what it expects to reduce is seen in the organization from the point of view of what's going on in people's minds (Chichen & Penglin, 2015).

establish loyalty and positive perceptions in the customer's minds of the purchasing experience of the company, the purpose of this research is to investigate and measure the interactional effects of customer experience dimensions in the Isfahan City Center Hyper Store.

2. CONCEPTS, VIEWS AND THEORETICAL FOUNDATIONS

This section attempts to present theoretical foundations around the subject. With this goal, customer experience and then customer experience dimensions are examined first.

**Customer Experience**

Holbrook & Hirschman first introduced the concept of customer experience in 1982. First, the concept of customer experience has been examined by customers for rational decision making and then considered the behavioral aspects of customers as a result of experiencing the pillar of empirical economics (Holbrook & Hirschman, 1982).

Since 1960, there have been many concepts about customer experience (Uriely, 2005). In 1998, Papan and Glymorre wrote in an article that affects people's experiences by engaging in real experiences that create personal value. Customer experience is a revived method for considering the concept of consumption, which is:

A comprehensive experience involves a person as a whole at different levels and in any interaction between person and the company and the offer of the company (Lasalle & Britton, 2003).

Customer experience is a set of customer-product interactions with a product and a company or organization and increase in these interactions reflects the experiences and engagements of the customer at various levels which depends on the comparison between the customer expectations and the stimuli that the company offers and integrates the various moments of engagement with tactile points.

In fact, this definition includes all aspects of communication, physical, efficacy, cognitive, and sensory (Gentile et al., 2007: 397). Verhoef et al (2009) concluded that the concept of customer experience was intrinsically complete and comprehensive in terms of its nature which includes all emotional, cognitive, social and physical responses of the client. When a person is only taken into consideration, these studies take into account a range of customer actions, values, beliefs and relationships (Verhoef et al, 2009).

**The dimensions of customer experience**
content, quality of service and quality of the
system affect the understanding of the instrument.
Understanding tools affects customer satisfaction.
Customer satisfaction also affects customer
loyalty and customer consistency and finally,
customer compatibility leads to customer loyalty.

Chichen & Penglin (2015) conducted a research
on the impact of customer experience and the
value of sustained social relationships on blogs.
In this research, the effective dimensions of
customer experience were: sensory, meaningful,
intellectual, practical and interactive. In this
research, customer experiences have an impact
on customer satisfaction and perceived value and
will continue to be effective. Thompson &
Shenge (2012) in a research on product features
and brand equity in the mobile industry has
played a mediating role in customer experience.
In this research, a survey among 262 mobile
phone users in Taiwan was conducted to
investigate the effects of customer experience on
the relationship between product characteristics
and brand equity in the mobile field. The results
of the research show that the usefulness and
pleasure of products affect the value of the brand
through customer experience.

Nambizan & Watt (2011) conducted a research
on customer experience management in online
social products. In this study, the dimensions of
customer experiences include practical
experience, experience of enjoyment, experience
of socialization and experience of use. These
factors affect each other on three other variables,
namely product characteristics, company
features, and quality of service. Yu hsu & Tai
Tsou (2011) conducted a research entitled under-
standing customer experiences in online
blogging environments. In this research, we
investigated the effect of information validity on
customer experience and the effect of customer
experience on its purchase intention.

Grewal et al (2009) conducted a research on
customer experience management in retail: they
developed an organizational framework. In this
research, the role of key factors in retail
environments and how these factors can shape
customer experience and behavior are discussed.
Various ways (advertising, price, product, supply
chain, and location) have been identified in
creating customer experience. Customer
experience leads to his satisfaction and repeated
purchase, and the increase in the market share
and profits of the company.

Interactive Experience: An interactive
experience focuses on how the customer interacts
with the organization, and specifically the
behavior of the authorities, experts, and vendors
with the client. The emphasis on interactive
experience is to emphasize the need for social
and effective interaction between the client and
the organization. Each customer has other needs
in addition to the need for a product and service
that is essential to his or her visit to the
organization. One of these needs is the need for
social communication with customers that is
discussed and analyzed in the interactive
experience (Chichen & Penglin, 2015).

Practical experience: The practical experience is
what actually happens, that is, the quality of
customer service has a certain level, but the
understanding of quality on the part of customers
is determined by the practical experience. In fact,
the difference between the services provided and
the perception of the services provided by the
customer has affected the practical experience of
the individual and different people, according to
the perceptions of the organization's services,
make decisions about the experiences and
continuity of the organization (Chichen &
Penglin, 2015).

3. RESEARCH BACKGROUND

Zhang et al (2017) conducted a research entitled
"Investigating the relationship between customer
experience and customer participation and oral-
to-mouth advertising." In this study, a framework
was proposed and the research model was
confirmed using structural equations modeling. In
this study, it was concluded that customer
experience improves social participation and oral-
to-mouth advertising. The impact of social
participation as a mediator on the relationship
between customer experience and oral-to-mouth
advertising has also been confirmed. Ren et al (2016), in a study entitled "Customer
Experience with Cheap Hotels" examines the
dimensions of customer experience with cheap
hotels and the effect of these factors on customer
satisfaction. The results of four factor exploratory
factor analysis or dimensions of customer
experience include: sensory and tangible
experience, the aspect of staff understanding of
aesthetics and location. The results of regression
analysis show that these four factors significantly
affect customer satisfaction.

Shin (2015) a research entitled impact of
customer experience on smartphone satisfaction:
an intelligence satisfaction evaluation with
minimum squares. In this study, a customer
satisfaction model for mobile smart sectors has
been used. The three variables of quality of

4. RESEARCH HYPOTHESES
H7: there is correlation between intellectual experience and practical experience.

H8: there is correlation between interactive experience and meaningful experience.

H9: there is correlation between interactive experience and practical experience.

H10: there is correlation between meaningful experience and practical experience.

The conceptual model of the research is determined by explaining the fundamental variables of the subject of research and communicating them, and the conceptual framework of the research is in accordance with Fig. 1.

This research is based on Chichen & Penglin customer experience model (2015). Therefore, the following hypotheses are developed for this research:

H1: there is correlation between sensory experience and intellectual experience.

H2: there is correlation between sensory experience and interactive experience.

H3: there is correlation between sensory experience and meaningful experience.

H4: there is correlation between sensory experience and practical experience.

H5: there is correlation between intellectual experience and interactive experience.

H6: there is correlation between intellectual experience and meaningful experience.

5. RESEARCH METHODOLOGY

This research in terms of purpose is applied. The collected data were collected from a normal sample with random distribution and sampling methods. The method of research in this study, due to its nature, is descriptive of survey type, because it describes the variables in the studied statistical sample.

6. STATISTICAL POPULATION

The statistical population of this research is all Isfahan City Center Hyper Stores.

7. SAMPLING METHOD AND SAMPLE SIZE

Sampling method for this research is available sampling method. The sample size for this research is based on the fact that the statistical population is large. Using Morgan table, 384 individuals have been selected as sample. A total of 450 questionnaires were distributed. Finally, 400 questionnaires were provided for statistical analysis after deletion of misleading and unanswered questionnaires.

8. RESEARCH VARIABLES

Research variables: sensory experience, intellectual experience, interactive experience, meaningful experience, practical experience

9. DATA COLLECTIONTOOLS

In this research, scientific data and familiarity with modern literature have been carried out through library studies. A questionnaire has been used to collect data from the population (sample). In this research, the researcher collected the required data with a closed questionnaire that was used to measure it from the Likert spectrum.

10. ANALYSIS METHOD
The validity of the questionnaire designed in this study was confirmed by the relevant professor and several experts. Also, convergent validity was analyzed using Smart pls6 software, which is used in this conditional validity (CR> AVE). CR is the composite reliability and AVE is the average variance of the studied samples. In order to verify the reliability of the structure, three composite reliability, mean variance and Cronbach alpha are used (Fornell & Larcker, 1981). The condition for the establishment of structural stability is that the composite reliability values (CR) are greater than 0.7 and the mean value of the extracted variance (AVE) is greater than 0.5 (Fornell & Larcker, 1981). The values of these coefficients in Table 1 show that the research tool has a suitable convergence of reliability and validity. Also, in order to investigate and identify the interaction between customer experience management dimensions, Pearson test has been used with SPSS software.

Table 1: convergent reliability and validity of the research tool

<table>
<thead>
<tr>
<th>Customer Travel Management</th>
<th>Sensory experience</th>
<th>Meaningful experience</th>
<th>Intellectual experience</th>
<th>Practical experience</th>
<th>Interactive experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cronbach's alpha</td>
<td>0.738</td>
<td>0.792</td>
<td>0.718</td>
<td>0.726</td>
<td>0.761</td>
</tr>
<tr>
<td>Composite reliability</td>
<td>0.816</td>
<td>0.857</td>
<td>0.821</td>
<td>0.879</td>
<td>0.854</td>
</tr>
<tr>
<td>AVE</td>
<td>0.532</td>
<td>0.548</td>
<td>0.501</td>
<td>0.784</td>
<td>0.746</td>
</tr>
</tbody>
</table>

11. TESTING THE NORMAL DISTRIBUTION OF VARIABLES

This section examines the normal distribution of data. The Kolmogorov-Smirnov test has been used to determine the normal distribution of data. The statistical domain of this test is as follows:

H0: The variable has normal distribution
H1: The variable does not have a normal distribution.

If the significance level of the test is less than 0.05, then the assumption of zero is rejected and 95% can be said that the distribution of variables is normal. If the test level is more than 0.05, then the assumption is zero and 95% can be said that the distribution of variables is normal.

Table 2: Evaluation of normal distribution of variables

<table>
<thead>
<tr>
<th>Variable</th>
<th>Z test statistic</th>
<th>Significant level (sig)</th>
<th>Result</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interactive experience</td>
<td>1.645</td>
<td>0.434</td>
<td>Normal</td>
</tr>
<tr>
<td>Intellectual experience</td>
<td>1.876</td>
<td>0.123</td>
<td>Normal</td>
</tr>
<tr>
<td>Practical experience</td>
<td>0.876</td>
<td>0.356</td>
<td>Normal</td>
</tr>
<tr>
<td>Meaningful experience</td>
<td>1.543</td>
<td>0.176</td>
<td>Normal</td>
</tr>
<tr>
<td>Sensory experience</td>
<td>1.433</td>
<td>0.187</td>
<td>Normal</td>
</tr>
<tr>
<td>Customer Travel Management</td>
<td>0.666</td>
<td>0.745</td>
<td>Normal</td>
</tr>
</tbody>
</table>

According to Table 2, since the significance level of the test, the normalization of all variables is greater than 0.05 therefore, the hypothesis is not rejected and 95% can be said the distribution of the above-variables is normal.

12. PEARSON CORRELATION TEST
Correlation is one of the descriptive (non-experimental) research methods that examine the relationship between variables based on the purpose of the research. The correlation coefficient is an indicator of mathematics that describes the direction and amount of the relationship between the two variables.

The correlation coefficient for bio and multivariate distribution is used. If the values of the two variables change the same, then either increase or decrease with a little or another. It is said that there is a correlation between these two variables in such a way that their relationship can be expressed as an equation. This coefficient calculates the correlation between two distances or relative variables, and the value is between 1+ and 1.

If the value obtained is positive, it means that the changes of the two variables occur simultaneously, that is, with increasing in each variable, the other variable also increased. Conversely, if $r$ is negative, that means that the two variables also act in the direction of the image, that is, by increasing the value of a variable, the values of another variable decreases and vice versa. If the value is zero, it shows that there is no relation between the two variables and if $+1$ was the perfect positive correlation and if it was $-1$, the correlation is complete and negative (Flynn, 2003). The method for interpreting the relationship in Pearson's correlation is shown in Table 3.

### Table 3: Interpretation of the intensity of the relationship in Pearson correlation

<table>
<thead>
<tr>
<th>Correlation Coefficient</th>
<th>Interpretation</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.0-0.1</td>
<td>Very small and forgivable</td>
</tr>
<tr>
<td>0.1-0.3</td>
<td>A little</td>
</tr>
<tr>
<td>0.3-0.5</td>
<td>Average</td>
</tr>
<tr>
<td>0.5-1.0</td>
<td>a lot</td>
</tr>
</tbody>
</table>

### Table 4: Pearson correlation test results

<table>
<thead>
<tr>
<th>Meaningful experience</th>
<th>Intellectual experience</th>
<th>Interactive experience</th>
<th>Practical experience</th>
<th>Sensory experience</th>
<th>Variable name</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.719</td>
<td>0.734</td>
<td>0.571</td>
<td>0.513</td>
<td>1</td>
<td>Sensory experience</td>
</tr>
<tr>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>P value</td>
</tr>
<tr>
<td>0.749</td>
<td>0.776</td>
<td>0.98</td>
<td>1</td>
<td>0.513</td>
<td>Practical experience</td>
</tr>
<tr>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>P value</td>
</tr>
<tr>
<td>0.686</td>
<td>0.880</td>
<td>1</td>
<td>0.98</td>
<td>0.571</td>
<td>Interactive experience</td>
</tr>
<tr>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>P value</td>
</tr>
<tr>
<td>0.783</td>
<td>1</td>
<td>0.880</td>
<td>0.776</td>
<td>0.734</td>
<td>Intellectual experience</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>P value</td>
</tr>
</tbody>
</table>
The results of Pearson correlation test and p value in Table 4 show that there is a positive correlation between the research variables.

### 13. CONCLUSIONS AND SUGGESTIONS

Based on the results of the test analysis, it can be concluded that all hypotheses of the research are verified and all dimensions of customer experience management have a positive correlation. The results of this study are based on the views and studies of researchers such as Zang et al. (2017), Ren et al. (2016), Shin (2015), Chichen & Penglin (2015), Thompson & Shenge (2012), Nambizan & Watt (2011) , Yusu and Tso (2011), Grewal et al. (2009), its views are reviewed in the background section, is consistent. Considering that all values in the Pearson test are positive and more than 0.5 and five dimensions of experience have a solid and strong correlation. Also, Pearson's test results show that interactive experience and practical experience with 0.98 have the highest correlation. Also, the interactive experience and intellectual experience of 0.88, intellectual experience and experiential significance of 0.783, intellectual experience and practical experience is 0.776, practical experience and meaningful experience 0.749, intellectual experience and sensory experience 0.734, sensory experience and meaningful experience 0.719, interactive experience and meaningfulness experience 0.686, sensory experience and interactive experience 0.571, and sensory experience and practical experience 0.513 are positively correlated. Based on the results of the Pearson Test, it is suggested that the City Center Hyper Store take the necessary strategy to enhance practical and interactive experience. Accordingly, the following functional suggestions are presented:

**Interactive experience and practical experience**

- Creating customer clubs and encouraging customers to join a group that shares interests with their members in order to interact more with their customers.
- Create a positive social image of the store in the minds of customers.

**Intellectual experience**

- Introducing different and distinct service stores for customers
- Introducing distinctive store features and services compared to other major stores.

**Meaningful experience**

- Increasing the number of branches and agents of the provider of goods and services.
- Attention and respect of store personnel to customers.

**Sensory experience**

- Consider uniform uniforms for all store personnel
- Create the right physical environment inside and outside the store
- Use of modern and modern office equipment and supplies
- Establishing branches and agents in places where accessibility is easy.
- Encourage customers to use the store website.
- Providing diverse and diverse customer service

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