

Sustainable Digital Customer Experience

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Abstract

This conceptual paper aims to explore literature gaps in the streams of marketing and sustainability, in particular exploring how could sustainability be included in customer experience, within a digital customer journey. This topic seems to recently receive growing attention by consumers and companies, and this could be a signal of a short-term new trend of mass market demand. If firms do not anticipate new needs they could lose new market opportunities and weaken their competitive advantage. In this scenario, in order to identify theoretical gaps and as such to help future contributions and proposal of new frameworks, a structured literature review has been taken. This short paper, in summary describes method and results of two scoping studies and proposes, as an initial step of a theory building research, some findings to contribute to the discussion about the Sustainable Digital Customer Experience.

Key words: Marketing, Sustainability, Customer Experience, Digital Customer Journey, scoping study.

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Introduction

This conceptual paper aims to explore literature gaps in the streams of marketing and sustainability, in particular exploring how could sustainability be included in customer experience, within a digital customer journey. Sustainability efforts are receiving growing attention by consumers and companies' investments, and this could be a signal of new mass market demand trends. Digitalization is also a big wave that is asking marketing to review distribution and supply chain strategies with omnichannel and sustainable perspectives. The omnishopper is evolving, being his journey off-online integrated, and requiring new digital seamless and sustainable experiences. If firms do not anticipate new needs they could lose new market opportunities and weaken their competitive advantage. In this scenario, in order to identify theoretical gaps and as such to help future contributions and proposal of new frameworks, a structured literature review has been taken based on two studies. This short paper, in summary describes method and results of two scoping studies and proposes, as an initial step of a theory building research, some findings to contribute to the discussion about the Sustainable Digital Customer Experience.

Literature background

The growing importance of sustainability in corporate and marketing strategy

Many companies have already included sustainable development in their strategic directions, in alignment with modernization and the emerging economic, social and environmental needs (Potacan and Mulej, 2003). New external pressures have motivated firms to internalize the concept of sustainability in their strategies and activities (Grayson, 2011), so that corporate sustainability has been shaped investing in innovation (Overcash and Twomey, 2011). Sustainable innovation enters the organization, in particular requiring a change in its structure and downloading sustainable strategies at functional levels (Schneider, Wallenburg and Fabel, 2014), marketing and branding included (Nedergaard and Gyrð-Jones, 2013). Corporate sustainability strategies are embedded into the organizational culture, and enhancing employees' sustainable orientation permits the continuous improvement of new sustainable initiatives (Engert, and Baumgartner, 2016). Moreover, the sustainability concepts entering in principles and policies helps to ensure the alignment in marketing and communication efforts (Haugh and Talwar, 2010). Above all, marketing strategies are driven by markets and customers. Consumers in particular, are becoming more informed about sustainability, and their new beliefs are changing their purchase behaviour, so then new retailing services are pulled by these market drivers (Naidoo and Gasparatos, 2018). In addition, in their evolution toward sustainability sensitiveness, customers' responses are more negative when a firm is weak in relevant sustainability aspects (Choi and Ng, 2011). Furthermore, as we know sustainable practices provide economic and social values (Camilleri, 2017), and corporate sustainability significantly impacts on its economic performance (Lourenço, Branco, Curto and Eugénio, 2012). It is already demonstrated that sustainability and profit can co-exist, and these two goals can be reached in synergy (Hutchinson, Singh, and Walker, 2012).

Entering the strategic level, sustainability has become part of innovative sustainable business models, creating value for multiple stakeholders (Dembek, and Singh, 2018), in particular offering superior customer value and contributing to the sustainable development of firms and society. In trying to be successful in the long term (Norman and MacDonald, 2004), companies are confirming the Triple Bottom Line approach as a way to sustain a competitive advantage (Schulz and Flanigan, 2016).

Tollin and Christensen (2017) found that marketing capabilities, together with the innovation of new products, services and business models, form a strong driver to address sustainability in marketing. Indeed, marketing departments demonstrate to have a propensity to lead corporate sustainability

(Tollin and Christensen, 2017). Chow (2011) confirm it by discussing the usefulness of the shareholder engagement in sharing and promoting sustainable causes.

New collaborative sustainable business models suggest to welcome in the network the internal organization (top managers and employees) and all of the other actors (Arevalo, Castelló, de Colle, Lenssen, Neumann and Zollo, 2011), final consumers included (Høgevoid and Svensson, 2012). In fact, consumers should take a participative role in helping companies in reaching higher sustainability results, and this new collaboration is only recently enabled, due to new societal influences (Hacking and Guthrie, 2008). that are changing the sustainability sensitivity within the customer journey. In practice, many customers are denouncing green washing practices and lack of sustainability, boycotting brands that are not perceived as sustainable (Hartmann and Moeller, 2014). In the past, Jenkinson's study (2006) found that traditional products and services were answering to inadequate value propositions, that did not satisfy customers.

Customer experience

The above described market revolution is requiring companies to innovate their marketing strategies to creatively reposition their corporate identities in respect of emerging environmental and social values (Aryanasl, Ghodousi, Arjmandi and Mansouri, 2016), assessing sustainability in their supply chain strategies (Ahi and Searcy, 2015), and marketing strategies (Mish and Scammon, 2010) to start engaging customers in these efforts (Wilson, 2015). Marketing experts know that, on the consumer side, some experiences offered during a purchase process could help in building a unique, pleasurable and memorable brand experience (Jain, Aagja and Bagdare, 2017). With the right signals and stimuli, a brand may evoke sensations, feelings, cognitions and behavioural responses (Brakus, Schmitt and Zarantonello, 2009). Customer experience is crucial in creating customer loyalty, so then, updated marketing strategies are suggesting to re-designing the entire offerings system with personalized co-created experience (Jain et al, 2017). Corporate experience tactics require to pay attention to small details in every touch point.

Each consumption experience produces an emotional response, which impact on customer satisfaction and on the subsequent purchase intention, and thus, customer experiences may influence the costumer's holistic perception of the corporate (Bolton, Gustafsson, McColl-Kennedy, Sirianni, and Tse, 2014). Customer experience tactics have then to be included in a marketing plan to correctly fulfil marketing goals. The first step should be the adoption of a customer experience framework, that begins with analysing and defining target customer's values, needs and desires, adopting a customer-centric logic (Nasution, Sembada, Miliani, Resti and Prawono, 2014). To enhance brand reputation and customer loyalty, marketing managers should differentiate their strategies and develop adequate experiences that could address target needs and preferences (Foroudi, Jin, Gupta, Melewar and Foroudi, 2016).

The online shopping channel is increasingly growing, and firms have to provide adequate to customer online engaging activities, with interaction elements (Stein and Ramaseshan, 2016). Rose et al. online customer experience model suggests to focus on the following five Affective Experiential State's elements (Rose, Clark, Samouel and Hair, 2012): Ease of Use; Customization; Connectedness; Aesthetics; Perceived Benefits. Every firm interpret sustainability with different strategies and consequently has differentiated positioning and strengths. Experiential marketing principles and tactics (Schmitt, 1999) could be adapted in the future to online interactions and all of the e-touchpoints. More, stimuli that create the customer experience might be built on the principal company's vision and core values on sustainability, and should be integrated in each micro moment of truth, digital channels included. However, only if digital experiences fits into the whole customer journey, consumers will be engaged and add value to the company (Kozinets, 2014). More, the physical and digital sides need to be well cross-channel orchestrated (Avery, Steenburgh, Deighton and Caravella, 2012).

As we know, the literature background about marketing sustainability, customer experience and customer journey is already well established. However, all of these concepts are explored in silos and

it seems they are not yet merged to respond to our original research questions: What pillars define the Sustainable Digital Customer Experience? Which tactics should be used to enhance sustainability in the customer experience also during the entire customer journey, digital moment of truth included?”.

Methodology

Based on the above mentioned literature background, this manuscript aims to highlight theoretical gaps and identify some further direction for researchers and practitioners.

The methodology adopted is a structure literature review, known as Scoping Study (Arksey and O'Malley, 2005). Scoping studies are defined by Mays, Roberts and Popay (2001, 194; in Arksey and O'Malley, 2005), as methods that aim to chart the key concepts that support a research area and the principal sources and kinds of evidence accessible. They can be set out as “stand-alone” projects in their own right, particularly if an area is complex or it has never been entirely examined before. Mays et al. comment that as researchers become more familiar with literature, they will undertake “more sensitive searches of literature” (Arksey and O'Malley 2005, 22). As such, researchers will not follow strict limits on the identification of fitting studies or on the study selection. This method requires an iterative process, not a linear one; this involves researchers undertaking every step in a thoughtful way and, if it is necessary, to repeat steps, in order to assure a complete and comprehensive coverage of literature. The literature review protocol (Arksey and O'Malley, 2005), in relation to the direction of a scoping study, consists of five stages: a) identifying the research questions; b) identifying relevant studies; c) study selection; charting the data; d) collating, summarizing and reporting the results. This short paper is describing in summary two scoping studies conducted to respond to the main research question: the first one to identify the fundamentals of the Sustainable Customer Experience concept; the second to apply these findings to the digital side of the integrated customer journey. The overall research question (a) is related to define the main pillars of the Sustainable Digital Customer Experience, and as such respond to the following main question: “Which tactics should be used to enhance sustainability in the customer experience also during the entire customer journey, digital moment of truth included?”. In particular, this short conceptual paper is describing the two studies (each with a specific sub RQs) that could help in defining what Sustainable Digital Customer Experience means according to the extant literature: its definition, fundamentals and conceptual framework.

Study 1 on Sustainable Customer Experience

Study 1 focuses its attention to highlight theoretical and managerial roots of the modern concept of the Sustainable Customer Experience. Since this concept is not discussed well yet in academia, there is a need for a deeper, multi-topics literature review, in particular pulling together Sustainability and Customer Experience scientific contributions.

Relevant studies (b) have been searched on five different databases (as suggested by Goyal, Rahman and Kasmi, 2013): Emerald Full Text, Elsevier's Science Direct, JSTOR, Taylor & Francis, Springer-Verlag. This first study did not apply any temporal filter. Six keywords are used in this first study: three on sustainability at a strategic level (corporate sustainability, sustainable business model, TBL triple bottom line) and three specific on customer experience (customer experience, sustainable customer experience, online customer experience). Each keyword was used in searches within each database, with restrictions on title, abstract and keywords in the initial search. The study selection (c) was conducted using the entire articles' contents, seeking relevance for the research questions. This resulted in 119 relevant papers, in particular: 29 on corporate sustainability, 21 on sustainable business model, 17 on triple bottom line, 30 on customer experience, 2 on sustainable customer experience, and 20 on online customer experience. Then, the full content of selected articles has been analysed and main findings helped in responding to the first study goal and to move to the next research phase. In particular, limitations in study 1 suggested to explore the theme upon a broader

view of online customer experience, well developed within the Integrated Customer Journey concept, in scientific and managerial contributions. So then, study 2 was built to fulfil those limitations.

Study 2 on Digital Customer Experience

This second scoping study aims to explore the Digital Customer Experience, following the same research protocol, but being more oriented to explore academic and managerial sources within a specific time range (2000-2019/august). The main keywords used in this second search were: customer journey, customer journey touchpoint, customer journey mapping. This search was run on scientific papers and on industry reports. Keywords are searched on abstracts and keywords of the academic articles, and the focalization on digital customer experience has been then stressed within the content analysis of full text of selected papers. This process lead to 68 relevant articles selected. Industry reports and companies reports, available online, have been capture within a Google engine search, and directly on important consulting and market research institutes website. The managerial section of the scoping study leads to select 49 industry reports. Some results are described next.

Results

Sustainable Customer Experience: literature review results

Study 1 data charting (d) revealed some interesting statistics, useful for understanding conceptual origins in terms of countries and time periods of the analysed articles. The articles were published in 71 journals, some appearing more frequently than others, in particular: International Journal of Retail & Distribution Management (frequency 8); Journal of Business Ethics, Journal of Cleaner Production (7); Journal of Brand Management, Journal of the Academy of Marketing Science Procedia-Social and Behavioural Science (5); Corporate Governance, Journal of Direct, Data and Digital Marketing Practice (3); and ten journals (including, Journal of Marketing, Journal of Business Research, International Journal of Physical Distribution & Logistics Management) with 2 articles each, and all of the others with one article each. So than, this literature review found widespread sustainability contributions in multiple journals.

The international authorship of sustainability articles is shown in descriptive statistics as the bigger cluster, with research teams of different nationalities collectively spanning the world. On customer experience topics, American authors are the most frequent.

About the general trend timeline: 101 articles (84,9%) were published in a 9-year range (2009-2018), with a slight variance in customer experience topics, that have some peaks in 2004-2007-2014-2017. This is an interesting finding, considering that the keywords search did not have any temporal filter. The content analysis of the 119 selected publications (e) revealed a literature gap in relation to the concept of Sustainable Customer Experience. Very few articles found with the keyword “Sustainable Customer Experience”, however only one precisely refer to this concept. Therefore, according to the literature study, it is possible to affirm that there is a theoretical gap within the business literature in relation to this topic. Regardless, the literature review on sustainability does provide useful insights. This short paper is not including further details about findings, that will be described during the conference presentation and in a further article.

Digital Customer Journey: literature review results

Study 2, collecting 68 relevant academic articles, shows the increased interest of researcher on Customer Journey research topic, with the following time range descriptive statistics: 8 studies are published before the year 2000, 13 between 2000 and 2009, 47 between 2010 and 2019. The most used keywords are: Omnichannel customer behaviour (12), Customer journey mobile (9), Augmented reality customer (7), Customer journey omnichannel (6), Customer showrooming (4), Customer journey (3), Machine learning marketing (3) and all of selected papers are connected to omnichannel. The fragmentation of sources, which the selected paper belong to, is evident, expect for some main

academic journal, such as: Journal of Business Research (5), Psychology & Marketing (4), Journal of retailing (4), Journal of marketing (3).

In addition to this search on academic sources, the second study included also other selected 49 managerial sources; about their time range: 10 reports were published before the year 2005, 11 between 2005 and 2017 and then 27 in the last two years (2018-2019). Comparing academic and industry sources it seems that the customer journey conceptualization has grown in parallel, with a similar trend line. Companies reports belong to the following firms: Google Inc. (14), Accenture (4), BGC (4), Forbes (4), SEMrush (3), PWC (2), Salesforce.com (2). The Study 2 managerial reports selected contain the following “keywords” as the most frequent words related to customer journey, such as: omnichannel, customer journey seamless experience, digital customer behaviour, service blueprinting, customer journey map, moment of truth, showrooming, customer journey measurement, survey and web analysis tool, buyer personas, CRM analysis, analyse market trends, marketing automation, machine learning, augmented reality, voice assistant marketing. This list is a first evidence of industry reports contents, that are pointing out more analysis, measurement and technology tools, to help in assisting the creation of an effective integrated customer journey.

Discussion

Based on the first literature review content, it was possible to highlight seven relevant elements that could lead to the formation of a Sustainable Customer Experience:

- [1] Customers need products, services and activities that are oriented to economic, social and environmental sustainability.
- [2] Sustainability can be improved through innovation and specific business functions.
- [3] The adoption of a sustainable strategy by a company leads to a competitive advantage and to a great economic profit.
- [4] Firms are increasingly internalizing sustainability following Sustainable Business Models.
- [5] Firms need to follow customers’ needs, beliefs and values.
- [6] Firms need to engage customers building Customer Experiences that are created following their needs, beliefs and values.
- [7] Customer Experience is one of the most important drivers in the creation of customer loyalty.

These elements could represent the base on which Sustainable Customer Experience might be developed. Sustainable customer experience is an evolution of the traditional customer experience concept, updated to the modern requests of customers, that have needs, beliefs and values that are changing and moving towards sustainability (Smith and Melissen, 2018). So than, it has been possible to define the Sustainable Customer Experience as *"A process that creates holistic value thanks to the customer's engagement derived by sensations, feelings, cognitions and behaviours evoked by sustainable stimuli, based on economic, social and environmental sustainability"* (Signori, Gozzo, Flint, Milfeld and Nichols, 2019). Moreover, this definition is broadening to other network members, and stakeholders in general, toward a new definition of Sustainable Stakeholder Experience framework (Signori, Cantele, and Gozzo, 2019). However, all of these new theoretical hints, could not refine the digital side of the interaction and this limitation is bridged with the second study.

The customer journey related literature suggest to consider all of the customer experiences of the customer journey, that is composed by three phase: before-during-after the purchase (Lemon and Verhoef, 2016). As such, omnichannel strategies (Google Inc report, 2018 October) should assist customers in every moment of truth and in every touchpoint (Bettucci, D’Amato, Perego and Pozzoli, 2016), providing unique experiences, complete, fluid and without channel barriers (Juaneda-Ayensa, Monquera, and Sierra Murillo, 2016). In a seamless (that means without interruptions) experience, consumers seek for simple and intuitive supports for their customer decision journey. This decision process is composed by four stages and it is circular (McKinsey report, Court, Elxinga, Mulder and Vetvik (2009), so then more attention is to give to end-to-end customer experience (Maechler, Neher and Park, 2016).

In the digital world the experience is everything (PWC report, Clarke and Kinghorn, 2018). The Marketing Science Institute states that customer experience is the next challenge for research, that could help to optimize marketing performance in every critical touchpoint during the customer journey. This statement is confirming the attention to details, that emerged in the first study. Action plans to influence positive digital experience responses is set as the short-term future key points by marketing practitioner (Accenture report, 2018 September).

This research helped in highlighting a literature gap, and in the meantime, merging different topics, is offering some cues to build a new conceptualization of Sustainable Integrated Customer Journey, where digital and physical touchpoints are orchestrated to offer valuable customer experiences.

Conclusions

In summary, this conceptual paper is contributing in highlighting a literature gap on Sustainable Digital Customer Experience, in the meantime contributing with some descriptive statistics on time range and key words to highlight literature gaps and hot topics related to the concept of Sustainable Digital Customer Experience. A key strength of the scoping study method is that it can provide a rigorous and transparent method for mapping areas of research (Arksey and O'Malley, 2005). These two studies in turn made it possible to identify the gaps in the evidence base, as well as summarizing some initial findings. This article, with all of the limitation of a short version. aims then to solicit further research and publications in order to contribute to new knowledge on Sustainability embedded in digital/integrated Customer Experiences.

References

References could be provided upon request.

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