A framework to improve the digital customer experience in complex services

Authors: Omnia Kandil - Laurence Dessart - Willem Standaert
Affiliation: Strategic Marketing Innovation, HEC Liège, Belgium
Euregio 2023, May 12, Maastricht
Who am I?

- **Doctoral** researcher at HEC Liège, Belgium
- Funded by **AG Insurance**
- Reach out: Omnia.kandil@uliege.be
Have you ever purchased an insurance product online directly from an insurance company?

1. Go to wooclap.com
2. Enter the event code in the top banner
   - Event code: ESDBKG

1. Send @ESDBKG to 0460 200 711
2. You can participate
1. Customer Experience

- **Trending & differentiator** for many businesses (Deloitte, 2022)
- However, the notion of CX in academia is **fragmented and non-coherent** (Becker & Jaakkola, 2020)
1. Customer Experience

Customer experience: fundamental premises and implications for research

Larissa Becker & Elina Jaakkola

Journal of the Academy of Marketing Science 48, 630–648 (2020) | Cite this article

Moving the Customer Experience Field Forward: Introducing the Touchpoints, Context, Qualities (TCQ) Nomenclature

Arne De Keyser, Katrien Verleye, and Philipp Klaus | View all authors and affiliations
1. Customer Experience

“Nondeliberate, spontaneous responses and reactions to offering-related stimuli embedded within a specific context”

(Becker & Jaakkola, 2020)
1. Customer Experience

TCQ (De Keyser et al., 2020)

**TOUCHPOINTS**
- PHYSICAL
- DIGITAL
- COMMUNICATION CHANNELS

**CONTEXT**
- INDIVIDUAL
- SOCIAL
- MARKET
- ENVIRONMENTAL

**QUALITIES**
- RESPONSES & REACTIONS

6 June 2023
2. Complex Services

Environments
Hospitals, airports, insurance & online platforms

Interconnected networks
People, organizations, technologies, and processes. (Benedettini & Neely, 2012), e.g., B2B2C distribution (Mingione & Leoni, 2020)

Competing interests
Multiple levels of decision-making (Briscoe et al., 2012) Influenced by regulations, competition, and technology (Spohrer et al., 2007).
3. Context

Setting the Scene...

- Digital **touchpoints** are increasingly used to **improve** CX (Lemon & Verhoef, 2016)
- Customers may **communicate with businesses** at any time with technology (Verhoef et al., 2021)
- Digitalisation is **not a one-size-fits-all** approach (Tabrizi et al. 2019)
  
  E.g., CS → lagging
3. Context

Sounds promising, but....

Create new **challenges and barriers** for customers (Standaert & Muylle, 2022)

Challenges to technology adoption are **context-specific** (Claudy et al., 2015).

CX is also **context-specific** (Becker & Jaakkola, 2020)
3. Context

Context-specific: Insurance in Belgium

- 80% rely on brokers, agents, or banks ➔ Intermediaries (Brophy, 2013)
- Intermediaries fear to be over crossed by digitalisation (Accenture, 2022)
- Customers trust intermediaries due to proximity (Gittell, 2002)
4. Objectives

RQ1: What are the CX challenges?

RQ2: How can they become levers?

Develop a framework to define and address the challenges
5. Methodology

Research design:

- Goals are **Exploratory** ➔ **Qualitative** approach
- **Semi-structured interviews**

Themes:

- Perceptions
- Digitalisation
- Relationships

Customer Journey
6. Data Collection

Convenience sample
22 interviews
More than 28 hours of data
Online & face-to-face

45%
55%
7. Data Analysis

Following the Gioia method (Gioia et al., 2013)

Quotes ➔ 1st theme ➔ 2nd theme ➔ Aggregate dimension

“It is no accessible language. I have to read it a couple of times.”

Language specificity

“The broker explaining all the documentation to me was really useful. Because it helps you to really understand, what you just cannot do by yourself.”

Expert dependence

Excessive Jargon usage

Offering Complexity
8. Findings

1. Offering Complexity

“It's like throwing money down the drain, you will never see it back”
“So many different insurance companies, with so many different rates”
8. Findings

2. Access Complexity

“The need for access to information translates into the digital presence and having the information accessible fast on the device that I am using”

“Bringing you the data in a very simple and accessible way”

- Contract Inaccessibility
- T&Cs Inaccessibility
- Pricing Inaccessibility
- Lack of Comparability
- Unclear coverage overview

Lack of Findability

Obscurity

Access Complexity
8. Findings

3. Relational Complexity

"The explanation can differ from person to person or office to office."

“I want my online experience to be as efficient as possible”

- Communication inefficiency
  - Unclear channel options
  - Single point of contact
  - Lack of conversation

- Unreliability
  - Inconsistency

Relational Complexity

Communication ambiguity

Lack of Trust
9. Framework

**Post-**  ➔  Complaints  ➔  Better CX
(Challenging (Vakulenko et al., 2019)
Stakeholder Engagement ➔ Value
co-creation (Hollebeek et al., 2020)

**Purchase**  ➔  Reassurance (Lemon &
Verhoef, 2016)
Access to information ➔
Transparency

**Pre-**  ➔  Challenging (Vakulenko et al.,
2019)
Simplicity ➔ time & effort “Difficulty”
(Benedettini & Neely, 2012).
10. Conclusion

• Contribution ➔ Improving the CX in CS

➢ academic: gap/ practice: framework

• CX specificity ➔ Requires context-specific studies (Stremersch et al., 2022)

➢ Complexity & Uncertainty ➔ Still need human assistance

• More focus on B in a B2B2C (De Keyser et al., 2020)

➢ Intermediaries ➔ Impact CX (Dominique-Ferreira, 2018)

• Future research ➔ Validate the framework, Quant., type of technology

• Limitation ➔ Technology, industry & customers as homogenous
Thank you for listening

Questions?

Omnia.kandil@uliege.be