



Applied Leadership and Management in the Workplace
Module Assignment Submission

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Statement of Confirmation of Authenticity

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Introduction

Background

The delivery of an exceptional customer experience has become a strategic priority for organisations operating within increasingly competitive service industries. As products and services become more comparable, businesses are increasingly differentiated by the quality of the experiences they create throughout the customer journey. Lemon and Verhoef (2016) describe customer experience as the cumulative impact of all interactions between a customer and an organisation across the pre-purchase, purchase, and post-purchase stages. Consequently, organisations must consistently manage every customer touchpoint to enhance satisfaction, encourage loyalty, and develop long-term customer relationships.

Relationship marketing further emphasises that sustainable competitive advantage is achieved through developing lasting customer relationships rather than focusing solely on individual transactions. Grönroos (2004) argues that value is co-created through continuous interaction and trust between organisations and customers. These principles are particularly relevant within service businesses, where customer perceptions are strongly influenced by personalised service, relationship quality, and employee interactions.

Within the UK hairdressing industry, customers increasingly expect technical expertise, personalised service and convenience. Consequently, independent businesses must effectively manage customer experience to retain existing customers, attract new clients, and remain competitive.

Aim of the Report

The aim of this report is to critically evaluate how Enigma Hair Salon creates, manages, and enhances customer experience throughout the customer life cycle. Drawing upon relevant theory and research, the report evaluates the salon's approach to customer relationship management (CRM), customer value creation, customer centrality, customer segmentation, service quality, and customer loyalty. The analysis applies these concepts to Enigma to identify strengths, areas for improvement and evidence-based recommendations.

Scope of the Report

The report focuses on the customer experience strategies implemented within Enigma, an independent owner-managed business operating within the UK hair and beauty industry. It

evaluates customer interactions from initial engagement through to long-term retention, considering how business practices influence customer satisfaction, loyalty, and perceived value. The recommendations provide practical, achievable improvements to strengthen customer relationships and support the salon's long-term success.

Organisational Overview: Enigma Hair Salon

Business Overview

Enigma Hair Salon is an independent, owner-managed business operating within the UK hair and beauty industry. The salon provides a comprehensive range of professional hairdressing services while differentiating itself through personalised customer care, service quality, and long-term client relationships. Unlike larger salon chains that benefit from greater financial resources and brand recognition, Enigma competes by delivering tailored services that reflect the individual needs and preferences of each customer.

This approach aligns with relationship marketing theory, which suggests that sustainable competitive advantage is achieved through developing long-term customer relationships rather than focusing solely on individual transactions. Berry (1995) argues that relationship marketing creates customer value by fostering trust, commitment, and ongoing engagement. Similarly, Payne and Frow (2005) argue that organisations integrating Customer Relationship Management (CRM) into their strategy are better positioned to create customer value and improve organisational performance. A strong customer orientation also enables organisations to respond more effectively to changing customer needs, supporting long-term profitability. Narver and Slater (1990) Consequently, Enigma's personalised approach represents a key competitive strength.

Organisational Structure

Enigma operates with a lean organisational structure comprising of the owner, one qualified stylist and one apprentice. This enables direct communication, rapid decision-making, and close supervision of service delivery, allowing business decisions to remain closely aligned with customer needs.

However, limited staffing also increases operational pressures and places greater reliance on employees to maintain consistently high service standards. Gronroos (2004) argues that employee interactions play a central role in creating customer value, while Brady and Cronin (2001) suggest that employee capability and service quality are fundamental to customer satisfaction and loyalty. Continued investment in staff development is therefore

essential to maintaining service consistency and supporting positive customer experiences.

Service Offering

Enigma provides precision cutting, colouring, styling, conditioning treatments and special occasion hair services. Each appointment begins with a personalised consultation to understand the customer's requirements, assess hair condition, and agree on realistic outcomes.

This consultation process reflects the principles of value co-creation, whereby customers actively participate in creating value through dialogue and collaboration Prahalad and Ramaswamy (2004) By tailoring services to individual needs, Enigma manages customer expectations, reduces service uncertainty, and strengthens trust, supporting higher levels of customer satisfaction. Gronroos (2004)

Customer Base

Enigma primarily serves women and children within the local community, with a large proportion of repeat customers. This loyal customer base provides a stable source of revenue while reducing the costs associated with acquiring new customers.

Hennig-Thurau et al (2002) found that trust and relationship quality encourage loyalty, while Oliver (1999) argues that loyalty develops through consistently positive customer experiences. However, Reinartz and Kumar (2000) caution that loyalty should also generate commercial value. For Enigma, maintaining personalised relationships while ensuring long-term profitability remains essential.

Competitive Environment

The UK hairdressing industry is highly competitive, with independent salons competing alongside national chains, self-employed stylists and mobile hairdressers. Customers can readily compare prices, reviews, service quality and convenience before choosing a provider, increasing the importance of delivering consistently positive customer experiences.

Verhoef et al (2009) suggest that customer value has become an important source of competitive advantage with organisations increasingly differentiating themselves through the overall customer experience rather than technical service alone. Lemon and Verhoef (2016) further argue that every customer interaction influences future perceptions and

behaviors. Enigma's emphasis on personalised consultations, relationship building and service consistency therefore provides a competitive advantage that is more difficult to replicate than competing on price alone.

Critical Evaluation

Enigma's personalized service, close customer relationships and flexible organisational structure provide a strong foundation for delivering excellent customer experience. However, its small workforce creates capacity constraints and increases dependence on individual employees to maintain service quality consistently. As customer expectations continue to evolve, sustaining competitive advantage will require the salon to complement its personalised approach with more structured customer experience and relationship management practices that support continuous improvement. Oliver (1999)

Customer Lifecycle Analysis

Understanding the Customer Lifecycle

The customer lifecycle represents the sequence of interactions customers experience throughout their relationship with an organisation, from initial awareness and acquisition through service delivery, retention and advocacy. Rather than viewing customer interactions as isolated transactions, the customer lifecycle adopts a relationship-oriented perspective in which every touchpoint influence customer perception, satisfaction and future behavioural intentions. Lemon and Verhoef (2016) argue that organisations managing each stage of the customer journey effectively are more likely to strengthen customer relationships, improve retention, and achieve sustainable competitive advantage.

Traditional marketing models describe purchasing as a linear process from awareness to purchase. Court et al (2009) argue that customers actively compare alternatives throughout the consumer decision journey rather than progressing through a simple linear purchasing process. Similarly, Hamilton and Price (2019) suggest that purchasing decisions are influenced by interactions across multiple channels. This is particularly relevant within the hairdressing industry, where customers perceive high personal and financial risk and therefore seek reassurance before committing to a service.

For Enigma, the customer lifecycle begins before customers enter the salon. Initial perceptions are shaped through social media, online reviews, personal recommendations, and the booking process before being reinforced through consultations, service delivery,

and post-appointment communication. Voorhees et al (2017) describe the customer journey as a network of interconnected touchpoints, while Becker and Jaakkola (2020) argue that customer experience is continuously interpreted and evaluated over time. Consequently, every interaction contributes to customers' overall perception of the business.

Service-Dominant Logic further explains that value is co-created through collaboration between organisations and customers rather than embedded solely within the service itself. Vargo and Lusch (2004) Personalised consultations and tailored recommendations therefore enable Enigma's customers to actively participate in the service process, increasing perceived value and strengthening relationships. De Keyser et al (2020). However, organisations must also manage customer expectations consistently throughout the service journey to minimise dissatisfaction and encourage future loyalty. Tax et al (2013)

Overall, effective customer lifecycle management requires organisations to deliver a consistent customer experience across every stage of the journey. For Enigma Hair Salon, adopting this approach provides opportunities to strengthen customer relationships, encourage repeat business, and generate positive referrals within an increasingly competitive marketplace.

Customer Acquisition

Customer acquisition represents the first operational stage of the customer lifecycle and involves the activities used to attract prospective customers and convert them into first-time clients. Within service industries, acquisition extends beyond traditional promotion to include every interaction that shapes customer perceptions before a purchase decision is made.

Court et al (2009) argue that customers actively compare alternatives throughout the consumer decision journey rather than progressing through a simple linear purchasing process. Hamilton and Price (2019) similarly suggest that purchasing decisions are influenced by interactions across multiple channels. This is particularly relevant within hairdressing, where customers perceive high personal and financial risk and therefore seek reassurance before committing to a service.

For Enigma, customer acquisition is primarily influenced by its online presence, local reputation, and personal recommendations. Customers are likely to evaluate the salon through its website, social media platforms, and online reviews before making an

appointment. Lemon and Verhoef (2016) and Verhoef et al (2009) argue that customer experience begins before service consumption, with pre-purchase touchpoints shaping expectations and purchase intentions. Consequently, acquisition should be viewed as the cumulative outcome of multiple customer interactions rather than a single marketing activity.

Digital channels play an increasingly important role in shaping customer perceptions. Becker and Jaakkola (2020) and De Keyser et al (2020) argue that customer experiences emerge through interconnected touchpoints, while Rosenbaum et al (2017) emphasise the value of managing these touchpoints strategically. For Enigma, engaging social media, customer testimonials and online booking strengthen credibility and reduce perceived risk.

Trust is equally important within the personal service industries. Sirdeshmukh et al (2002) argue that trust develops through reliable service, organisational competence, and ethical behaviour. Payne et al (2007) further suggests that value is enhanced when customers actively participate in service interactions. Transparent pricing, personalised communication and professional consultations therefore establish confidence before the first appointment while initiating value co-creation.

Although word-of-mouth referrals remain a significant strength, relying on them alone may restrict future business growth. Homburg et al (2017) and Voorhees et al (2017) emphasise the importance of managing customer experience consistently across both digital and physical channels. For Enigma, strengthening online visibility, encouraging customer reviews and maintaining consistent branding would broaden customer acquisition while preserving the personalised service on which its reputation is built.

Whilst Enigma's strong local reputation and positive word-of-mouth referrals provide a valuable source of customer acquisition, relying predominantly on these channels presents strategic limitations. Word-of-mouth is difficult to control or predict. Furthermore, increasing competition from independent salons and digital-first competitors means prospective customers are more likely to compare businesses online before making a booking. Consequently, complementing relationship-based referrals with a more proactive digital acquisition strategy would provide a more balanced and sustainable approach to attracting new customers while reinforcing Enigma's existing reputation.

Consultation and Booking Experience

The consultation and booking stage represent a critical transition between customer acquisition and service delivery, shaping customer expectations, and influencing perceptions of service quality. In high-contact services such as hairdressing, customers evaluate not only technical competence but also communication, responsiveness, and professionalism before the service begins.

Expectation Confirmation Theory Oliver (1980) suggests that satisfaction is determined by the extent to which perceived performance meets or exceeds customer expectations. Effective consultations therefore play a crucial role in understanding customer preferences, clarifying desired outcomes, and reducing uncertainty before treatment commences. An adapted version of the framework, developed for this report and applied to Enigma Hair Salon, is presented in Appendix A.

Enigma adopts a personalised consultation process in which stylists discuss customer requirements, assess hair conditioning, and recommend suitable treatments. This reflects Gronroos (2004) view that value is created through ongoing interaction rather than through the service outcome alone. Prahalad and Ramaswamy (2004) similarly argue that customers become active participants in value creation through dialogue and collaboration. By tailoring advice to individual needs, Enigma strengthens trust while increasing customers' confidence in the service.

The booking experience also contributes to overall customer perceptions. Lemon and Verhoef (2016) emphasise that every touchpoint influences the customer experience, meaning that responsive communication, convenient appointment scheduling, and clear information are essential. Maintaining a seamless booking process therefore supports positive first impressions and establishes the foundation for long-term customer relationships.

Service Delivery

Service delivery represents the core stage of the customer lifecycle, where customer expectations are either confirmed or disconfirmed through direct interaction with employees. Because hairdressing services are produced and consumed simultaneously, customers evaluate both the technical quality of the outcome and the interpersonal aspects of the experience.

The SERVQUAL framework, Parasuraman et al (1988) identifies reliability, responsiveness, assurance, empathy, and tangibles as the principal dimensions of perceived service quality. An adapted version of the framework, tailored to Enigma, is presented in Appendix B.

Within Enigma, these dimensions are demonstrated through professional expertise, personalised attention, consistent communication, and a welcoming salon environment. Such interactions contribute to customer satisfaction by reinforcing perceptions of competence and care.

Bitner (1992) further highlights the influence of the servicescape on customer behaviour, arguing that the physical environment shapes emotional responses and service evaluations. A clean, comfortable, and professional salon therefore enhances the overall customer experience alongside technical service quality.

However, maintaining consistent standards can be challenging within a small business where service delivery depends heavily on individual employees. Brady and Cronin (2001) argue that service quality is influenced by interaction quality, outcome quality, and the service environment. Continued staff development and consistent service processes are therefore essential to sustaining customer satisfaction and encouraging repeat business.

Customer Retention and Loyalty

Customer retention focuses on maintaining long-term relationships with existing customers and encouraging repeat business. For service organisations, retaining customers is generally more cost-effective than continually acquiring new ones and contributes to greater long-term profitability. Livne et al (2011).

Berry (1995) suggests that relationship marketing proposes that loyalty develops through trust, commitment, and consistently positive service experiences. Hennig-Thurau et al (2002) further demonstrate that relationship quality significantly influences customer retention, while Oliver (1999) argues that true loyalty extends beyond repeated purchasing to include a strong psychological commitment to the organisation. Dick and Basu (1994) similarly distinguish between behavioural loyalty, reflected in repeat patronage, and attitudinal loyalty, characterised by positive emotional attachment and advocacy. Enigma benefits from a loyal customer base built through personalised service and strong stylist-client relationships, encouraging repeat appointments and positive word-of-mouth.

Despite these strengths, opportunities exist to strengthen retention further through more structured relationship management. Payne and Frow (2005) argue that CRM enables

organisations to use customer information strategically to deliver personalised experiences and build stronger relationships. Introducing a digital CRM system would allow Enigma to maintain customer preferences, appointment histories and personalised communications, supporting more consistent engagement and long-term loyalty.

Customer feedback also plays an important role in retention. Tax et al (1998) demonstrate that effective complaint handling and service recovery can strengthen customer relationships by restoring trust following service failures. Regular feedback collection would therefore enable Enigma to identify improvement opportunities while reinforcing its commitment to customer satisfaction.

However, customer retention should not be viewed solely in terms of repeat appointments. Whilst frequent visits may indicate customer satisfaction, they do not necessarily reflect genuine loyalty or long-term commitment. Dick and Basu (1994) distinguish behavioural loyalty, where customers repeatedly purchase a service, from attitudinal loyalty, where customers develop a strong emotional attachment to the organisation. Within the hairdressing industry, customers may continue visiting a salon due to convenience or familiarity but remain willing to switch providers if competitors offer greater value, availability, or promotional incentives. Consequently, Enigma should focus on strengthening emotional engagement through personalised communication, relationship-building and consistently high-quality service, thereby creating deeper customer commitment that is less vulnerable to competitive pressures.

Overall, Enigma has established a strong relationship-based approach to customer retention. However, integrating personalised service with structured CRM and continuous feedback would strengthen customer loyalty further while supporting sustainable business growth.

Customer Relationship Management (CRM)

Understanding CRM

Customer Relationship Management (CRM) is a strategic approach that enables organisations to develop, maintain, and strengthen long-term customer relationships by integrating customer information, business processes, and communication. Payne and Frow (2005) argue that CRM integrates people, processes, and technology to create long-term customer value. Similarly, Reinartz et al (2004) suggest that effective CRM enables organisations to strengthen customer relationships while improving business performance

through coordinated customer management. An adapted version of the strategic CRM framework tailored to Enigma is presented in Appendix C.

Within service businesses such as Enigma, CRM contributes to stronger customer relationships through personalised communication, appointment management, and tailored service delivery. By capturing customer preferences and interaction histories, organisations can deliver more consistent experiences that encourage satisfaction, loyalty and repeat business.

Enigma's Current CRM Approach

Enigma currently adopts an informal relationship-based approach to CRM. Customer information is largely retained through personal knowledge developed by the owner and salon staff rather than through a structured digital system. This enables highly personalised interactions, with stylists recalling customer preferences, previous treatments, and individual requirements during appointments.

This personalised approach reflects relationship marketing principles, which emphasise trust, commitment and ongoing interaction as the foundation of long-term customer relationships. Grönroos (2004) argues that value is created through continuous interaction and communication between organisations and customers. Consequently, strong interpersonal relationships represent one of Enigma's key competitive strengths and contribute to high levels of customer satisfaction and repeat business.

However, dependence on staff memory creates operational risks. Customer information may be inconsistent, difficult to share between employees and vulnerable if staff are unavailable or leave the business. Payne and Frow (2005) argue that effective CRM requires customer information to be systematically captured and integrated into organisational processes to support consistent service delivery.

Strategic Benefits of CRM

A structured CRM system would provide Enigma with opportunities to strengthen customer experience while improving operational efficiency. Recording appointment histories, colour formulations and communication preferences, colour formulations and communication preferences would enable more personalised services while reducing reliance on employee memory.

CRM also supports proactive customer engagement through appointment reminders, personalised promotions, birthday messages, and follow-up communications. Reinartz et

al. (2004) argue that organisations using customer information strategically are better positioned to improve customer retention, strengthen customer relationships, and enhance long-term profitability.

Beyond customer communication, CRM provides valuable management information that can support strategic decision-making. Analysing customer behaviour, retention rates, and purchasing patterns enables organisations to identify trends, evaluate service performance, and allocate resources more effectively. For Enigma, these insights would support evidence-based decision-making while maintaining a personalised service approach. Payne and Frow (2005)

CRM also enables Enigma to segment its customers based on factors such as appointment frequency, preferred services, and purchasing behaviour. This allows the salon to provide personalised marketing and appointment reminders rather than treating all customers the same. By understanding the different needs of customer groups, Enigma can improve customer satisfaction whilst making marketing activities more effective and efficient. Customer segmentation therefore strengthens both relationship management and long-term business performance. Reinartz et al (2004)

Challenges of CRM Implementation

Although CRM offers significant benefits, successful implementation requires more than purchasing software. Coltman (2007) argues that CRM success depends upon aligning technology with organisational strategy, employee capability, and customer-focused processes. Without appropriate staff training and consistent use, CRM systems frequently fail to deliver their expected benefits.

Employee engagement is particularly important within small businesses where service quality depends heavily on interpersonal relationships. Nguyen et al (2007) emphasise that organisational culture and employee commitment influence CRM effectiveness as much as technological capability. Consequently, any CRM system introduced at Enigma should complement, rather than replace, the personalised relationships that distinguish the salon from larger competitors.

Data protection also requires careful consideration. Customer information must be collected, stored and managed in accordance with UK General Data Protection Regulation (UK GDPR) requirements and Information Commissioner's Office (ICO, 2024) guidance. Appropriate consent procedures and secure data management are therefore essential to maintaining customer trust. Wei et al (2026)

Despite these advantages, implementing CRM also requires careful consideration of the balance between technological efficiency and personalised service. Whilst digital systems enable customer information to be recorded and shared more effectively, excessive reliance on technology may reduce the personal interactions that many customers value within independent salons. Relationship marketing emphasises that trust and loyalty are developed through meaningful human interactions rather than technology alone. Therefore, CRM should be viewed as an enabler of customer relationship management rather than a replacement for it. For Enigma, the greatest strategic benefit will be achieved by combining structured customer information with the owner's existing relationship-focused approach, ensuring that technology enhances rather than diminishes the personalised customer experience that differentiates the business from larger competitors.

Critical Evaluation

Enigma has developed strong customer relationships through personalised service and close interaction with its clients. However, its reliance on informal knowledge limits opportunities to manage customer information consistently and support future business growth. Implementing a digital CRM system would strengthen customer engagement, improve operational efficiency, and enhance strategic decision-making while preserving the personalised service that differentiates the salon. To maximise its effectiveness, CRM should be integrated with staff training, customer feedback processes, and ongoing relationship management rather than viewed solely as a technological solution.

Strategic Recommendations

The analysis demonstrates that Enigma has established a strong reputation through personalised service and close customer relationships. However, maintaining this competitive advantage will require more structured customer relationship management, improved digital engagement, and systematic customer feedback. The following recommendations are designed to strengthen customer experience while supporting sustainable business growth.

The recommendations are prioritised because implementing a digital CRM system first provides the foundation for customer segmentation, personalised communication, and relationship management. Loyalty initiatives, digital engagement and continuous customer feedback can then build on reliable customer information to strengthen customer experience and support continuous improvement.

Strengthening CRM

The highest priority should be the implementation of a digital Customer Relationship Management (CRM) system. Although Enigma currently provides highly personalised service, customer information is primarily retained through staff knowledge, creating risks to service consistency and future growth.

A digital CRM system would enable the salon to securely record appointment histories, colour formulations, product preferences and communication records, ensuring customer information is accessible and consistently applied across the business. Payne and Frow (2005) argue that CRM creates greater customer value by integrating customer information with organisational processes, while Reinartz et al (2004) demonstrate that strategic CRM strengthens customer relationships and improves organisational performance.

Successful implementation should be supported through staff training and compliance with UK GDPR requirements to ensure customer data is managed securely and ethically.

Increasing Customer Loyalty and Retention

While Enigma benefits from a loyal customer base, introducing a structured customer retention programme would encourage repeat business and strengthen long-term relationships. This could include loyalty rewards, personalised promotions, birthday offers, and appointment reminders.

Gupta and Zeithaml (2006) argue that retaining existing customers is generally more cost-effective than continually acquiring new customers. Furthermore, Hennig-Thurau et al. (2002) suggest that loyalty develops through trust, commitment, and consistently positive service experiences. Dick and Basu (1994) distinguish between behavioural loyalty, reflected in repeat visits, and attitudinal loyalty, characterised by emotional commitment and positive advocacy. A structured retention programme would strengthen both forms of loyalty while increasing customer lifetime value.

Expanding Digital Engagement

Rawson et al (2013) suggest that digital engagement should become a greater strategic priority to strengthen customer relationships beyond the business environment. Regular social media content, haircare advice, customer testimonials, and before-and-after images can maintain customer interest while attracting prospective clients.

Lemon and Verhoef (2016) argue that customer experience extends across every touchpoint rather than being limited to service encounters. Maintaining consistent communication across digital channels therefore reinforces customer relationships and supports brand visibility. Integrating digital engagement with CRM would also enable more personalised and timely customer communication.

Embedding Continuous Customer Feedback

Enigma should introduce a structured customer feedback process to support continuous service improvement. Feedback could be collected through post-appointment surveys, online reviews, or brief digital questionnaires.

Customer feedback provides valuable insight into customer expectations, satisfaction, and service quality. Tax et al (2013) argue that effective service recovery strengthens customer relationships by restoring trust following service failures. Regular feedback would therefore enable Enigma to identify improvement opportunities, monitor customer satisfaction, and respond proactively to emerging issues.

Implementation Roadmap

The following implementation roadmap translates the strategic recommendations into a phased action plan for Enigma Hair Salon. Prioritising initiatives ensure that each recommendation supports the successful implementation of the next while minimising disruption to daily operations.

Phase	Strategic Action	Expected Outcome
One	Implement a digital CRM system and train staff.	Improved customer information management and more consistent service delivery.
Two	Introduce a structured customer loyalty and retention programme.	Increased repeat business and stronger long-term customer relationships.
Three	Expand digital customer engagement through social media and personalised communications.	Greater customer engagement, improved brand visibility, and new customer acquisition.
Four	Embed continuous customer feedback and monitor customer satisfaction.	Ongoing service improvement and evidence-based business decision-making.

The recommendations should be implemented sequentially, beginning with CRM as the foundation for the remaining initiatives. Loyalty, digital engagement, and customer

feedback should then strengthen relationships and support continuous improvement. Collectively, these initiatives provide a practical and integrated roadmap for enhancing customer experience, strengthening customer relationships, and supporting the sustainable growth of Enigma.

Conclusion

This consultancy report has critically evaluated the customer experience strategies implemented by Enigma and assessed how these influence customer satisfaction, loyalty and long-term business performance. The analysis demonstrates that the salon's competitive advantage is built upon personalised service, strong customer relationships, and consistent service quality, which have contributed to a loyal customer base and positive customer experiences.

Applying customer experience, relationship marketing, and Customer Relationship Management (CRM) theory highlighted both strengths and opportunities for improvement. While Enigma delivers a highly personalised service, its reliance on informal customer knowledge limits opportunities to manage customer relationships consistently and support future growth. The evaluation also identified the increasing importance of digital engagement, structured customer feedback, and data-informed decision-making in meeting evolving customer expectations.

The report recommends implementing a digital CRM system, strengthening customer retention initiatives, expanding digital customer engagement, and embedding continuous customer feedback. Collectively, these recommendations strengthen customer experience, customer relationships, and sustainable business growth while preserving Enigma's personalised service.

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Appendices

Appendix A – Adapted Expectation Confirmation Theory Applied to Enigma

Stage	Application to Enigma Hair Salon	Customer Outcome
Customer Expectations	Customer forms expectations regarding hairstyle, colour, treatment, price, appointment availability and salon reputation.	Initial expectations established before booking.
Consultation and Booking	Stylist discusses hair condition, desired outcome, treatment options, pricing, timing, and realistic results during the consultation.	Expectations are clarified and aligned with achievable outcomes.
Service Delivery	Haircut, colouring or treatment is delivered alongside professional customer care and communication throughout the appointment.	Customer evaluates both technical quality and overall service experience.
Confirmation/ Disconfirmation	Customers compare the finished result with the expectations established during the consultation.	Expectations are either confirmed, exceeded, or not met.
Customer Satisfaction	Satisfaction is influenced by the perceived quality of the service, communication, and overall experience.	Increased trust and perceived value.
Behavioral Outcome	Satisfied customers are more likely to rebook appointments, recommend the salon, and develop long-term loyalty.	Repeat business, positive word-of-mouth and customer retention.

Appendix B – Adapted SERVQUAL Model Applied to Enigma

SERVQUAL Dimension	Application to Enigma Hair Salon	Customer Outcome
Reliability	Deliver appointments on time and achieve the agreed hairstyle or treatment.	Confidence in service consistency and quality.
Responsiveness	Respond promptly to enquiries, appointment changes and customer concerns.	Respond promptly to enquiries, appointment changes and customer concerns.
Assurance	Demonstrate professional qualifications, expertise, and product knowledge throughout the service.	Increased trust and confidence in the stylist.
Empathy	Provide personalised consultations, attentive communication, and individualised recommendations.	Stronger customer relationships and satisfaction.
Tangibles	Maintain a clean, modern salon with professional equipment and presentation.	Positive first impressions and enhanced service experience.

Appendix C – Adapted Strategic CRM Framework Applied to Enigma

CRM Activity	Applied at Enigma Hair Salon	Expected Customer Outcome	Business Benefit
Customer Data Collection	Record consultation notes, colour formulations, allergies, treatment history and communication preferences	More personalised consultations and services	Improved service consistency and customer satisfaction
Customer Segmentation	Group customers by service history, visit frequency and treatment preferences	More relevant promotions and recommendations	More effective marketing and higher customer engagement
Personalised Communication	Automated appointment reminders, birthday messages, personalised follow-ups and product recommendations	Customers feel recognised and valued	Increased repeat bookings and stronger relationships
Relationship Development	Encourage referrals, loyalty rewards and regular rebooking	Increased trust and emotional commitment	Improved customer retention and customer lifetime value